

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting Company's **Twenty Fifth Annual Report** and Audited Financial Statements for the year ended 31st March, 2019

1 FINANCIAL RESULTS

Particulars	₹/Lacs	
	2018-19	2017-18
Gross Turnover	491919.04	470955.40
Profit before depreciation & tax	66793.84	62599.53
Less: Depreciation	19436.50	18626.77
Profit Before Tax	47357.34	43972.76
Tax Expense (Including deferred tax and tax adjustment of earlier years)	14867.80	9785.40
Profit After Tax	32489.54	34187.36
Add: Retained earning at the beginning of the year	91463.67	69890.85
Transfer to Debenture Redemption Reserve	(87.60)	9.40
Dividend to Equity Shares (including tax thereon)	9315.10	8430
Balance to be carried forward	105672.09	91463.67

2 PERFORMANCE OF THE COMPANY

Your Company's performance during the year under report has overall improved. The Company's gross turnover increased by 4.5% to ₹ 4919.19 Crore during the year compared to ₹ 4709.55 Crore in previous year. Profit before Depreciation and Tax increased to 668 Crores compared to ₹ 626 Crores.

3 PERFORMANCE OF THE SUBSIDIARY/JOINT VENTURE COMPANIES

The Company has three subsidiaries. There has been no material change in the nature of the business of subsidiaries.

SUBSIDIARY COMPANY

J.K. Cement (Fujairah) FZC recorded net income of AED 4416725 (equivalent to ₹ 822.16 Lacs) for the year ended 31st December, 2018 (Previous year net income of AED 1,501.675 equivalent to ₹ 266.26 Lacs)

JK Cement Works (Fujairah) FZC is involved in principal business of manufacturing and sale of white cement in Middle East and GCC market and has recorded a turnover of AED 140,964,721 (Previous year AED 143,747,087). It recorded a loss of AED 37,235,407 (equivalent to ₹ 6685.22 Lacs) for the year ended 31st December, 2018 {Previous year a loss of AED 30,883,604 (equivalent to ₹ 5567.40 Lacs)}

JK White Cement (Africa) Ltd. is second level step down subsidiary of the Company newly incorporated on 4th November, 2018 in Republic of Tanzania. 99.90 % stake is held by JK Cement Works (Fujairah) FZC. It is engaged in the business of manufacturing/trading/import/export of all types of cement, wall putty other allied products, cement clinker, limestone, gypsum etc.

Jaykaycem (Central) Ltd, intends to set up grey cement manufacturing facilities, recorded a net profit of ₹ 3.85 Lacs (previous year loss ₹ 64.41 Lacs) for the year ended 31st March, 2019.

JOINT VENTURE

During the year under report Bander Coal Company Private Limited has been liquidated.

4. CONSOLIDATED FINANCIAL STATEMENTS

The statement as required under Section 129 of the Companies Act, 2013, in respect of the subsidiaries of the Company viz. J.K. Cement (Fujairah) FZC, J.K. Cement Works (Fujairah) FZC and Jaykaycem (Central) Ltd are annexed and forms an integral part of this Report. Consolidated Financial Statements prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India, form part of the Annual Report and Accounts.

5. DIVIDEND

In terms of Dividend Policy your Directors are pleased to recommend dividend of ₹ 10 per equity share (previous year ₹ 10 per equity share) of face value of ₹ 10 each aggregating to ₹ 93.15 Crore (Previous Year ₹ 84.30 Crore) for the financial year ended 31st March, 2019

6. TRANSFER TO RESERVES

The Company proposes to transfer ₹ 87.60 Lacs (previous year ₹ 9.40 Lacs) from Debenture Redemption Reserve and ₹ 10000 Lacs (previous year ₹ 6000 Lacs) to General Reserve during Financial Year 2018-19

7. SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2019 remained at ₹ 77.27 Crores. During the period under report, your Company has issued 7341001 Nos of Equity Shares to QIBs by way of Qualified Institutional Placement and raised ₹ 510.79 Crores which your Company utilised in terms of Placement Document except for idle surplus funds amounting to ₹ 440.60 Crores not required for immediate, gainfully invested in liquid investments payable on demand of which ₹ 255.60 Crores was outstanding as on 31.3.19.

8. FINANCE

During the year under report, your Company has availed a sum of ₹ 130 Crores towards disbursement of term loans (previous year no such disbursement). However it repaid ₹ 170.74 Crores (previous year ₹ 241.46 Crore) towards Term Loan and NCD.

9. CREDIT RATING

In spite of challenging cement industry scenario, CARE has reaffirmed your Company's rating as "CARE AA" for long term bank facilities and "CARE A1+" for short term bank facilities.

10. PARTICULARS OF GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

11. OPERATIONS

Grey Cement

During the year under report production increased by 6.11% at 8.37 Million Tonne (compared to 7.89 Million Tonne last year) and sales increased by 6% at 8.36 Million Tonne (compared to 7.88 Million Tonne last year).

White Cement

Production of White Cement & Wall Putty increased by 7.31% at 12.62 Lac Tonne during the year compared to 11.76 Lac Tonne last year. Sale was also in tandem with production.

12. PROJECTS OF THE COMPANY

Projects undertaken/completed

Your Company's brownfield expansion at Mangrol, Chittorgarh, Rajasthan with split grinding unit in U.P. and Gujrat having total cement production capacity of 4.2 Million Tonne Per Annum at estimated cost outlay of ₹ 2000 Crores is progressing at rapid pace.

13. PERSONNEL

13.1 Industrial Relations

The industrial relations during the period under review generally remained cordial at all cement plants.

13.2 Particulars of Employees

List of employees getting salary in excess of the limits as specified under the provisions of Section 134 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 throughout or part of the financial year under review is annexed separately marked as Annexure - E. However, the Annual Report excluding the aforesaid information is being sent to all the members of the Company pursuant to proviso to Section 136 of the Companies Act, 2013. Any member interested in obtaining such particulars may inspect and/or send the request to the Company at its Registered and Corporate Office. None of the employee listed in the said Annexure is a relative of any Director of the Company except Shri Yadupati Singhania, Chairman and Managing Director. None of the employee hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

Particulars about Key Managerial Personnel including Chairman & Managing Director.

SN	Name	Designation	Remuneration Paid		% increase in Remuneration from previous year	Ratio to Remuneration
			2018-19	2017-18		
1	Mr.Yadupati Singhania**	Chairman & Managing Director (KMP)	186032400	142382400	30.66 %	190:1
2	Mr.Ajay Kumar Saraogi**	President (Corporate Affairs)& Chief Financial Officer (KMP)	26070000	22652000	15.09%	27:1
3	Mr.Shambhu Singh	Asst. Vice President (Legal) & Company Secretary (KMP)	5335000	4541000	17.49%	5:1

**includes remuneration in AED from foreign subsidiary companies during the calendar year 2018.

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Particulars about other Non Executive Directors.

SN	Name	Designation	Remuneration Paid		% increase in Remuneration from previous year
			2018-19	2017-18	
1	Smt. Sushila Devi Singhania	Non Executive Non Independent	1500000	1426000	5.2
2	Shri A. Karati	Non Executive Independent	1225000	1200500	2
3	Shri J.N. Godbole	Non Executive Independent	1350000	1375875	-
4	Dr. K.B. Agarwal	Non Executive Independent	1725000	1651250	4.47
5	Shri K.N. Khandelwal	Non Executive Non Independent	1400000	1350750	3.6
6	Shri Raj Kumar Lohia	Non Executive Independent	1225000	1250875	-
7	Shri Suparas Bhandari	Non Executive Independent	1350000	1325625	2
8	Mr. Paul Heinz Hugentobler	Non Executive Non Independent	12060355	11863380	-
9	Mrs. Deepa Gopalan Wadhwa	Non Executive Independent	1075000	-	-

13.3 Human Resources and Industrial Relations

The Company has a structured induction process at all locations. Objective appraisal systems based on Key Result Areas (KRAs) are in place for Senior Management Staff. The Corporate HR is effectively involved in nurturing, enhancing and retaining talent through job satisfaction, management development programme etc.

14. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR(S) OR COURT(S) / MATTER OF EMPHASIS

The Competition commission of India (CCI) vide its order dated 31.8.2016 imposed a penalty of ₹ 12,854 lacs on the Company. The Appeal was heard whereupon National Company Law Appellate Tribunal (NCLAT) vide order dated 25.7.2018 upheld CCI's order. The Company has filed statutory appeal before the Hon'ble Supreme Court, which vide its order dated 5.10.2018 has admitted the appeal and directed that the interim order of stay passed by the Tribunal in this matter will continue for the time being. The Company, backed by legal opinion, believes that it has a good case and accordingly no provision has been made in the Audited Annual Report of 2018-19.

In a separate matter, CCI imposed penalty of ₹ 928 lacs vide order dated 19.1.2017 for alleged contravention of provision of Competition Act, 2002 by the Company. On Company's appeal, NCLAT has stayed the operation of CCI's order. The matter is pending for hearing before NCLAT. Based on Legal opinion, the Company believes that it has a good case and accordingly, no provision has been made in the Audited Annual Report of 2018-19.

Members' attention is drawn to the statement on contingent liabilities in the notes forming part of the Financial Statements.

15. CORPORATE GOVERNANCE

A report on Corporate Governance alongwith the Practising Company Secretary's Certificate on its compliance, forms an integral part of this Report.

16. PUBLIC DEPOSITS

Your Company has not invited any deposits from public/ shareholders under Section 73 and 74 of the Companies Act, 2013.

17. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has a Whistle Blower Policy to report genuine concerns or grievances, if any. The Whistle Blower Policy has been posted on the website of the Company.

18. MITIGATION OF RISK.

The Company has been addressing various risks impacting the Company including details of significant changes in key financial ratios which is morefully provided in annexed Management Discussion and Analysis. As per the Listing Regulation Risk Management Committee for enforcing Risk Management Policy is constituted by the Company.

18A. COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Your Company hedges its foreign currency exposure in respect of its imports and export receivables as per its laid down policies. Your Company uses a mix of various derivatives instruments like forward covers, currency swaps, interest rates swaps or a mix of all. Your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated 15th November, 2018.

19. REMUNERATION POLICY

The Board of Directors and Nomination & Remuneration Committee, follows a policy concerning remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy also covers criteria for selection and appointment of Board Members and Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

20. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transaction made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards. All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The statement is supported by the certificate from the CMD and the CFO. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.jkcement.com.

21. AUDITORS' REPORT

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis (except items disclosed in significant accounting policies). The estimates and judgements relating to the financial statements are made on a prudent basis, so as to reflect a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2019.

Auditors' Report to the shareholders does not contain any qualification in the standalone or

in the consolidated financial statements for the year under report. However, Auditors have drawn attention of shareholders on penalty imposed by Competition Commission of India (CCI), the matter is adequately covered by para 14 above read alongwith notes on accounts.

22. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of Frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. It also reviews the quarterly Internal Audit Reports.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL.

23.1 In accordance with the provisions of Section 152 of Companies Act, 2013 and the Company's Articles of Association, Mr. Paul Heinz Hugentobler (DIN 00452691) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Mrs. Deepa Gopalan Wadhwa (DIN 07862942), Mr. Saurabh Chandra (DIN 02726077) and Mr. Ashok Sinha (DIN 00070477) were appointed as Additional Directors during the year are being confirmed/appointed as Non Executive Independent Directors for five consecutive years.

Mr. Achintya Karati (DIN 00024412), Mr. Jayant Narayan Godbole (DIN 00056830), Mr. Suparas Bhandari (DIN 00159637), Dr. Krishna Behari Agarwal (DIN 00339934) and Mr. Raj Kumar Lohia (DIN 00203659) were appointed as Non Executive Independent Directors by the Shareholders in the Annual General Meeting held on 26.7.2014 for five consecutive years and now since the said term would be expiring it is proposed to appoint all of them for another term. All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Listing Regulation

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SEBI (LODR) (Amendment) Regulation 2018 has inserted Regulation 17(1A) w.e.f. 1.4.2019 whereupon a Director crossed and/or would be crossing 75 years of age during tenure of Directorship requires approval of Shareholders by way of Special Resolution for continuing in the office. Accordingly, Mrs. Sushila Devi Singhania (DIN 00142549), Dr. K.B. Agarwal (DIN 00339934) and Mr. Kailash Nath Khandelwal (DIN 00037250) are seeking approval from Shareholders in order to continue in the Office w.e.f. 1.4.2019.

The term of Mr. Yadupati Singhania as Chairman and Managing Director would expire on 31.3.2020. Approval of Shareholders by way of Special Resolution is being sought for another term of three years w.e.f. 1.4.2020 as Managing Director.

23.2. Key Managerial Personnel

During the year under report, following Officials acted as Key Managerial Personnel:-

SN	Name of the Official	Designation
	Shri Yadupati Singhania	Chairman & Managing Director
	Shri Ajay Kumar Saraogi	President (Corporate Affairs) & CFO
	Shri Shambhu Singh	Asst. Vice President (Legal) & Company Secretary

24. MEETINGS OF THE BOARD OF DIRECTORS

During the year 2018-19, five Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

25. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its Independent Directors and the Independent Directors also evaluated the performance of Non- Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process. The Board of Directors also evaluated the functioning/performance of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, CSR Committee, Committee of Directors and expressed satisfaction with their functioning/performance.

26. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm that :

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- The Directors have selected such accounting policies, judgments and estimates that are reasonable and prudent and applied them consistently, so as to give a true and fair view of the state of affairs of the company as on 31st March, 2019, and of the statement of Profit and Loss and cash flow of the company for the period ended 31st March, 2019;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on an ongoing concern basis;
- Proper internal financial controls to be followed by the company has been laid down and that such internal financial controls are adequate and were operating effectively and
- Proper systems to ensure compliance with the provisions of all applicable laws has been devised and that such systems were adequate and operating effectively.

27. STATUTORY AUDITOR

At the 23rd Annual General Meeting held on 29/07/2017, M/s S.R. Batliboi & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 301003E/E300005) were appointed as the Statutory Auditors of the Company to hold office till the conclusion of 28th Annual General Meeting. As per amended provisions of Companies (Amendment) Act, 2017 the Board of Directors ratified appointment of M/s S.R. Batliboi & Associates from conclusion of 25th Annual General Meeting till 26th Annual General Meeting. The Statutory Auditors have consented to the said appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 143(3)(g) of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014.

28. COST AUDITOR

Pursuant to section 148 of the Companies Act, 2013 the Board of Directors on the recommendation of the Audit Committee appointed M/s K.G. Goyal & Company Cost

Accountants, as the Cost Auditors of the company for the Financial Year 2019-20 and has recommended their remuneration to the Shareholders for ratification at the ensuing Annual General meeting. M/s K.G.Goyal & Company, have confirmed that their appointment is within the limits of the Section 139 of the Companies Act, 2013, and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013.

The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the company.

The Cost Audit Report for the financial year 2017-18 was filed with Ministry of Corporate Affairs.

29. SECRETARIAL AUDIT

The Board had appointed M/s Reena Jakhodia & Associates, Kanpur, a firm of Company Secretaries in Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2018-19. The report of the Secretarial Auditor is annexed to this report as Annexure A. The report does not contain any qualification.

30. REPORTING OF FRAUD

The Auditors of the company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of Fraud has been reported to the Management from any other sources.

31. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility is an integral part of the Company's ethos and policy and it has been pursuing this on a sustained basis. The Company assists in running of Schools at their Cement Plants, ITIs and Sir Padampat Singhania University, Udaipur imparting value based education to students. Also the Company played a constructive role in the infrastructural development of surrounding areas.

During the period under report, the Company undertook various activities e.g. Art, Culture, Community Welfare, Drinking Water, Sanitation, Education, Health, Rural Development, Eradicating Hunger/Poverty. The Annual Report on CSR activities is annexed herewith as Annexure B.

33. STATUTORY INFORMATION

33.1 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.

Particulars with regard to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo in accordance with the provisions of Section 134 (3)(m) of the Companies Act 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 in respect of Cement plants are annexed hereto as Annexure C and form part of the Report.

33.2 Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT- 9 as required under Section 92 of the Companies Act, 2013 is available at www.jkcement.com.

33.3 Business Responsibility Reporting

The Business Responsibility Report for the year ended 31st March, 2019 as stipulated under regulation 34 of the Listing Regulations is annexed as Annexure D and forms part of the Annual Report.

33.4 Management Discussion & Analysis (MDA) Statement

The MDA as required under Listing Regulation is annexed hereto and forms an integral part of this Report

34. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred a sum of ₹ 7,03,326/- which represents unclaimed dividend and 27560 Equity Shares which represents unclaimed shares to the Investor Education and Protection Fund in compliance with provisions of the Companies Act, 2013.

35. DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND LISTING REGULATIONS

35.1 COMPOSITION OF AUDIT COMMITTEE:

The Board has constituted the Audit Committee which comprises of Dr. K.B. Agarwal as the Chairman and Shri A. Karati, Shri J.N. Godbole, Shri K.N. Khandelwal and Shri R.K. Lohia as members.

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More details on the committee are given in the Corporate Governance Report.

35.2 POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women employees of the Company.

36. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization programme aims to provide Independent Directors with the cement industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

37. EQUAL OPPORTUNITY BY EMPLOYER

The Company has always provided a congenial atmosphere for work to all employees that is free from discrimination and harassment including sexual harassment. It has provided equal

opportunities of employment to all irrespective of their caste, religion, colour, marital status and sex.

38. CAUTIONARY STATEMENT

Statements in the Directors Report and the Management Discussion and Analysis describing the company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the company.

39. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the valuable support received by your Company from Banks, Govt. of Rajasthan, Govt. of Karnataka, Govt. of Haryana, Government of Madhya Pradesh, Central Govt. and Government of Fujairah. The Board thanks the employees at all levels for their dedication, commitment and hard work put in by them for Company's achievements. Your Directors are grateful to the Shareholders/ Stakeholders for their confidence and faith reposed in Board.

For and on Behalf of the Board

Place : Kanpur
Dated : 18th May, 2019

Yadupati Singhania
Chairman & Managing Director

ANNEXURE - A

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
J. K. Cement Limited,
 Kamla Tower,
 Kanpur.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by J. K. Cement Limited ("the Company") having its registered office at Kamla Tower, Kanpur, U.P. and manufacturing units at **(i)**Kailash Nagar, Nimbahera, Dist. Chittorgarh, Rajasthan, **(ii)**Mangrol, Dist. Chittorgarh, Rajasthan, **(iii)** Gotan, Dist. Nagaur, Rajasthan, **(iv)**Muddapur, Dist. Bagalkot, Karnataka, **(v)**Jharli, Dist. Jhajjar, Haryana, **(vi)** Village: Rupand, Tehsil- Badwara, Dist. Katni, M.P. Secretarial Audit has been conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External commercial Borrowings.,
- v. The following Regulations and Guidelines with amendments thereto prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended.
 - f) The Competition Act, 2002 and Rules/Regulations framed thereunder;
- vi. Following other laws are applicable specifically to the company
 - a) Factories Act, 1948;
 - b) Industries (Development & Regulation) Act, 1951;
 - c) Laws prescribed related to mining activities;
 - d) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
 - e) Laws prescribed under prevention and control of pollution;
 - f) Laws prescribed under Environmental protection;

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- g) Laws prescribed under Direct Tax and Indirect Tax;
- h) Land Revenue laws of respective States;
- i) Labour Welfare Laws of respective states;
- j) Local laws as applicable to various offices, plants, grinding stations/Units and bulk cement terminals.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The applicable provisions of SEBI (LODR) Regulations 2015 for listing of Company's shares with the Bombay Stock Exchange and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned here in above. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for Compliances under other Act, Laws and Regulations to the Company.

We further report that during the year under report, following events/actions had major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards etc:-

The Competition commission of India (CCI) vide its order dated 31.8.2016 imposed a penalty of ₹ 12,854 lacs on the Company. The Appeal was heard whereupon National Company Law Appellate Tribunal (NCLAT) vide order dated 25.7.2018 upheld CCI's order. The Company has filed statutory appeal before the Hon'ble Supreme Court, which vide its order dated 5.10.2018 has admitted the appeal and directed that the interim order of stay passed by the Tribunal in this matter will continue for the time being. The Company, backed by legal opinion, believes that it has a good case and accordingly no provision has been made in the Audited Annual Report of 2018-19.

In a separate matter, CCI imposed penalty of ₹ 928 lacs vide order dated 19.1.2017 for alleged contravention of provision of Competition Act, 2002 by the Company. On Company's appeal, NCLAT has stayed the operation of CCI's order. The matter is pending for hearing before NCLAT. Based on Legal opinion, the Company believes that it has a good case and accordingly, no provision has been made in the Audited Annual Report of 2018-19.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Kanpur
Date: 08-05-2019

For: Reena Jakhodia & Associates
Company Secretaries

(Reena Jakhodia)

Proprietor

Membership No: F6435

C.P. No.: 6083

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

To,
The Members,
J. K. Cement Limited,
Kamla Tower,
Kanpur.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Kanpur
Date: 08-05-2019

For: Reena Jakhodia & Associates
Company Secretaries

(Reena Jakhodia)
Proprietor
Membership No: F6435
C.P. No.: 6083

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

1. A brief outline of the Company’s CSR policy, including overview of projects or programs undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy was approved by the Board of Directors at its Meeting held on 1st November, 2014 and has been uploaded on the Company’s website. The web link is http://www.jkcement.in/ce/policies/csrp/csr_policy.html.

The Company undertook activities relating to education and rural development.

2. The Composition of the CSR Committee.

- i. Smt. Sushila Devi Singhanian (Non-Executive, Non-Independent Director)
- ii. Dr. K. B. Agarwal (Non-Executive, Independent Director)
- iii. Shri J. N. Godbole (Non-Executive, Independent Director)
- iv. Shri Suparas Bhandari (Non-Executive, Independent Director)

3. Average net profit of the Company for three Financial Years.

The average Net Profit for the last three years is ₹ 32,013 lacs.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

The Company is required to spend ₹ 640 lacs towards CSR for the Financial Year 2018-19

5. Details of CSR spent during Financial Year

a. Total amount spent for the Financial Year: ₹ 669 lacs

b. Amount unspent, if any: NIL

c. Manner in which the amount spent during the financial year is detailed below:

Following expenditure has been made in accordance with the Company’s CSR Policy and permissible under Schedule VII of the Companies Act, 2013 and rules framed thereunder:-

NIMBAHERA

SN	CSR Project or activity identified (60-75 words)	Section in which the project is covered	Local Area or other	Specify State and other	Amount Outlay	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
NIMBAHERA							
1	Various activities and promotions for preserving and encouraging Cultural heritage and Art like Srajan the spark (Mushaira bhartiya Lok kalamandal).	Art & Culture	Udaipur	Rajasthan	150000	150000	Direct
2	Providing Drinking water facilities for nearby villages.	Drinking Water	Maliakhera & Nimbahera	Rajasthan	1196907	1196907	Direct

SN	CSR Project or activity identified (60-75 words)	Section in which the project is covered	Local Area or other	Specify State and other	Amount Outlay	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
3	Infrastructural work at schools like building classrooms, furnishing with necessary equipments & furniture. Electrification of schools in nearby areas. Providing coaching facilities to children in nearby villages. Donation to NGO for education promotion.	Educational Charity	Bhawaliya	Rajasthan	25000	25000	
			Chittorgarh Dist.	Rajasthan	75000	75000	
			Fatcher Ahiran	Rajasthan	3280378	3280378	
			Karunda	Rajasthan	358011	358011	
			Nimbahera	Rajasthan	295316	295316	
4	Medical Checkup camps & Eye camps in nearby villages, distributed medicines & organised health awareness programs. Providing facilities at Aganbadi center. Supporting in different projects like Nand Ghar Yojana.	Health	Ahirpura	Rajasthan	76723	76723	
			Bansa	Rajasthan	43041	43041	
			Charliya Gadiya	Rajasthan	51282	51282	
			Dhanora Payari	Rajasthan	45420	45420	
			Fatcher Ahiran	Rajasthan	1016696	1016696	
			Karunda	Rajasthan	429390	429390	
			Maliakhera	Rajasthan	280308	280308	
			Nimbahera	Rajasthan	152220	152220	
			Karunda	Rajasthan	417965	417965	
5	Sparsh Sanitary Pad Project for Women self help groups and providing structured setups & training for earning through production and sell of low cost sanitary pads. Organising training programs for Woman Skill development.	Livelihood Promotion	Maliakhera	Rajasthan	1131802	1131802	
6	Construction of roads for connectivity in rural area, panchayat area, link road. Gitti road, Gravel road, CC roads.	Rural Development	Ahirpura	Rajasthan	1138349	1138349	
			Bansa	Rajasthan	557598	557598	
			Charliya Gadiya	Rajasthan	6686703	6686703	
			Karthana	Rajasthan	328509	328509	
			Karunda	Rajasthan	1568016	1568016	
			Maliakhera	Rajasthan	16350	16350	
			Phalwa	Rajasthan	8764404	8764404	
7	Various community welfare activities which includes beautification of railway station and providing facilities & Renovation of structures of public interest.	Community Welfare	Nimbahera	Rajasthan	177413	177413	
			Ujjain	Madhya Pradesh	200000	200000	
8	Arrangement for Election and expenses on Swachability run organised at Udaipur for motivation of Disable citizens and for spreading awareness about cleanliness.	Sanitation	Nimbahera	Rajasthan	291080	291080	
			Udaipur	Rajasthan	31600	31600	

■ DIRECTORS' REPORT CONTD.

SN	CSR Project or activity identified (60-75 words)	Section in which the project is covered	Local Area or other	Specify State and other	Amount Outlay	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
NIMBAHERA		TOTAL			28785482	28785482	
MANGROL							
1	Providing coaching facilities to children in nearby villages. Donation to NGO for education promotion.	Eductaion	Mangrol	Rajasthan	644051	644051	
			Udaipur	Rajasthan	50000	50000	
2	Infrastructural work at Community places keeping in view health and sanitation like building toilets in schools. Organising medical camps & health check up camps in nearby villages.	Health	Arniya Joshi	Rajasthan	699670	699670	
			Mangrol	Rajasthan	662397	662397	
			Shahbad	Rajasthan	24648	24648	
			Tilakhera	Rajasthan	184971	184971	
3	Arrangement of Drinking water by tankers. Setting up borewells and lying pipelines as a part of providing permanent solution of clean drinking water supply for everyone in the area.	Drinking Water	Shahbad& Tilakhera	Rajasthan	751925	751925	Direct
4	Residential training program at villages for Women for skill development & livelihood development.	Livelihood Promotion	Mangrol	Rajasthan	2905670	2905670	Direct
5	Construction of roads for connectivity in rural area, panchayat area, link road. Gitti road, Gravel road, CC roads. Installation & maintenance of street light in villages with solar panel. Providng of top soil for agricultural use in nearby area.	Rural Development	Arniya Joshi	Rajasthan	284006	284006	
			Mangrol	Rajasthan	3979360	3979360	
			Shahbad	Rajasthan	900960	900960	
			Tilakhera	Rajasthan	530995	530995	
			Ukhaliya	Rajasthan	354000	354000	
6	Various activities and promotions for preserving and encouraging Cultural heritage and Art like contribution for Chittorgarh Fort Festival.	Art & Culture	Chittorgarh	Rajasthan	550848	550848	
MANGROL		TOTAL			12523501	12523501	
JHARLI							
1	PAMENT OF SALARY TO MOHANBARI SCHOOL TEACHER	Education	JHARLI	Haryana	228000	228000	

SN	CSR Project or activity identified (60-75 words)	Section in which the project is covered	Local Area or other	Specify State and other	Amount Outlay	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
2	SALARY PAY CLEANING WORK FOR PANCHAYAT	Promoting education, including special education and employment enhancing vocation skills especial among children, women, elderly, and the differently abled and livelihood enhancement projects,	JHARLI	Haryana	96000.00	96000.00	
3	SAFE AND CLEAN DRINKING WATER SUPPLY IN RURAL AREAS	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water safe drinking water	JHARLI	Haryana	215000	215000	
4	DEKSTOP WOMEN POLICE STATION JHAJJAR	Rural development projects	JHAJJAR	Haryana	123000.00	123000.00	
5	CEMENT BAG SUPPLY FOR ANIMAL WATER RESOURCE	Rural development projects	JHARLI	Haryana	22,000.00	22,000.00	
6	Bricks for Green -Co in School	Rural development projects	JHARLI	HARYANA	17000.00	17000.00	
7	Tree Cover and Tree Guard	Rural development projects	JHAJJAR	Haryana	84000.00	84000.00	
8	Sewing Machine distribution at Jhajjar (Samartha NGO)	Rural development projects	JHAJJAR	Haryana	1205000.00	1205000.00	
9	JCB HIRE CHARGES FOR MOHANBARI PLAYGROUND & BLANKET DISTRIBUTION IN MOHANBARI	Rural development projects	JHARLI	JHARLI	381000	381000	
	JHARLI	TOTAL			2371000.00	2371000.00	

■ DIRECTORS' REPORT CONTD.

SN	CSR Project or activity identified (60-75 words)	Section in which the project is covered	Local Area or other	Specify State and other	Amount Outlay	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
MUDDAPUR							
1	Computer installation and Furniture in Government schools	Rural development	Muddapur and Ningapur Village	Karnataka	332619.00	332619.00	
2	Toilet construction at Halki Village	Rural development	Halki Village	Karnataka	300000.00	300000.00	
3	Construction of community hall and development of surrounding area with installation of visitors benches and hand railings at Lokapur village.	Community Welfare Projects	Lokapur Village (near by Plant with in 8 Kms)	Karnataka	1992603.00	1992603.00	
TOTAL (MUDDAPUR)					2625222.00	2625222.00	
TOTAL GREY					46,305,205.47	46,305,205.47	
WHITE CEMENT							
1	Safe and Clean Drinking Water Supply in rural areas through RO Plant.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Gotan	Rajasthan	131000.00	131000.00	Expenses Incurred for RO, Gotan, & Help in Chief Minister Jal Swavlamban Abhiyan
2	Rural Area Development -Approch Road For Chepiya Nada Temple And Tank	Rural Area Development Project	Gotan	Rajasthan	4191000.00	4191000.00	Approach Road for Chepiya Nada Temple and Water Tank As request by Grama Panchayat Karwasaron ki Dhani-This Road will help Villegers to Reach the Temple and water pond which is adjacent to the Temple and one of the water source for villegers.
3	Rural Area Development -Civil Repairing Work At Dhanappa School	Rural Area Development Project	Gotan	Rajasthan	45000.00	45000.00	Repairing work at Dhanappa School-This will be help to safe the childrens

SN	CSR Project or activity identified (60-75 words)	Section in which the project is covered	Local Area or other	Specify State and other	Amount Outlay	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
4	Rural Area Development -Approach Road for Chepiya Nada Temple and Tank	Rural Area Development Project	Gotan	Rajasthan	42000.00	42000.00	
5	Plantation Work In Rural Area	Environment Sustainability	Gotan	Rajasthan	16000.00	16000.00	
6	Training To Promote Rural Sports	Rural Area Development Project	Gotan	Rajasthan	62000.00	62000.00	
7	Rural Development-Furniture To Patwar Bhawan	Rural Area Development Project	Gotan	Rajasthan	13000.00	13000.00	
WHITE TOTAL					4500000.00	4500000.00	
KATNI							
1	Badwara Government Road Work and Furniture Distributed	Rural Development	Badwara	MP	59000.00	59000.00	
2	Umbrella distributed to Village Government schools	Education	Badwara	MP	19000.00	19000.00	
3	Aquagard and Water cooler installation	Safe drinking water	Badwara	MP	57000.00	57000.00	
4	Construction work and repair & maintenance for Patra Temple	Rural Development Projects	Patra	MP	241000.00	241000.00	
5	Items distributed to local villagers	Eradicating extreme hunger & poverty	Gudha	MP	5000.00	5000.00	
6	Construction work for Rupaund Temple	Rural Development Projects	Badwara	MP	201000.00	201000.00	
TOTAL (KATNI)					582000.00	582000.00	
Ho Csr Expenditure							
1	Catering of food & distribution of blankets to orphanage & poors	Eradicating extreme hunger & poverty	New Delhi	New Delhi	23400	23400	
2	Tiolet construction in primary school	Promotion of Education	Kanpur	UP	100000	100000	
3	Distribution of bag kit	Promotion of Education	Kanpur	UP	386080	386080	
4	Contribution to J.K. Gram vikas udyog for cross breeding projects in rural areas	Social Responsibility	Rajasthan & Haryana	Rajasthan & Haryana	15000000	15000000	
Ho					15509480	15509480	
Total Amount Spent					66,896,685.47	66,896,685.47	

■ DIRECTORS' REPORT CONTD.

SN	SUMMARY OF EXPENDITURE	Amount(₹)
1	J.K. CEMENT WORKS, NIMBAHERA	28785482
2	J.K. CEMENT WORKS, MANGROL	12523501
3	J.K. CEMENT WORKS, JHARLI	2371000
4	J.K. CEMENT WORKS, MUDDAPUR	2625222
5	J.K. WHITE CEMENT WORKS	4500000
6	J.K. WHITE, KATNI	582000
7	HEAD OFFICE	15509480
		66896685

- 6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.**

Not Applicable

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Place : Kanpur
Date: 18-05-2019

Yadupati Singhania
Chairman & Managing Director
DIN:- 00050364

Dr. K. B. Agarwal
Chairman - Corporate Social and
Responsibility Committee
DIN:- 00339934

■ ANNEXURE - C

PARTICULARS OF ENERGY CONSERVATION , TECHNOLOGY ABSORPTION , FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER COMPANIES (ACCOUNTS) RULES 2014 PURSUANT TO SECITON 134(3)(m) OF THE COMPANIES ACT,2013 READ WITH RULE 8(3) OF THE COMPANIES(ACCOUNTS) RULES,2014

A) ENERGY CONSERVATION

Sustainable Development and continuous improvement of Key Performance Indicators is of prime importance for the company. Electrical and Thermal energy being major cost element in cement manufacturing , remained main focus to reduce cost.

During the year 2018-19, following measures were taken giving reduction of power consumption by 15512943 kwh, and 9545 GJ by investing ₹ 406.22 lacs per annum.

- Installation of Energy Efficient Equipments
- In-house small modifications.
- VFD installation.
- Improving Production & Operational Efficiency.
- Improving Thermal efficiency.
- Downsizing of the existing equipments.
- Process optimization
- R&D Activities and Adopting new Technology.

Installation of Energy Efficient Equipments

Various low efficiency motors were replaced by high efficiency motors and other energy efficient equipments were installed to improve electrical efficiency of the system. By these steps JK Cement Ltd is able to save 1662255 kwh and ₹ 97.16 lacs per annum of electricity with expenditure of ₹ 144.39 lacs only.

In-house small modifications

Small steps of energy savings like kaizen in various section of Production & Process is a big tool for energy conservation. Such small modifications resulted in savings of 107452 kwh and ₹ 6.17 lacs of electricity with ₹ 2.51 lacs investment.

VFD installation

Replacement of existing drive system by VFD installation has resulted in savings 3938861 kwh and ₹ 211.10 lacs of electricity cost with expenditure of ₹ 162.80 lacs only.

Improvement in Production & Operational Efficiency

Improvement in the Production rate index of both Kilns with optimization of process & operational parameters handsome savings in terms of rupees as well as efficiency of the system is achieved. Through improvement in output & operational efficiency at Mangrol, company has saved ₹ 410.52 lacs by reducing 7702134 kwh of electricity with expenditure of ₹ 5.0 lacs only.

Improvement in Thermal Efficiency

Besides the in-house monitoring & optimization of the clinkering section, Low primary air burners were installed replacing existing burners to improve the thermal efficiency of the system at JK Cement Mangrol. In TPP, iECO/ APH & ESP ash conveying system discharge has been taken into Boiler-I & II instead of ASH SILO as a recycling method and noticed LOI reduction in fly ash and Replacement of existing burner with high efficient burner in Kiln JK Cement Muddapur. Company has saved ₹ 221.57 lacs through reduced thermal energy consumption and minimising heat losses. Total thermal energy saved during the year is 9545 Giga Joules by investing ₹ 75 lacs.

Downsizing of the existing equipments

By optimization of loading on motors with respect to existing loading and rated KW, various motors were replaced by lower KW ratings resulting in Improvement in loading factor and efficiency. Such steps in total resulted in savings of ₹ 23.90 lacs by reducing 416501 kwh of electricity with expenditure of ₹ 11.72 lacs only.

■ DIRECTORS' REPORT CONTD.

Process optimization

Monitoring of Production process and Analysis of regular data is very important for energy conservation. By optimization of Process interlocks & monitoring process parameters good savings of ₹ 113.40 lacs by reducing 1685740 kwh of electricity were achieved with expenditure of ₹ 4.80 lacs only.

Detail of Savings are as under:-

	Saving KWH (000)	Saving GJ	Savings (₹ in Lakhs)
Installation of Energy Efficient Equipments	1662255		97.16
In House small modifications	107452		6.17
VFD installation	3938861		211.10
Improving Production & Operational Efficiency	7702134		410.52
Improving Thermal efficiency		9545	221.57
Downsizing of the existing equipments	416501		23.90
Process optimization	1685740		113.40

B) TECHNOLOGY ABSORPTION AND R&D ACTIVITIES

By technology upgradation and R&D activities in the areas of Process Improvement during 2018-2019 we have achieved major cost reduction in:

- By R&D activities JK Cement Nimbahera has saved ₹ 176.31 lacs by reducing 3519183 kwh of electricity with expenditure of ₹ 138.89 lacs only.
- Alternative fuel usage at JK Cement Mangrol of 50015 Ts. by which we saved 12761 Ts of Petcoke which is equivalent to ₹ 1249.08 lacs savings by investing ₹ 72.30 lacs

And further Energy Management of JK Cement Ltd in FY 2019-20 ₹ 603 lacs has been planned for Technology Absorption & Energy Conservation measures as under:-

- Amount of ₹ 132.18 lacs has been planned for Nimbahera plant for Technology Absorption & Energy Conservation measures for the year 2019-20.
- Amount of ₹ 67.34 lacs has been planned for Gotan plant for Technology Absorption & Energy Conservation measures for the year 2019-20.
- Amount of ₹ 403.48 lacs has been planned for Mangrol plant for Technology Absorption & Energy Conservation measures for the year 2019-20.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	₹ In lacs
Foreign Exchange earned in terms of actual inflows	1106.00
Foreign Exchange outgo in terms of Actual outflow	26758.55

ANNEXURE - D

BUSINESS RESPONSIBILITY REPORT 2018-19**SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1. Corporate Identity Number (CIN):	L17229UP1994PLC017199
2. Name of the Company	JK Cement Limited (JKCL)
3. Registered Address	Kamla Tower, Kanpur – 208001, Uttar Pradesh, India
4. Website	http://www.jkcement.com/
5. Email id	shambhu.singh@jkcement.com
6. Financial Year reported	FY 2018-19
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Cement and cement related products

Industrial Group 1	Class	Sub Class	Description
374	3741	37410	Plaster of Paris
	3744	37440	Manufacturing of Cement and Cement related products.
35	3551	35110	Primer

As per National Industrial Classification – Ministry of Statistics and Programme Implementation¹

8. List three key products / services that the Company manufactures / provides (as in balance sheet):	<ol style="list-style-type: none"> 1. Grey Cement 2. White Cement 3. White Cement based Wall Putty 4. Gypsum Plaster of Paris 5. Tile Adhesive 6. Primaxx 7. Shieldmaxx
9. Total number of locations where business activity is undertaken by the Company	Head Office in Kanpur, Central Marketing Office in New Delhi and Cement Plants in Nimbahera, Mangrol and Gotan in Rajasthan, Muddapur in Karnataka and Jharli in Haryana, Katni in M.P.
Number of International Locations (Provide details of major 5)	--
Number of National Locations	Head Office in Kanpur, Central Marketing Office in New Delhi and Cement Plants in Nimbahera, Mangrol and Gotan in Rajasthan, Muddapur in Karnataka and Jharli in Haryana, Katni in M.P.
10. Markets served by the Company - Local / State / National / International	White Cement & White Cement Based Wall Putty –Pan India. Grey Cement - Andhra Pradesh, Delhi, Goa, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab & Chandigarh, Rajasthan, Tamil Nadu, Uttaranchal, Uttar Pradesh

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE)

1. Paid up capital (₹) : 7726.83 Lacs
2. Total turnover (₹) : 491,919.04 Lacs
3. Total profit after taxes (₹) : 32,550.93 Lacs
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): During the year, an amount of ₹ 668.97 Lacs was spent on CSR activities. This represents 2.05 % of profit after tax spend on CSR activities during the financial year 2018-19.
5. List of activities in which expenditure in 4 above has been incurred:
 - 1) Education, Art & Culture & Community Welfare – ₹ 90.48 Lacs
 - 2) Environment & Animal Welfare – ₹ 150.16 Lacs
 - 3) Health & Livelihood – ₹ 107.97 Lacs
 - 4) Rural Infrastructure Development – ₹ 320.36 Lacs

■ DIRECTORS' REPORT CONTD.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company / Companies?

JKCL has two wholly owned subsidiaries namely Jaykaycem (Central) Limited and JK Cement (Fujairah) FZC and one step down subsidiary JK Cement Works (Fujairah) FZC which is also having a subsidiary J.K. White Cement (Africa) Ltd. located in Africa.

2. Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).

No subsidiary Company of JKCL participates in the BR Initiatives of JKCL.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?

No, none of the entity / entities with whom Company does business participates in the BR initiatives of the JKCL.

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR policy / policies:

DIN Number : 00050364
Name : Shri Yadupati Singhania
Designation : Chairman & Managing Director

b) Details of the BR Head:

Name : Shri Shambhu Singh
Designation : Company Secretary and Asst. Vice President (Legal)
Telephone no. : +91-512-2371478-81
E-mail id : shambhu.singh@jkcement.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N):

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy / policies	Yes								
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Yes, Views from respective stakeholders, relevant internal and external stakeholders as deemed necessary, have been considered while formulating the respective policies and practices.								
3.	Does the policy conform to any national / international standards? If Yes, specify? (50 words)	Policies and practices meet application regulatory and best practices requirements as evaluated by the organization at the time of their formulation. The same are evaluated and updated from time to time as deem appropriate.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Yes								
5.	Does the Company have a specified committee of the Board/ Director / Official to oversee the implementation of the policy?	Yes. Company has in place numerous Board level and other committees in place for looking after different aspects of the day to day business activities, including supervision over proper application and adherence to various company policies and practices.								
6.	Indicate the link for the policy to be viewed online? (A)	Relevant company policies can be accessed and viewed on company website: http://www.jkcement.com/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders? (B)	Yes, policies and practices have been communicated to concerned stakeholders as per their applicability.								
8.	Does the Company have in-house structure to implement the policy/ policies?	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies? (C)	Yes. Company has a Whistle Blower Policy with grievance redressal mechanism for stakeholders to raise their grievances.								
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Yes. Checks and balances are in place for ensuring strict compliance to various company policies and practices.								

(A) The following policies can be viewed on website <http://www.jkcement.com/>

1. Code of Conduct Policy
2. Dividend Distribution Policy
3. Internal Financial Control Policy
4. Archival Policy
5. Policy for determination of materiality of events information
6. Policy on preservation of documents and records
7. Policy on evaluation of performance of directors and the board
8. Policy for determining Material Subsidiaries
9. Insider Trading Policy 2015
10. Harassment Policy
11. CSR Policy
12. Related party Transaction Policy
13. Whistle Blower Policy

(B) Except policies listed above, all other policies are meant for internal consumption of employees and are available on the Company's intranet. All policies have been periodically communicated to the relevant internal and external stakeholders.

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- (C) Any clarifications for grievances related to either of the policies are addressed by the respective leadership team member and if not addressed to satisfaction can be escalated to Company secretary at shambhu.singh@jkcement.com

2a. If answer to Sl. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR:

A) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The sustainability performance of the Company is assessed on continual basis, at least once annually. Here, the Company evaluates sustainability related risks, performance and present the outcomes to management team and Board for their information and consideration.

B) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Company publishes its sustainability report annually. The sustainability report for FY 2018-19 (under publication) is compliant with the latest Global Reporting Initiative (GRI) Standards. An electronic version of the latest report i.e. for FY 2017-18 is also uploaded on the Company's website to serve as a web version. The hyperlink for viewing the same is as under: https://www.jkcement.com/sustainability_report

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

JKCL is committed to conduct its business in accordance with the applicable laws, rules and regulations. We practice highest standards of business ethics, transparency and accountability in all our decision-making processes and carry out fair communications with all our stakeholders. Our Board, management and stakeholders help us to conduct our operations in an ethical manner.

JKCL's good governance is supported by its Code of Conduct. Code of Conduct (CoC) outlines the expected standards of ethical conduct and behaviour. The CoC extends to all employees at all levels and other individuals working with the Company, its business associates, suppliers, customers and explicitly prohibits bribes, improper

payments and direct them to ensure ethical business conduct.

Further, a proper mechanism has thus been established for the employees to report to the management about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The Whistle Blower Policy helps in reporting genuine concerns or grievances, if any. It empowers any person associated with the organisation to file a grievance if he/ she notices any irregularity.

A copy of our Code of Conduct, whistle blower policy is available on the Company's website. <https://www.jkcement.com/home>

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

JKCL received 21 shareholder complaints during the FY 2018-19, while no complaints were pending

from previous financial year. All the 21 complaints have been successfully resolved during the year.

Principle 2: Goods and services

1. List up to three of your products or services whose designs have incorporated social or environmental concerns, risks and/ or opportunities.

a. Cement (Grey & White)

b. Wall Putty

c. Primaxx

As a socially and environmentally responsible company, JKCL consistently adopts sustainable practices to demonstrate corporate citizenship. We aim to mitigate environmental impacts due to our business operations and follow precautionary approach wherever we suspect that the risk of our actions might cause harm to environment.

We invest in process equipment and systems intended for economical use of energy and reducing the environmental impacts of our cement manufacturing activities. In this regard, we have implemented a fully integrated EHS management system in our manufacturing plants, which are certified by the internationally recognised ISO-9001, ISO-14001 and OHSAS-18001 standards. We also have implemented Energy Management System (EnMS), ISO 50001 thus achieving improved operational efficiencies.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material and so on) per unit of product (optional):

i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain.

At JKCL, we give highest importance to resource efficiency. Our focus is on improving resource efficiency in clinker and cement production by optimizing energy usage, utilizing waste in production processes and targeting higher alternative fuel and raw material usage. We are also working towards reducing the emissions, effluents and wastes produced from our plants.

We undertook various initiatives during the year for better operations and outcomes. We reduced the raw material consumption, optimized the use of equipment, reduced wastage across processes and conducted preventive maintenance and part replacements for better efficiency. As a result of such initiatives, we have witnessed decrease in energy intensity despite increase in production over the years.

Our operations consume alternative materials like fly ash, pond ash, slag etc. which help

in conserving natural raw materials used for cement production. Further, alternative fuels such as agro-waste, carbon black, fibre mass, plastic waste, liquid mixed waste and solid mixed waste are consumed in kiln firing thus substituting fossil fuels to some extent. We have nearly doubled our alternative fuels consumptions over the years.

For water conservation, we are continuously exploring opportunities to increase use of recycled water and reduce water consumption across our plant sites.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Cement as a product is used for a variety of purposes and by diverse consumers. Hence, it is not feasible to measure the usage (energy, water) by consumers.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Besides, provide details thereof in about 50 words or so.

Yes, JKCL understands the impact of its supply chain and has taken proactive steps to identify the most significant environmental and social challenges within its value chain. Our manufacturing locations are closer to limestone mines which saves on transportation cost and time involved in procurement of the primary raw materials. Here, company's code of conduct, human rights aspects, procedures and practices are strictly followed.

JKCL encourages procurement through vendors who adopt sustainable practices. We select vendors that are situated near to our manufacturing locations. We conduct screening of transport providers based on parameters like newer vehicles, pollution certificates, GPS based tracking etc. Also, we are shifting towards the rail mode of transportation related to the dispatches of our end products as well as inter unit transfer of clinker.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

With expansions of 4.2 MnTPA in pipeline, we are contributing significantly towards direct and indirect impact on country's economy by providing more employment opportunities for the local population and creating more business prospects for local businesses as well.

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JKCL has been procuring goods and availing services from nearby local vendors. To Improve the capability of vendors, JKCL organizes periodic vendor meet and capacity building trainings. We always prefer to source our raw materials, spares and equipment locally i.e. within India. Only in exceptional cases, wherein our expectations are not met within the local market or due to lack of availability of required product or services, we procure from outside India.

- 5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling them (separately as <5%, 5-10%, >10%)? Besides, provide details thereof in about 50 words or so.**

The cement manufacturing process does not directly discharge any significant effluent or waste. Fly ash generated from Company's captive power plant during power generation is utilised in blended cements. Further, recognizing the urgent need to address global problems of increasing paucity of fossil fuels, JKCL is using Alternative Fuels and Raw (AFR) materials which will help in conserving natural raw materials and fuels used for cement production.

Principle 3: Employees

- 1. Please indicate the total number of employees:**
3414 Permanent Employees (as on 31st March 2019)

- 2. Please indicate the total number of employees hired on temporary / contractual / casual basis**

Category of employees	No of employees
Sub-contracted employees	2617

- 8. What percentage of your under-mentioned employees were given safety & skill up-gradation training in the last year?**

Category	Nimbahera	Mangrol	Gotan	Jharli	Katni	Muddapur	HO & Marketing
a Permanent employees							
Staff	67%	83%	100%	100%	-	100%	45%
Workers	42%	44%	-	-	-	100%	-
b Permanent women employees	60%	66%	100%	-	-	100%	38%
c Casual/ Temporary/Contractual employees	100%	100%	100%	-	100%	100%	-
d Employees with disabilities	100%	-	100%	-	-	100%	-

Principle 4: Stakeholders

- 1. Has the Company mapped its internal and external stakeholders? Yes / No**
Yes. Maintaining relationship with stakeholders is a business imperative for JKCL. The Company has mapped its stakeholders as a part of the sustainability reporting process.

- 3. Please indicate the number of permanent women employees:**

50 (as on 31st March 2019)

- 4. Please indicate the number of permanent employees with disabilities:**

5 (as on 31st March 2019)

- 5. Do you have an employee association that is recognised by the Management?**

The Company has recognized trade unions at our manufacturing plants viz. Gotan, Nimbahera and Mangrol which are recognised by the Management.

- 6. What percentage of your permanent employees is member of this recognised employee association?**

At JK Cement, none of our permanent employees are part of the recognized trade unions at our manufacturing plants. However, at Gotan, Nimbahera and Mangrol 100 %, 25% and 11% of our workers respectively, are members of recognized employee associations.

- 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

S. No.	Category	No of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child Labour	Nil	Nil
2	Forced Labour	Nil	Nil
3	Involuntary Labour	Nil	Nil
4	Sexual Harassment	Nil	Nil

- 2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?**

Yes. The company has mapped disadvantaged, vulnerable and marginalised stakeholders in and around our areas of its significant operations, and is actively working towards their inclusive growth as part of company's CSR efforts.

3. Are there any special initiatives undertaken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

Yes, all CSR interventions of the Company are intended to target the disadvantaged, vulnerable and marginalized stakeholders. JKCL runs initiatives in the areas of education, community hygiene, infrastructure development, livelihood support and vocational training and skill development, all initiatives directed towards helping our neighbouring communities, and being instrumental in cultivating their progress. To achieve the same, we have a well-established CSR policy which reflects our objective of economic and social development to create a positive impact.

Principle 5: Human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

All aspects of the human rights are in-built and covered under Company's Code of Conduct, Harassment and Whistle blower policies as well as in various human resource practices/policies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

In total, 21 complaints have been received from shareholders and 21 complaints have been resolved by the management successfully. There were no complaints regarding breach of human rights aspects during the reporting period.

Principle 6: Environment

1. Do the policies related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

JKCL's Health, Safety and Environment policies, rules and regulations are applicable for all stakeholders i.e. employees, contractors and other business partners, involved in JKCL's business activities.

2. Does the Company have strategies / initiatives to address global environmental issues, such as climate change, global warming, and others? If yes, please give hyperlink for webpage etc.

Yes, the Company is committed to address global environmental issues including reduction of GHGs emissions. During the year 2018-19, these energy conservation measures led to a reduction in power consumption thus yielding monetary savings. Energy efficiency & conservation initiatives taken to achieve the reduction of GHGs were:

1. Alternative Fuel and Raw Materials (AFR);
2. Process optimization - Improving Output and Efficiency, downsizing existing equipment, improving heat utilization and minimizing losses.
3. Installation of Variable Frequency Drive (VFD)
4. Installation of energy efficient equipment
5. Clinker substitution by making Blended Cements
6. Waste heat recovery (WHR)
7. Technology Absorption and R&D Activities
8. Solar Power Plant Installations

These initiatives form a part of JKCL's climate protection strategy and for more detailed information, please visit: https://www.jkcement.com/pdf/jkcl_sustainability_report_2017-18new.pdf

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company has a risk management mechanism in place to identify, assess and mitigate the impact of potential environmental risks. As part of our commitment towards mitigating environmental risk, we have implemented a fully integrated EHS management system in our manufacturing plants. In addition, we regularly conduct EHS management system audits by third-party certification agencies to maintain the requirements of global standards.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Besides, if yes, mention whether any environmental compliance report is filed?

Currently, no projects related to Clean Development Mechanism have been taken up by the Company.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy etc. Y/N? If yes, please give hyperlink to web page etc.

Over the years, JKCL has taken numerous initiatives from clean and green technology perspective. Power generating capacity from waste heat recovery of JKCL stands at 23.20 MW capacity which is forms roughly 18.45% of the total captive power generation. In the FY 2018-19, 138674.20 MWH of power was generated using waste heat recovery thus contributing to reduction in the carbon footprint of the company. Further in line with our continuous efforts to shift with renewable energy, the company has consumed 219217 KWH

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of solar power and has installed a solar power plant of 300 KW capacity at Jharli and 150 KW capacity at Gotan. Details of these initiatives are covered in the Corporate Sustainability Report issued by the Company every year. Further, wind power is also consumed as one of the source of green energy. Going forward, JKCL is focussed to increase its renewable power source share in its energy mix.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
Yes

7. Number of show cause / legal notices received from CPCB / SPCB, which are pending (i.e. not resolved to satisfaction) as at the end of the financial year.

No show cause /legal notices from CPCB / SPCB have been received by any of the JKCL manufacturing plants during the financial year.

Principle 7: Policy Advocacy

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

The Company is a Member of:

1. JK Organisation
2. Federation of Indian Chambers of Commerce and Industry (FICCI)
3. Cement Manufacturer's Association (CMA)

2. Have you advocated / lobbied through the above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: governance and administration, economic reforms, inclusive development polices, energy security, water, food, security, sustainable business principles and others).

No

Principle 8: Inclusive Growth

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, provide details thereof.

Yes, the Company has specific programs / initiatives / projects pursuant to its CSR policy. The CSR policy can be accessed through the below link: https://www.jkcement.com/pdf/csr_policy_of_jk_cement_ltd_20.11.14.pdf

As a part of JK Organisation, we continue to invest in the community wellbeing, and our strategy is to extend our outreach and touch lives in diverse ways, we work primarily in these focus areas



JKCL, as an ambitious organization, strives to play the role of an essential positive catalyst to impact more and more lives with its CSR initiatives. The organization contributes to raising the standard of living of nearby communities and works relentlessly year after year with a motive of 'give back to the society' with its well-planned and carefully executed CSR activities. The social initiatives taken by JKCL have impacted life of local people belonging to gram panchayats and villages situated around our operational plants.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?

The Company's CSR projects are implemented through its in-house CSR Department or in support with other external competent authorities such as Government institutions / NGOs. JKCL has a Board level CSR committee which assists the Board in monitoring and observing CSR practices of Corporate Governance at all levels and provide remedial measures wherever necessary.

3. Have you done any impact assessment of your initiative?

JKCL regularly engages with local community members as part of its stakeholder engagement exercise, during which community need assessment and discussions regarding the impact of the ongoing projects are also analysed and complied. These allow JKCL to gaze the impact of its ongoing initiatives and design / modify future engagements to better assess the needs of the communities.

4. What is the Company's direct contribution to community development projects? Provide the amount in ₹ and the details of the projects undertaken?

₹ 668.97 Lacs was spent during the financial year 2018-19 on CSR initiatives across our major manufacturing locations. This represents 2.28% of average net profit after tax for immediately preceding three financial year.

CSR Initiatives (FY 2018-19)	Total Expenditure (in ₹ Lakhs)
Rural Infrastructure development	320.36
Health & Livelihood	107.97
Environment & Animal Welfare	150.16
Education, Art & Culture & Community Welfare	90.48
TOTAL	668.97

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in around 50 words.

JKCL regularly engages with local community members to gauge the impact of its ongoing CSR initiatives. Projects are assessed under the

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as at the end of the financial year? If so, provide details thereof, in about 50 words or so.

Particulars	Remarks/Status
The Competition Commission of India (CCI) vide its order dated 31.8.2016 imposed a penalty of ₹ 12854 Lacs on the company. The appeal was heard whereupon National Company Law Appellate Tribunal (NCLAT) vide order dated 25.07.2018 upheld CCI's order.	The Company has filed statutory appeal before Honorable Supreme Court which vide its order dated 5.10.2018 had admitted the appeal & directed that the interim order of stay passed by the tribunal in this matter will continue for the time being. The company backed by legal opinion believes that it is good case and accordingly no provision has been made in the accounts.
In a separate matter, CCI imposed penalty of ₹ 928 Lacs vide order dated 19.1.2017 for alleged contravention of provision of Competition Act, 2002 by the Company.	On Company's appeal, NCLAT has stayed the operation of CCI's order. The matter is pending for hearing before NCLAT. Based on Legal opinion, the Company believes that it has a good case and accordingly, no provision has been made in the Audited Annual Report of 2018-19.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

JKCL is a consumer centric company. The Company meet customers' rapidly changing expectation by supplying quality products at the right price. During the year, JKCL adopted consumer satisfaction practices and reinforced superior quality standards across manufacturing locations.

agreed strategy and are monitored on a quarterly basis. We continuously seek to execute effective CSR interventions to boost the living standards and the overall economic status of under privileged community.

Principle 9: Customers

1. What percentage of customer complaints / consumer cases is pending, as at the end of the financial year?

We received 1073 Complaints in Grey & White Cement during the FY 2018-19, out of which 1071 complaints were resolved successfully by 31st March 2019. Only 2 complaints are pending, 1 each in case of Grey Cement & other in White Cement and its Value-Added Products. As on date, all the pending complaints regarding 31st March 2019 have been resolved successfully.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).

Yes. The Company displays all information as mandated by the regulations to ensure full compliance with relevant laws.