



Directors' Report

Dear Members,

Your Directors have pleasure in presenting Company's Twenty Seventh Annual Report and Audited Financial Statements for the year ended 31 March 2021.

1. Financial Results

Particulars	In ₹ lacs	
	2020-21	2019-20
Revenue from operations	6,32,827.88	5,46,376.77
Profit before depreciation & tax	1,40,408.86	1,04,455.08
Less: Depreciation	24,467.71	21,438.87
Less: Exceptional items	16,686.50	17,815
Profit Before Tax	99,254.65	65,201.21
Tax Expense (Including deferred tax and tax adjustment of earlier years)	38,972.07	25,163.62
Profit After Tax	60,282.58	40,037.59
Add: Retained earnings at the beginning of the year	1,21,146.50	1,05,672.09
Transfer to Debenture Redemption Reserve	(3,289.40)	(1,865.10)
Dividend on Equity Shares	11,590.24	**6,986.00
Balance to be carried forward	1,74,854.95	1,21,146.50

**including dividend tax

2. Performance of the Company

Your Company's performance during the year under report has overall improved. The Company's gross turnover increased by 15.8 % to ₹ 6,328.28 Crores during the year compared to ₹ 5,463.77 Crores in previous year. Profit before Depreciation and Tax increased to ₹ 1,404.09 Crores compared to ₹ 1,044.55 Crores.

3. Performance of the Subsidiary 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 (JKCF), being investment company recorded net loss of AED 84,885,315 (equivalent to ₹ 17,153.81 lacs) for the period from 1 April 2020 to 31 March 2021 (Previous year net income of AED 38,43,956 equivalent to ₹ 741.07 lacs)

J.K. Cement Works (Fujairah) FZC (JKCWF), is involved in principal business of manufacture and sale of White Cement in Middle East, GCC market and also export to different Countries, recorded a turnover of AED 147,685,967 (equivalent to ₹ 29,844.68 lacs (Previous year AED 195,341,574 equivalent to ₹ 37,659.63 lacs). It recorded a loss before OCI of AED 32,398,118 (equivalent to ₹ 6,617.29 lacs) for the period from 1 April 2020 to 31 March 2021 (Previous year a loss of AED 47,614,903 (equivalent to ₹ 9,004.55 lacs)) JKCF

and JKCWF have been incurring continued losses. Based on valuation exercised by independent Valuer, necessary entry of impairment of investment in JKCF has been framed in the Books of your Company during this year.

Jaykaycem (Central) Ltd. recorded a net loss of ₹ 32.37 lacs (previous year loss ₹ 10.27 lacs) for the year ended 31 March 2021.

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. Impact of COVID-19 Pandemic

Your company has considered possible effects that has been impacted due to COVID-19 in the preparation of Audited Annual Accounts for 2020-21. Production and Sales affected due to lockdown declared by appropriate Government but with gradual lifting of lockdown in phased manner production and sale picked up gradually as a result overall performance improved.

6. Dividend

The Board of Directors has recommended a payment of dividend at a rate of ₹ 15 per equity share (150%) for the year ended 31 March 2021 (as against ₹ 7.50 per equity shares declared in 2019-20) with total outgo of ₹ 11,590.24 lacs subject to the approval of the Members at the 27th Annual General Meeting ('AGM'). In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), the Company has formulated a Dividend Distribution Policy which is available on the Company's website and can be accessed at https://www.jkcement.com/pdf/dividend_distribution_policy_of_jk_cement_ltd.pdf

7. Transfer to Reserves

The Company proposes to transfer ₹ 3,289.40 lacs (previous year ₹ 1,865.10 lacs) from Debenture Redemption Reserve and ₹ 10,000 lacs (previous year ₹ 10,000 lacs) to General Reserve during Financial Year 2020-21.

8. Share Capital

The paid-up Equity Share Capital as at 31 March 2021 remained at ₹ 77.27 Crores. During the period under report, your Company has not issued any share including Sweat Equity ESOP. However, during the year under report your Company raised ₹ 250 Crores by issuing Non-Convertible Debentures to Banks.

9. Finance

During the year under report, your Company has availed a sum of ₹ 585 Crores towards disbursement of term loans (previous year ₹ 683 Crores). However, it repaid ₹ 346.73 Crores (previous year ₹ 255.19 Crores) towards Term Loan and Non-Convertible Debentures.

10. Credit Rating

In spite of challenging cement industry scenario, CARE has reaffirmed your Company's rating as "CARE AA" (Care double AA) for long term bank facilities and "CARE A1+" for short term bank facilities. India Ratings and Research (Ind-Ra) (Fitch Group) has assigned Long-Term Issuer Rating of 'IND AA+'.

11. 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.

12. Operations

Grey Cement

During the year under report production increased by 17.47% at 9.71 Million Tonnes (compared to 8.27 Million Tonnes last year) and sales increased by 19.36% at 9.78 Million Tonnes (compared to 8.19 Million Tonnes last year).

White Cement

Production of White Cement & Wall Putty decreased by 0.76 % at 12.90 Lac Tonnes during the year compared to 12.99 Lac Tonnes last year. Sale increased by 1.13 % at 13.42 Lac Tonnes (compared to 13.27 Lac Tonnes last year)

13. Projects of the Company

Projects undertaken / completed- Your Company has

- announced setting up of a greenfield grey cement manufacturing unit at Panna, MP with a split grinding unit at Hamirpur, U.P. with total capacity of 4 MnTPA under its wholly owned subsidiary M/s Jaykaycem (Central) Ltd. ('Jaykaycem').
- successfully commissioned 0.7 MnTPA Grey Cement grinding capacity at J.K.Cement Works, Balasinor, Gujarat and with this your Company has successfully completed its Grey Cement capacity expansion of 4.2 MnTPA comprising in Rajasthan (2 MnTPA), Uttar Pradesh (1.5 MnTPA) and Gujarat (0.7 MnTPA).
- successfully implemented additional installed capacity of 3 Lac Tonnes per annum of white cement based wall putty at J.K. White, Katni, M.P ('Katni') and with this the installed capacity at JK Katni stands at 7 Lac Tonnes per annum and your Company has achieved white cement based Wall Putty manufacturing capacity of 13.3 Lac Tonnes per annum

14. Personnel

14.1 Industrial Relations

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

14.2 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 Office. None of the employee listed in the said Annexure is a relative of any Director of the Company except Dr. Raghavpat Singhania, Managing Director and Mr. Madhavkrishna Singhania Dy. Managing Director and Chief Executive Officer. 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.

SN	Name	Designation	Remuneration Paid in INR		% Increase in Remuneration from previous Year	Ratio/Time per median of employee remuneration to Remuneration**
			2020-21	2019-20		
1	Dr. Raghavpat Singhania	Managing Director	*9,01,14,537	1,62,04,773	456.09	107:1
2	Mr. Madhavkrishna Singhania	Dy. Managing Director and Chief Executive Officer	*8,20,88,975	1,26,26,202	550.15	97:1
3	Mr. Ajay Kumar Saraogi	Dy Managing Director and Chief Financial Officer	*7,30,53,257	2,92,15,616	150.05	86:1
4	Mr.Shambhu Singh	Company Secretary	72,97,020	61,57,782	18.5	9:1

*Remuneration includes Salary drawn during 1.4.20 to 16.6.20 as Chief Operating Officers and President (C/A) & CFO.

* Benefits does not include payment of contribution to Provident Fund and superannuation fund, which is exempted perquisite under applicable provisions of the Companies Act, 2013

** ₹ 8,45,256 is Median, Ratio is calculated on remuneration 2020-21

Particulars about other Non-Executive Directors.

SN	Name	Designation	Remuneration Paid in ₹		% Increase in Remuneration from previous Year
			2020-21	2019-20	
1	Mrs. Sushila Devi Singhania	Non-Executive Non-Independent	28,75,000	10,75,000	167.44
2.	Mr. A. Karati	Non-Executive Independent	14,50,000	13,00,000	11.54
3.	Mr. J.N. Godbole	Non-Executive Independent	15,50,000	13,75,000	12.73
4.	Dr. K.B. Agarwal	Non-Executive Independent	17,75,000	17,25,000	2.90
5.	Mr. K.N. Khandelwal (Resigned w.e.f.17.06.2020)	Non-Executive Non-Independent	75,000	15,50,000	-95.16
6.	Mr. Sudhir Jalan	Non-Executive Non-Independent	13,50,000	10,75,000	25.58
7.	Mr. Suparas Bhandari	Non-Executive Independent	15,00,000	14,50,000	3.45
8.	Mr. Paul Heinz Hugentobler	Non-Executive Non-Independent	1,22,99,529	1,19,46,000	2.96
9.	Mrs. Deepa Gopalan Wadhwa	Non-Executive Independent	14,25,000	12,25,000	16.33
10.	Mr. Ashok Sinha	Non-Executive Independent	13,75,000	12,00,000	14.58
11.	Mr. Saurabh Chandra	Non-Executive Independent	14,50,000	12,75,000	13.73
12.	Mrs. Kavita Y. Singhania (Joined on 31.08.20 and resigned w.e.f 20.01.2021)	Non-Executive Non-Independent Director	NIL	NIL	NA

14.3 Human Resources and Industrial Relations

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

15. 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 31.08.2016 imposed a penalty of ₹ 12,854 lacs on the Company. The Appeal was heard whereupon National Company Law Appellate Tribunal (NCLAT) vide order dated 25.07.2018 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 2020-21.

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 2020-21.

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

16. Corporate Governance

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

17. Public Deposits

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

18. 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.

19. Mitigation of risk

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

19A.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/2018/0000000141 dated 15 November 2018.

20. Remuneration Policy

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

21. 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 transactions 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 IndAS. 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 MD and the DMD & CFO. The Related Party Transactions Policy as approved by the Board stands uploaded on the Company's website at www.jkcement.com.



22. 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 judgments 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 31 March 2021. 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 15 above read along with notes on accounts.

23. 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.

24. Directors and Key Managerial Personnel.

24.1 In accordance with the provisions of Section 152 of Companies Act, 2013 and the Company's Articles of Association, Mr. Paul Heinz Hugentobler (DIN 000452691) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

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

24.2 Cessations

Mr. Kailash Nath Khandelwal resigned from the post of Director with effect from 17.06.2020 due to personal reasons.

Mrs. Kavita Y. Singhanian was appointed as an Additional Director in the category of Non-Executive Non-Independent Director on

31.08.2020. She resigned from Directorship with effect from 20.01.2021 due to personal reasons.

24.3 Key Managerial Personnel

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

Sr. No.	Name of the Official	Designation
1.	Dr. Raghavpat Singhanian (Appointed on 31.08.2020)	Managing Director
2.	Mr. Madhavkrishna Singhanian (Appointed on 31.08.2020)	Dy. Managing Director & CEO.
3.	Mr. Ajay Kumar Saraogi (Appointed on 31.08.2020)	Dy. Managing Director & CFO
4.	Mr. Shambhu Singh	Company Secretary

25. Meetings of the Board Of Directors

During the year 2020-21, 5 (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.

26. 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.

27. 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 31 March 2021, and of the statement of Profit and Loss and cash flow of the company for the period ended 31 March 2021;
- 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.

28. 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. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017, notified on 7 May 2018. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

29. 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 2021-22 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 2020-21 was filed with Ministry of Corporate Affairs.

30. Secretarial Audit

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Reena Jakhodia & Associates, Kanpur, Company Secretaries in Practice, as the Secretarial Auditor for conducting Secretarial Audit of the Company

for the Financial Year ended 31 March 2021. The report of the Secretarial Auditor is attached as **Annexure A**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except as detailed in MR-3 annexed to this Report. The Company is in compliance with the Secretarial Standards, specified by the Institute of Company Secretaries of India ('ICSI').

31. Reporting of Fraud

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

32. 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 General Meetings.

33. 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 Singhanian 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, COVID care. The Annual Report on CSR activities is annexed herewith as **Annexure B**.

34. Statutory Information

34.1 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.

34.2 Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link: https://www.jkcement.com/investors/annual_returns.

**34.3 Business Responsibility Reporting**

The Business Responsibility Report for the year ended 31 March 2021 as stipulated under regulation 34 of the Listing Regulations is annexed as **Annexure D** and forms part of the Annual Report.

34.4 Management Discussion & Analysis (MDA) Statement

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

35. Transfer to Investor Education and Protection Fund

During the year, the Company has transferred a sum of ₹ 21,05,831/- which represents unclaimed dividend and 11,585 Equity Shares which represents unclaimed shares to the Investor Education and Protection Fund in compliance with provisions of the Companies Act, 2013.

36. Disclosures under the companies act, 2013 and Listing Regulations**36.1 Composition of Audit Committee**

The Board has constituted the Audit Committee which as on 31.03.21 comprises of Dr. K.B. Agarwal as the Chairman and Shri A. Karati, Shri J.N. Godbole, Shri Saurabh Chandra and Shri Ashok Sinha as members. More details about the committee are given in the Corporate Governance Report.

36.2 Policy on Sexual Harassment of women at workplace

The Company has zero tolerance towards sexual harassment at the workplace and towards this, 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 framed thereunder. All employees (permanent contractual, temporary, trainees) are covered under the said policy. Internal Complaints Committee have also been set up at various locations to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaint of sexual harassment from any of the women employees of the Company.

37.1 Independent Directors

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act

and the Company's Code of Conduct. The Board is of the opinion that the Independent Directors of the Company possesses requisite qualifications, experience and expertise in the fields of finance, people management, strategy, auditing, tax and risk advisory services, infrastructure, banking, insurance, financial services, investments, cement industries, petroleum, foreign affairs and they hold highest standards of integrity. Regarding proficiency, the Company ensured inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). The Independent Directors of the Company have registered themselves with the IICA for the said purpose. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors undertook online proficiency self-assessment test conducted by the IICA.

37.2 Familiarisation Programme for Independent Directors

The familiarisation program 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 familiarisation program also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

38. 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, color, marital status and sex.

39. 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 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.

40. Other Disclosure

No disclosure or reporting is made with respect to the following items, as there were no transactions during the year under review:

- Details relating to deposits that are covered under Chapter V of the Act.
- The issue of equity shares with differential rights as to dividend, voting or otherwise.
- The issue of shares to the employees of the Company under any scheme (sweat equity or stock options).
- There is no change in the Share Capital Structure during the year under review.
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefits of employees.
- Managing Director, Dy. Managing Director & CEO and Dy. Managing Director & CFO has not received any salary/perquisite from any of its subsidiaries.
- There was no revision in the financial statements.
- There was no change in the nature of business.

- There were no material changes and commitments affecting financial position of the Company between the end of the financial year and the date of this report.

41. 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, Govt. of Uttar Pradesh, Govt. of Gujarat, 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

Dr. Raghavpat Singhania
Managing Director
DIN: 02426556

Madhavkrishna Singhania
Dy. Managing Director & CEO
DIN: 07022433

Place: Kanpur
Dated: 12 June 2021

Annexure - A

Secretarial Audit Report

For the Financial year ended 31 March 2021

[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 CIN: L17229UP1994PLC017199 ("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, Tensil- Badwara, Dist. Katni, M.P. Aligarh, UP and Balasinor, Gujrat etc. 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 Authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2021, 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 31 March 2021 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. Secretarial Standards as prescribed by Institute of Company Secretaries of India.
- vi. 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, 2018 and amendments from time to time;
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and amendments from time to time;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and amendments from time to time;
 - f) The Competition Act, 2002 and Rules/ Regulations framed thereunder;

- vii. 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;
 - 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 except for the below mentioned observation.

Basis the information provided by the management due to technical issue and due to offices been closed due to the nation wide lockdown imposed due to COVID-19 pandemic, there was Non Compliance of Regulation 23(9) of SEBI (LODR) Regulation 2015 about timely not disclosing related party transaction on Consolidated basis. However the same was filed and sought waiver of fine on 19.01.2021. NSE granted waiver but waiver by BSE is awaited.

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.

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.

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.

For: Reena Jakhodia & Associates
Company Secretaries

Reena Jakhodia

Proprietor
Membership No: F6435
C.P. No.: 6083
UDIN: F006435C000387288

Place: Kanpur
Dated: 28 May 2021

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.



Annexure - A

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

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

- 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.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of accounts of the company.
- Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- 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.
- 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.

For: Reena Jakhodia & Associates
Company Secretaries

Reena Jakhodia
Proprietor
Membership No: F6435
C.P. No.: 6083
UDIN: F006435C000387288

Place: Kanpur
Dated: 28 May 2021

Annexure - B

Annual Report Details of the CSR Activities

- A brief outline of the Company's CSR policy, including overview of projects or programs under taken 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 1 November 2014 and has been uploaded on the Company's website. The web link is http://www.jkcement.in/ce/policies/csrrp/csr_policy.html. The Company undertook activities relating to health, art, culture, community welfare, environment, safety, disaster management, drinking water, sports, education and rural development.
- The Composition of the CSR Committee.**
 - Smt. Sushila Devi Singhania (Non-Executive, Non-Independent Director)
 - Dr. K. B. Agarwal (Non-Executive, Independent Director)
 - Shri J. N. Godbole (Non-Executive, Independent Director)
 - Shri Suparas Bhandari (Non-Executive, Independent Director)
- Average net profit of the Company for Three Financial Years.**
The average net profit for the last three years is ₹ 59,733.34 lacs
- Prescribed CSR expenditure (two percent of the amount as in item 3 above)**
The Company is required to spend ₹ 1,194.67 lacs towards CSR for the Financial Year 2020-21
- Details of CSR spent during Financial Year**
 - Total amount spent for the Financial Year ₹ 1,226.14 lacs
 - Amount unspent if any: NIL
 - 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:-

Detail of CSR Expenditure of J.K. Cement Limited for the period April 2020 to March 2021

Sr. No.	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	Contribution for preserving & encouraging Art & Cultural Heritage like Chittorgarh Fort Festival.	Art & Culture	Chittorgarh	Rajasthan	3,23,256	3,23,256	
2	Construction of Bio Toilets in nearby school in rural area, Infrastructure development & Renovation work for community welfare like Renovation at Aganbari Centre, Contruction of Community Hall. Contribution for Nandghar Yojana in nearby villages.	Community Welfare	Ahirpura Bamania Falwa Karunda Nimbahera	Rajasthan Rajasthan Rajasthan Rajasthan Rajasthan	1,72,430 8,96,016 11,59,994 8,35,728 4,80,000	1,72,430 8,96,016 11,59,994 8,35,728 4,80,000	

Sr. No.	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	Distribution of food packets and essential grocery items in near by villages. Contribution in Fooding, Distribution of Mask, Sanitisers & other PPEs, Sanitisers & Direct Contribution to Govt.	Disaster Relief	Lota Bheru Nimbahera	Rajasthan Rajasthan	1,24,600 29,37,890	1,24,600 29,37,890	
4	Contribution for Ground Water Survey in Chittaurghar District to Third party. Pump set to PHED for drinking water arrangement.	Drinking Water Arrangement	Nimbahera Pipaliya Gadia	Rajasthan Rajasthan	11,32,300 2,86,676	11,32,300 2,86,676	
5	Construction & Renovation of school buildings, class rooms. Reimbursement of expenses on Coaching of students of rural areas at near by villages.	Educational Charity	Ahirpura Falwa Fatcher Ahiran Karunda Maliakhera Nimbahera	Rajasthan Rajasthan Rajasthan Rajasthan Rajasthan Rajasthan	11,57,240 2,56,995 7,03,197 4,40,427 11,15,528 39,560 1,71,630	11,57,240 2,56,995 7,03,197 4,40,427 11,15,528 39,560 1,71,630	
6	Providing Tree guards & other facilities for plantation.	Enviroment	Nimbahera	Rajasthan	1,71,630	1,71,630	
7	Sanitation work in entire Nimbahera City as well as nearby Villages for COVID-19 prevention. Regular Pest Control Activity in nearby villages. Contribution for Renovation/Extension of Govt. Hospital building.	Health	Ahirpura Karunda Maliakhera Nimbahera	Rajasthan Rajasthan Rajasthan Rajasthan	1,75,664 3,86,490 18,02,155 22,05,638	1,75,664 3,86,490 18,02,155 22,05,638	
8	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	Ahirpura Karunda Maliakhera Nimbahera	Rajasthan Rajasthan Rajasthan Rajasthan	7,64,317 5,78,394 9,60,034 67,639	7,64,317 5,78,394 9,60,034 67,639	
9	Distribution of Silver medals for bright students based on performance for motivation at various schools.	National Functions	Nimbahera	Rajasthan	5,02,759	5,02,759	
10	CC Road Construction in nearby villages. Financial Aid to Panchayat for Rural Development. Drainage system construction at Karunda Village for better health & Hygiene. Construction of Rest rooms in village for travellers.	Rural Development	Ahirpura Karunda Maliakhera Sand Tilakhera	Rajasthan Rajasthan Rajasthan Rajasthan Rajasthan	40,57,936 1,38,10,456 10,00,000 19,80,281 5,42,732	40,57,936 1,38,10,456 10,00,000 19,80,281 5,42,732	
11	Contribution for Sport promotions like Lighting at Community Sports Ground. Providing sports equipments in nearby areas.	Sports Promotion	Ahirpura Nimbahera Rasoolpura	Rajasthan Rajasthan Rajasthan	8,560 10,100 8,560	8,560 10,100 8,560	
					4,10,95,182	4,10,95,182	

World of J.K. Cement	Leadership messages	Value-creation approach	Capital-wise performance	Our Board	Statutory Reports	Financial Statements	
Sr. No.	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
	Mangrol						
1	Contribution for Construction and Renovation of Strutures of Public utility like Cemetery.	Community Welfare	Mangrol	Rajasthan	18,35,564	18,35,564	
2	Purchase and distribution of PPEs for prevention of COVID-19.	Disaster Relief	Mangrol	Rajasthan	74,200	74,200	
3	Providing drinking water facility at nearby villages like Drinking Water supply by tankers, New Borewells & pump sets, Financial Aid to Gram Panchayat.	Drinking Water Arrangement Drinking Water Arrangement Drinking Water Arrangement	Mangrol Shahbad Tilakheda	Rajasthan Rajasthan Rajasthan	10,00,000 5,78,155 2,86,865	10,00,000 5,78,155 2,86,865	
6	Construction and Modification of School, Class rooms. Reimbursement of expenses on Coaching of students of rural areas at near by villages.	Educational Charity Educational Charity	Mangrol Tilakheda	Rajasthan Rajasthan	2,10,477 13,95,623	2,10,477 13,95,623	
7	Regular Pest Control Activities in nearby villages.	Health	Mangrol	Rajasthan	3,67,500	3,67,500	
8	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.	Livelihood Promotion Livelihood Promotion	Mangrol Tilakheda	Rajasthan Rajasthan	10,69,672 14,95,660	10,69,672 14,95,660	
9	Providing material for construction of Gravel roads, CC Roads in near by villages. Modification of structures related to community.	Rural Development Rural Development	Mangrol Tilakheda	Rajasthan Rajasthan	26,99,286 16,00,400	26,99,286 16,00,400	
10	Contribution for Sports Equipments in near by villages for promoting Sports activities in Community.	Sports Promotion Sports Promotion	Arniya Paliwal Motha Arniya	Rajasthan Rajasthan	13,350 8,560	13,350 8,560	
					1,26,35,312	1,26,35,312	
	Jharli						
1	Pay to School Teacher, Mohanbari & Jharli	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects,	Jharli	Haryana	59,000	59,000	
2	Salary pay Cleanning Work for Panchayat	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects,	Jharli	Haryana	96,000	96,000	

World of J.K. Cement	Leadership messages	Value-creation approach	Capital-wise performance	Our Board	Statutory Reports	Financial Statements	
Sr. No.	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
5	Promoting to Education- Childrens-Toilet block (govt. sec. sch., Tulaliya)	Promoting education- Childrens	Tukaliya	Rajasthan	4,86,000	4,86,000	
6	Promoting to Education- Childrens-Toilet block (govt. sec. sch., Dhannappa)	Eradicating hunger, poverty/Promoting Health care	Dhanappa	Rajasthan	4,12,000	4,12,000	
7	Promoting to Education- Childrens-Toilet block(govt. sec.sch.,Gotan)		Gotan	Rajasthan	2,78,000	2,78,000	
8	Promoting to health safety- villagers-Toilet block(Ganesh Temple,Gotan)	Promoting Health care/Ensuring environmental sustainability	Gotan	Rajasthan	9,65,000	9,65,000	
9	Promoting Health Care regarding Janata Clinic	Eradicating hunger,poveity/ promoting health care	Mertacity	Rajasthan	6,00,000	6,00,000	
10	Promoting to Education-Chilldrens- Electricity Connections (govt. Schools 11 nos)	Promoting education- Childrens	Mertacity	Rajasthan	3,94,000	3,94,000	
11	Promoting Health Care-Corona Virus-COVID-19, Vaccination	Promoting Health care/Ensuring environmental sustainability	Gotan	Rajasthan	51,000	51,000	
12	Rural Development Project-Aestheic uplift of some jodhpur division station	Rural Area Development Project	Merta Road	Rajasthan	1,00,000	1,00,000	
Total (White Cement)					44,11,687	44,11,687	
HO CSR EXPENDITURE (UPTO 31.03.2021)							
1	Contribution to ILTK as scholarship for Meritorious students	Promotion of Education		UP	20,00,000	20,00,000	
2	Contribution to SPSPU for upgrading infrastructure	Promotion of Education		Rajasthan	90,00,000	90,00,000	
3	Contribution to GHSMIR as financial assistance for educational facilities	Promotion of Education		UP	1,00,00,000	1,00,00,000	
4	Installation of Oxygen Gas pipelines at GSVM(COVID-19 wards)	Health		UP	43,13,410	43,13,410	
5	Constructions of Public road and installation of RCC benches at public places	Social Responsibility		UP	14,85,054	14,85,054	
6	Contribution to Red cross Society	Health		MP	2,00,000	2,00,000	
7	Distribution of face mask, hand sanitisers, food packets to weaker section of society	Health		MP, Rajasthan and New Delhi	18,25,230	18,25,230	
8	Contribution to JK Gram vikas udyog for cross breeding projects in rural areas	Rural development		Rajasthan and Haryana	1,83,56,000	1,83,56,000	
9	Contribution of LKS Education for opening ITI at Gotan	Education		Rajasthan	1,50,00,000	1,50,00,000	
HO(UPTO 31.03.2021)					6,21,79,694	6,21,79,694	
GRAND TOTAL UPTO 31.03.2021					12,26,13,796	12,26,13,796	

Sr. No.	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	Goods distributed in Redcross Society for COVID-19 and Mask distribution in Jharli and Mohanbari	Promotion of health care including prevention heath care and sanitation, and disaster management	Jharli & Jhajjar	Haryana	2,09,000	2,09,000	
4	Safe and Clean Drinking Water Supply in Rural areas & Water Purifier	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Jhajjar	Haryana	2,06,000	2,06,000	
5	LED to Police Station and Badminton Sponsorship And Boxing Tournament	Rural development	Jharli	Haryana	49,000	49,000	
					6,19,000	6,19,000	
Muddapur							
	Distribution of Vegetable & food Packets to near by area (COVID-19)	Rural development projects	Mudhol, Muddapur and Halki Village	Karnataka	5,22,950	5,22,950	
Balasinor							
	COVID-19 expense: purchase of banner, mask etc.	Health	Balasinor	Rajasthan	70,970	70,970	
Aligarh							
	Rural development: Police Station	Rural Development	Aligarh	UP	61,000	61,000	
Total (Grey)							
Katni							
1	Distribution of goods to poor	Eradicating poveity	Badwara & Katni	MP	10,18,000	10,18,000	Expenses Incurred for RO, Gotan,& Help in Chief Minister Jal Swavlamban Abhiyan
Katni Total					10,18,000	10,18,000	
White Cement & Gotan Grey							
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	15,000	15,000	
2	Promoting Health Care regarding Corona virus (COVID-19)	Eradicating hunger, poverty/Promoting Health care	Gotan	Rajasthan	30,000	30,000	
3	Promoting Health Care regarding Corona virus (COVID-19)	Eradicating hunger, poverty/Promoting Health care	Gotan	Rajasthan	9,06,000	9,06,000	
4	Promoting Health Care regarding Corona virus (COVID-19)	Eradicating hunger, poverty/Promoting Health care	Gotan	Rajasthan	1,74,687	1,74,687	



Sr. No.	Summary of Expenditure	Amount in ₹
1	J.K. Cement Works, Nimbahera	4,10,95,182
2	J.K. Cement Works, Mangrol	1,26,35,312
3	J.K. Cement Works, Jharli	6,19,000
4	J.K. Cement Works, Muddapur	5,22,950
5	J.K. White Cement Works & J.K. Cement Works, Gotan	44,11,687
6	J.K. White, Katni	10,18,000
7	J.K. Cement Works, Aligarh	61,000
8	J.K. Cement Works, Balasinor	70,970
9	Head Office	6,21,79,694
		12,26,13,796

6. In case the company has failed to spend the two per cent 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.

Dr. Raghavpat Singhania

Managing Director
DIN: 02426556

Place: Kanpur
Date: 12 June 2021

Dr. K.B. Agarwal

Chairman – Corporate Social
Responsibility Committee
DIN: 00339934

Annexure - C

Particulars of Energy Conservation, Technology Absorption, Foreign Exchange Earnings and outgo required under Section 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 are of prime importance for the company. Energy reduction in every field is the need of time to sustain business in the current scenario of each & every industry including Cement. Major contribution towards cost of manufactured cement is the Electrical energy and Thermal energy consumption, so for J.K. Cement main focus to reduce cost of production is the conservation of electrical & thermal energy.

During the year 2020-21, various efforts have been done to reduce the consumption of electrical & thermal energy for the production of cement by our different manufacturing units. These energy conservation measures during 2020-21 has resulted in reduction of power consumption by 960.82 lacs KWH, equivalent to 8,262 MTOE.

In an additional reduction in Thermal energy consumption, 22,822 MTOE during the year have been replaced by alternative fuel & other Operational initiatives to conserve primary fuels. Total Investment was ₹ 1,04,799.22 lacs

The overall energy saving projects are classified into the listed categories:-

- ✓ Process optimisation with nil investment
- ✓ Installation of energy efficient equipments
- ✓ Implementing in house kaizens & modifications
- ✓ Downsizing of existing equipments
- ✓ Improving Thermal efficiency.
- ✓ Improving Production & Operational efficiency.
- ✓ R&D Activities and Adopting new Technology.
- ✓ VFD installation in fans

Process optimisation

By the optimisation of various process parameters, interlockings, logics etc., many savings were achieved. Monitoring of Production process and Analysis of data is very important for energy conservation. By various process optimisations saving of ₹ 716.01 lacs achieved with reduction of 120.43 lacs KWH of electricity with expenditure of ₹ 16.38 lacs only. Most of the optimisations are done without investment.

Installation of Energy Efficient Equipments

Replacement of low efficiency motors by high efficiency motors, replacement of high power consumption lamps by energy saving LED lamps and other energy efficient equipments of the latest technology were installed to improve the electrical efficiency of the system. By these steps saving of 538.62 lacs KWH equivalent to 4,631 MTOE and ₹ 2,969.97 lacs with the expenditure of ₹ 15,194.5 lacs.

Implementing In-house kaizens & 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 2.58 lacs KWH equal to 22 MTOE and ₹ 14.57 lacs of electricity with ₹ 4.79 lacs investment only.

Downsizing of the existing equipments

Utilisation of optimum loading on motors with respect to existing lower 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 ₹ 0.31 lacs by reducing 0.06 lacs KWH of electricity with zero investment.

**Improvement in Thermal Efficiency**

Besides the in-house monitoring & optimisation of the clinkering section, optimisation of burner momentum, reducing false air, accurate kiln operation control etc, has resulted in improving the thermal efficiency of the pyro systems. In Power Plant operations also higher generation of units with optimised parameters resulted in equivalent fuel savings. Company has saved ₹ 55.12 lacs through initiatives by which 52,335 lacs kcal through feed box height in riser duct of PH String -2 Top cyclone & restrict the false air entry. Total thermal energy saved during the year is 523 MTOE.

Improvement in Production & Operational Efficiency

Improvement in the Production rate index of Kilns with optimisation of process & operational parameters in which New Clinkering Unit installed at Mangrol & Existing Cement Mill modified from Ball mill to Combi circuit in which savings in terms of rupees as well as efficiency of the system are achieved. Through improvement in output & operational efficiency, company has saved ₹ 2,786.66 lacs by reducing 291.35 lacs KWH of electricity & 15,733 MTOE saved with expenditure of ₹ 89,106.38 lacs.

VFD installation in fans

Replacement of existing drive system by VFD installation in fans has resulted in savings 7.77 lacs KWH and ₹ 49.26 lacs of electricity with expenditure of ₹ 48.82 lacs only.

Savings are as under:-

Detail of Savings are as under:-

	Saving KWH (in lacs)	Saving Kcal (in lacs)	Saving MTOE	Saving (₹ In lacs)
Installation of Energy Efficient Equipment	538.62		4,631	2,969.97
In-house small modifications	2.58		22	14.57
VFD Installation	7.77		67	49.26
Improving production & Operational Efficiency	291.35	13,22,769.82	15,733	2,786.66
Improving Thermal efficiency		52,335.00	523	55.12
Downsizing of the existing equipment	0.06		1	0.31
Process optimisation	120.43		1,036	716.01
Total	960.81	13,75,104.82	22,013	6,591.90

B) Technology Absorption and R&D Activities

By technology upgradation and R&D activities in the areas of Process Improvement and Energy Management J.K. Cement Ltd, in FY 2021-22 ₹ 2,523.46 lacs has been planned for Technology Absorption & Energy Conservation measures.

Major steps in R&D activities are:-

- For FY 2021-2022 by R&D activities & Energy saving initiatives, expenditure of ₹ 2,523.46 lacs planned to save ₹ 1,636.21 lacs throughout in Mangrol Unit.
- Use of alternative fuel saved ₹ 2,193 lacs & 9,072 MTOE by investing ₹ 426.80 lacs at Mangrol plant.

C) Foreign Exchange Earnings and Outgo

Particulars	₹ In lacs
Foreign Exchange earned in terms of actual inflows	694.62
Foreign Exchange outgo in terms of Actual outflow	64,759.27

Annexure - D

Business Responsibility Report 2020-21

Section A: General Information about the Company

1. Corporate Identity Number (CIN):	L17229UP1994PLC017199
2. Name of the Company	J.K. Cement Limited (JKCL)
3. Registered Address	Kamla Tower, Kanpur – 208001, Uttar Pradesh, India
4. Website	http://www.jkcement.com/
5. E-mail ID	shambhu.singh@jkcement.com
6. Financial Year Reported	FY 2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	

Industrial Group	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 Implementation

8. List three key products / services that the Company manufactures / provides (as in balance sheet)	1) Grey Cement 2) White Cement 3) Wall Putty
9. Total number of locations where business activity is undertaken by the Company	
i. Number of International Locations (Provide details of major 5)	Cement plant in Fujairah, UAE
ii. Number of National Locations	Refer manufacturing capital
10. Markets served by the Company - Local / State / National/ International	

Refer geographical spread and markets served section

Section B: Financial Details of the Company (Standalone)

1. Paid up capital (₹ lacs)	7,726.83
2. Total turnover (₹ lacs)	6,32,827.88
3. Total profit after taxes (₹ lacs)	60,282.58
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR is 2.77% of the average profit after taxes in the previous three (3) financial years
5. List of activities in which expenditure in 4 has been incurred: (₹ lacs)	1. Education: 418 2. Community Welfare: 232 3. Rural Infrastructure Development: 457 4. Health & Livelihood: 119

Section C: Other details

Does the Company have any Subsidiary Company/ Companies?	C1 Yes - The Company has two (2) wholly owned subsidiaries - J.K. Cement (Fujairah) FZC, United Arab Emirates (UAE) and Jaykaycem (Central) Limited, India
Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?	C2 No
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?	C3 No



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:

Name	Dr. Raghavpat Singhania
Director Identification Number (DIN)	02426556
Designation	Managing Director

b) Details of the BR Head:

Name	Mr. Shambhu Singh
Designation	Company Secretary and Vice President (Legal)
Telephone Number	+91-512-2371478-81
E-mail ID	shambhu.singh@jkcement.com

2. Principle-wise (as per National Voluntary Guidelines) 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. These briefly are as under:

Principle 1 (P1):	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2 (P2):	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3 (P3):	Businesses should promote the well-being of all employees
Principle 4 (P4):	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5 (P5):	Businesses should respect and promote human rights
Principle 6 (P6):	Businesses should respect, protect, and make efforts to restore the environment
Principle 7 (P7):	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8 (P8):	Businesses should support inclusive growth and equitable development
Principle 9 (P9):	Businesses should engage with and provide value to their customers and consumers in a responsible manner

QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
i. Do you have a policy/policy for...	Yes								
ii. Has the policy being formulated in consultation with the relevant stakeholders?	Yes, The Company policies and practices have been formulated after the consultation with different internal and external stakeholders relevant to the business								
iii. Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, policies and practices meet application regulatory and best practices requirements as evaluated by the organisation at the time of their formulation. The same are evaluated and updated from time to time as seen appropriate								
iv. Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes								
v. Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes, The Company has 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. Refer Report on Corporate Governance								
vi. Indicate the link for the policy to be viewed online?	The policies can be viewed at: https://www.jkcement.com/company_policy								
vii. Has the policy been formally communicated to all relevant internal and external stakeholders? (B)	Yes, Policies and practices have been communicated to all relevant stakeholders as per their applicability								
viii. Does the company have in-house structure to implement the policy/ policies?	Yes								
ix. Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, the Company has a Whistle Blower Policy with grievance redressal mechanism for stakeholders to raise their grievances								
x. 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								

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

C. Any clarifications for grievances related to 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

a. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
i. The company has not understood the Principles	NA								
ii. The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA								
iii. The company does not have financial or manpower resources available for the task	NA								
iv. It is planned to be done within next 6 months	NA								
v. It is planned to be done within the next 1 year	NA								
vi. Any other reason (please specify)	NA								
2. Governance related to BR									
i. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Company evaluates sustainability performance annually.								
ii. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company used to publish Sustainability Report annually in-line with Global Reporting Initiative (GRI) standards. It, however, has transited to Integrated Reporting <IR> from FY 2020-21.								

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	Yes. The Company is guided by its Code of Conduct (CoC) ensuring all business activities are conducted in an ethical manner this web address: 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 16 shareholder complaints during the FY 2020-21, while no complaints were pending from previous financial year. All the 16 complaints have been successfully resolved during the year.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	a. Cement (Grey & White) b. Wallmaxx c. Primaxx d. Gypsomaxx e. Tilemaxx The Company is committed to adopt sustainable practices as a socially and environmental responsible company. The Company follow precautionary approach to mitigate environmental impacts due to business activities
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	Refer Natural Capital. Cement as a product is used by diverse consumers for different purposes. Hence, it is not feasible to measure the usage (energy, water) by consumers
i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	
ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	

3. Does the company have procedures in place for sustainable sourcing (including transportation)?	Company is guided by ESG policy. ESG policy covers Suppliers, Contractors, Consultants and Transporters requiring adopting sustainable business practices. Refer Social & Relationship Capital.
i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Refer Social & Relationship Capital
i. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	
5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	Refer Natural Capital
Principle 3	
1. Please indicate the Total number of employees.	3,751
2. Please indicate the Total number of employees hired on temporary/ contractual / casual basis.	4,000+
3. Please indicate the Number of permanent women employees	68
4. Please indicate the Number of permanent employees with disabilities	2
5. Do you have an employee association that is recognised by management?	Yes – at Nimbahera, Mangrol and Muddapur
6. What percentage of your permanent employees is members of this recognised employee association?	Gotan, Nimbahera & Mangrol 100%, 33% and 13% of our workers respectively, are members of recognised 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.	Nil
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Refer Human capital
Principle 4	
1. Has the Company mapped its internal and external stakeholders? Yes/No	Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders	Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	Refer Social & Relationship Capital
Principle 5	
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?	Yes - All human rights aspects are covered under Company's Code of Conduct.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	JKCL received 16 grievances from shareholder during the FY 2020-21, while no complaints were pending from previous financial year. All the 16 complaints have been successfully resolved during the year. No investor grievance remained pending for more than 30 days.
Principle 6	
1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.	Yes
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Refer Sustainability Strategy section
3. Does the company identify and assess potential environmental risks? Y/N	Yes
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No, the Company does not have any project related to Clean Development Mechanism

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Refer Natural capital
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, the emissions/waste generated by the Company was all within the permissible limits given by CPCB/SPCB.
7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	No, the Company has not received any legal notice from CPCB / SPCB during the financial year.
Principle 7	
1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Refer Membership & Associations section
2. Have you advocated/lobbied through 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 Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No, JKCL has not advocated or lobbied through any associations for the advancement or improvement of public good
Principle 8	
1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Refer Social and Relationship Capital
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organisation?	Refer Social and Relationship Capital
3. Have you done any impact assessment of your initiative?	No
4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?	Refer section B of Business Responsibility Report
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Refer Social and Relationship Capital
Principle 9	
1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?	A total of 2,050 complaints were received from customers in FY 2020-21, out of which Nil complaints were pending as of 31 March 2021
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.
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 on end of financial year? If so, provide details thereof, in about 50 words or so.	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 25.07.2018 upheld CCI's order. The Company has filed statutory appeal before Honourable 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 accounts.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes, we carry out consumer survey and satisfaction surveys based on commercial needs