

JKspotlight



Towards Perfection – Our Tradition

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The Doyen...

WHO INSPIRES EXCELLENCE

Mr. Yadupati Singhania

Chairman & Managing Director

Best CEO

by



Ranked 1st in the Cement Industry

Ranked 28th among the Best CEOs in the Country

Special Edition

Cherishing the success, Celebrating life



As JK Cement paved its way into 2018, it found yet another reason to celebrate. It is a matter of great pride that Mr. Yadupati Singhania - Chairman and Managing Director, has been conferred with the prestigious Best CEO Award in the Cement Industry by Business Today.

Mr. Raghavpat Singhania received the award on behalf of the CMD at a glittering award ceremony held on 13th January 2018 in Mumbai. Mr. Singhania's dynamic vision and pursuit for excellence has positioned JK Cement at the helm of the industry. He has been ranked number one in the Cement Industry.

He has also secured the 28th place among the Best CEOs in the Country alongside industry veterans such as Mr. Kenichi Ayukawa – MD & CEO, Maruti Suzuki India, Mr. A.M. Naik – Group Chairman, L & T and Mr. Varun Berry – MD, Britannia Industries, to name a few.

This recognition spread much joy and cheer among the entire JK Cement family. The celebrations were marked with cake cutting ceremony across various centres of the company. Apart from this, The Merchants' Chamber of Uttar Pradesh organized a grand function at the Kamla Retreat, Kanpur to celebrate the said achievement of the CMD with grandeur.



This prestigious award comes on the back of years of hard work, dedication and perseverance. Under YPSji's leadership, JK Cement has recorded superlative accomplishments, positioning itself as a premier contributor in the Industry. His dynamic vision and pursuit for excellence have always inspired all to attain newer heights of success.

This recognition would not have been possible without the unstinting support of the team and their valuable contribution towards taking the Company to greater heights. To know more about this notable recognition, read the feature story on page 4, published in Business Today Special Issue (January 28, 2018) – King of Cawnpore.



Business Today
MIND RUSH



Mr. Raghavpat Singhania receiving the award on behalf of Mr. Yadupati Singhania at Business Today Mind Rush, 2018.



Felicitation Ceremony by **Merchants' Chamber of Uttar Pradesh - Kamla Retreat**

The Merchants' Chamber of Uttar Pradesh organized a function at Kamla Retreat, Kanpur on 25th January to felicitate Mr. Yadupati Singhania - Chairman & Managing Director for the Best CEO Award conferred upon him by Business Today. The felicitation ceremony was graced by Mr. Yadupati Singhania - CMD, Smt. Sushila Singhania Ji, Mr. Abhishek Singhania, Mr. Raghavpat Singhania, Mr. B.K. Lahoti – President, Merchants' Chamber of UP,

Mr. I.M. Rohatgi - Ex-President of Chamber and eminent personalities from Kanpur.

The function commenced with the presentation of a bouquet to CMD Sir which was followed by cake cutting. He has always believed that, "The only way to success is hard work". Mr. Anil Agrawal - Sr. Vice President elaborated the criteria for deciding this award. The function was followed by lunch.



King of Cawnpore

The 64-year-old chairman and managing director of JK Cement is a self-effacing mix of legacy and modernity who remains rooted to Kanpur.

BY SUMANT BANERJI

A

s a member of one of India's oldest and most prosperous business families — the JK Group, 64-year-old Yadupati Singhania is averse to any ostentatious show of wealth. Still operating out of the 90-year-old Kamla Towers in Kanpur's busy Jareeb Chowki area, Singhania disregards the luxury of a big German sedan and opts for a modest Maruti Ciaz for the half-hour drive to office from his ancestral home, Ganga Kutir. Even the smaller and less stately Mercedes B Class that was bought for him a couple of years ago has been discarded. "Look at the congestion and narrow roads here. A Maruti is best for Kanpur," he says.

Dressed casually in a woollen pullover, seated atop an antique 80-year-old family chair, Singhania looks frail for his age the day we meet him on a particularly foggy December morning. It is a picture of a contented man who has seen much in life. Singhania feigns a mock surprise when told he has been adjudicated as the best CEO for the cement industry and is at a loss to explain what makes him special.

"The vision is to grow just like any other company aspires to. I don't think we have done anything different. We are doing what



BEST CEO

(Cement)

Total Income/ 3-yr CAGR

₹3,848.6 cr/ 10.6%

PBIT/ 3-yr CAGR

₹609.4 cr/ 28.3%

PAT/ 3-yr CAGR

₹278.9 cr/ 42.2%

3-yr Average TSR

70.7%

Average Mcap YoY growth*

42.0%

ROE/ROCE

14.4%/13.2%

CASH/DEBT

₹418.9cr/2,677.4cr

Net Profit Margin

5.90%

*For Oct 2016-Sep 2017; Standalone data; Total Income, PBIT & PAT net of extraordinary items; TSR: Total shareholder returns; Source: ACE Equity

we have been doing all the time. It just happens that we are performing better," he says. "Compared to others, you would have a better idea as an observer (outsider) to gauge what we are doing differently. Because internally, I do not see anything different."

Cement is a rather peculiar industry in India. For all its importance in nation building — construction of houses, bridges, roads and ports, it is



OUR GROWTH IS A TESTAMENT TO OUR PERSISTENT EFFORTS IN COST REDUCTION, BROWNFIELD EXPANSIONS AND OTHER EFFICIENCY INITIATIVES"

taxed heavily. There is also a perception that the industry is opaque; charges of cartelisation often surface, and it is continually under the radar of the Competition Commission of India.

Despite these challenges, JK Cement has been an out-performer. Its revenues, ₹3,848.6 crore between October 2016 and September 2017, have grown by an average of 10.6 per cent in the last three years. In the same period,

INDIA's BEST CEOs

YADUPATI SINGHANIA, Chairman and Managing Director, JK Cement



Factsheet

1. It was on Singhania's insistence that JK Cement forayed into white cement in 1984. It is reaping the dividends now
2. He has modernised most of his factories, bringing down the cost of fuel and improving efficiency
3. He is an avid reader and a collector of antiques. A 20-acre property, Kamla Retreat, in Kanpur houses his collection.
4. His fleet of vintage cars includes two Rolls Royce Silver Ghost 1918 & 1922, one New English Phantom I 1925, 1 Buick, a Studebaker and a very rare Daimler Double Six Model 1928.

When UltraTech came up with its own white cement plant in 1987/88, it simply followed what we had done. We have established ourselves very well in this segment and our market share is growing in both these categories."

The company is expanding even in grey cement. It plans to add up to eight million tonnes per annum capacity in the next five years, which will take its overall capacity to 18 million tonnes. Capacity expansion in cement is a tricky issue as predicting demand is nearly impossible. "We may project demand and ramp up capacity but the demand may not happen. That has

been the case in the last five-six years," says Singhania. "There is lot of talk on infrastructure but there is not so much (work) on the ground. There is surplus in housing in big cities. That segment is gone right now. I do not see a sudden change or uptick in demand."

The negative image of the industry also acts in the way of the government acting in its favour. Cement is one of the most taxed at 28 per cent under the new GST regime. In contrast, steel, which has much the same use, is taxed at a much lower rate. "The industry has definitely a negative image. Taxes were always high."

Personally, he is more disappointed with the situation of his city. Once the industrial hub of north India, Kanpur was often referred to as the Manchester of the East in the pre-independence era. JK Group's genesis in the city before part of the family branched out to Kolkata, Mumbai and Delhi, had a big impact on the city. Even though all of JK Cement's factories are in Rajasthan and Karnataka, Singhania remains rooted to the city of his birth.

"Some parts of the company and some other industries have moved out. But I have been born and brought up in this city so you can say it is inertia," he reminisces. "If you ask a third person, he will say Kanpur is a horrible place. Nobody has a good opinion about this city. There is disappointment with what the city has become. Other small places which did not exist earlier have moved ahead. Noida for example. In UP, for the last 20-25 years, no industry has come up. This city has been neglected."

His preference for Kanpur over all the other fancy cities he can settle in—his wife is from Chennai -- is very much in consonance with Singhania's personality. Just like he opts for a Maruti over a Mercedes. His favourite however, remains parked inside his garage in Ganga Kutir. It is a 100-year-old Rolls Royce Silver Ghost.

@ SUMANT BANERJI

profit after tax has grown by 42.2 per cent. The growth has been recognised by investors. Its average market capitalisation in the last one year has gone up by 42 per cent.

Till a few years ago, the company was dragged by its factories which, like the head office, were antique. Unlike a heritage building, though, factories do not get any brownie points for being old and need to be continually upgraded. That is what the company did. "There has been a general slowdown in the industry that is affecting everybody. From our own end, we have added new capacities, as old factories have a tendency to be inefficient. The realisation that we needed to upgrade our capacities was there all the time. It was just that we were not able to do things because of certain constraints," he says.

"Once we were able to do it, we did it. We have to be modern and plants have to be efficient. Energy is a big cost factor as new plants consume much less energy. So, one has to be competitive and keep investing in modernisation. When you are financially strong, you can do it. So, 70 per cent of our capacity today is new." Another major contributor has been the early mover advantage in white cement and wall putty. White cement is a niche design-oriented commodity where margins are more than five times that of grey cement. The IIT-Kanpur alumnus foresaw the opportunity way back in 1984 when JK Cement set up country's first dry process white cement factory. Today, white cement accounts for 37 per cent revenues, among the highest in the industry. JK Cement is the second-largest player in this segment with nearly 40 per cent market share. "You can say we sowed the seeds three decades ago and the result has been more visible in the last four-five years," he says.

"Our white cement business, especially the wall putty, is growing at a 14-15 per cent rate year on year," says Chief Financial Officer A.K. Saraogi. "It took time as it was a new product.

Celebrations across various centers

KAMLA TOWER



PADAM TOWER



NIMBAHERA



Celebrations across various centers

GOTAN



LALA KAMLAPAT SINGHANIA EDUCATION CENTRE, GOTAN



MUDDAPUR



Celebrations across various centers

JHARLI



KATNI



FUJAIRAH



Accolades to

I would like to extend my heartfelt congratulations to our Chief Patron, Mr. Yadupati Singhania. As a foresighted industrialist, he has played a pivotal role in promoting trade bodies in Kanpur. He is truly deserving of the title of the Best CEO in the Cement Industry.

Mr. B.K.Lahoti
President, Merchants' Chamber
of Uttar Pradesh



Chairman and Managing Director, JK Cement, Shri Yadupati Singhania has been conferred upon with the prestigious 'Best CEO Award' in the Cement Industry with good reasons. Under his leadership, the Company has recorded various accomplishments, positioning itself as a premium contributor in the cement industry and towards Nation building. I wish him a long and healthy life to continue guiding us.

Dr. I.M. Rohatgi
Director,
Kanpur Nagar Cricket Association



Mr. Yadupati Singhania is acknowledged as Kanpur's most prominent citizen and has played a significant role in contributing to voluntary organisations and spearheading numerous initiatives in the field of healthcare. My heartfelt wishes for his recognition as the Best CEO.

Mr. Awadh Dubey
MBBS MS, Ophthalmologist /
Eye Surgeon



As I extend my heartfelt congratulations to YPSji for being adjudged the Best CEO in the Cement Industry, innumerable instances of his courage and generosity come to mind. Ever since my first interaction with him, I was impressed by his knowledge and quest for learning. I wish him greater success in the times to come.

Dr KB Agarwal
Board of Director



It is a matter of great pride that Mr. Yadupati Singhania has been felicitated as the Best CEO in the Cement Industry. It is indeed an honour knowing a visionary business leader like him, who leads by example and inspires his team with his wisdom and passion for excellence. Many congratulations to him for the award.

Mr. Paul Hugentobler
Board of Director



the Visionary



My association with the Company has been a very memorable journey and YPSji has been an integral part of it. His perseverance, honesty and conviction have helped us successfully sail through all challenges. I have been immensely fortunate to have always received his valuable support and guidance and to me, he is certainly the Best CEO. Congratulations to him and I wish many more such milestones in his journey towards excellence.

Mr. A.K. Saraogi
CFO & President (CA)

It gives me immense joy that Mr. Yadupati Singhania has been awarded the Best CEO Award in the Cement Industry. If I had to highlight one thing in his vast list of achievements, it has to be the setting up of JK White Cement Works, Gotan. It was one of the most ambitious steps that he took, wherein he had to overcome many seemingly insurmountable obstacles. I recall the question posed to me by him, "What can we do in the Cement industry, that has never been attempted before?". With this, the seed of JK White Cement was planted. The journey of setting up the Plant was arduous and full of challenges. However, Mr. Singhania always kept the project team's morale high by being with them in the most difficult circumstances. Setting up of this Plant was one of his greatest ambitions and I feel privileged to have played a part in realizing his dreams.

Though Mr. Singhania is a man of few words, he leaves an indelible imprint on the minds and hearts of everyone.

Mr. B.K. Arora
Business Head (White Cement)



It has been my privilege to work alongside a great leader like Mr. Yadupati Singhania. His grand vision for the Company has inspired us all to give our very best. There is no doubt in my mind that he indeed is the Best CEO in the Cement Industry. My heartiest congratulations to him for this recognition.

Mr. Rajnish Kapur
Business Head
(Grey Cement)



I extend my heartiest congratulations to CMD Sir for this prestigious honour conferred upon him by Business Today. We are indeed fortunate to have a dynamic leader like him, who continues to inspire us to pursue excellence and attain greater heights of success.

Mr. Santosh Tejwani
Head (Projects)



In the News

आधारभूत संरचना...
28% जीएसटी से सीमेंट उद्योग को करें बाहर

नई दिल्ली: 28% जीएसटी लागू होने पर सीमेंट उद्योग को बाहर निकाल दिया जायेगा, इससे उद्योग को बाहर निकाल दिया जायेगा, इससे उद्योग को बाहर निकाल दिया जायेगा...

कानपुर
व्हाइट सीमेंट में दुनिया की तीसरी सबसे बड़ी कंपनी जेके

कानपुर: जेके सीमेंट लि. का कानपुर में व्हाइट सीमेंट का उत्पादन शुरू हो चुका है।

सिंघानिया, सीएमडी-जेके सीमेंट को बेस्ट सीईओ अवार्ड

नई दिल्ली: जेके सीमेंट लि. के सीएमडी सिंघानिया को बेस्ट सीईओ अवार्ड से सम्मानित किया गया है।

सिमेंट उद्योग पड़कारो जीलवा भाटे तैयार

नई दिल्ली: सिमेंट उद्योग को बाहर निकाल दिया जायेगा, इससे उद्योग को बाहर निकाल दिया जायेगा...

जेके सीमेंट के सीएमडी सिंघानिया बेस्ट सीईओ अवार्ड से सम्मानित

नई दिल्ली: जेके सीमेंट लि. के सीएमडी सिंघानिया को बेस्ट सीईओ अवार्ड से सम्मानित किया गया है।

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कानपुर: जेके सीमेंट लि. का कानपुर में व्हाइट सीमेंट का उत्पादन शुरू हो चुका है।

सीमेंट सेक्टर के बेस्ट सीईओ यदुपति सिंघानिया का सम्मान

नई दिल्ली: जेके सीमेंट लि. के सीएमडी सिंघानिया को बेस्ट सीईओ अवार्ड से सम्मानित किया गया है।

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नई दिल्ली: सिमेंट उद्योग को बाहर निकाल दिया जायेगा, इससे उद्योग को बाहर निकाल दिया जायेगा...

जेके सीमेंट के सीएमडी सिंघानिया बेस्ट सीईओ अवार्ड से सम्मानित

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सीमेंट सेक्टर के बेस्ट सीईओ यदुपति सिंघानिया का सम्मान

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सिमेंट उद्योगनी नईशक्ति एनए देहण रहेशे: यदुपति सिंघानिया

नई दिल्ली: जेके सीमेंट लि. के सीएमडी सिंघानिया को बेस्ट सीईओ अवार्ड से सम्मानित किया गया है।

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कानपुर: जेके सीमेंट लि. का कानपुर में व्हाइट सीमेंट का उत्पादन शुरू हो चुका है।

सीमेंट सेक्टर के बेस्ट सीईओ यदुपति सिंघानिया का सम्मान

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