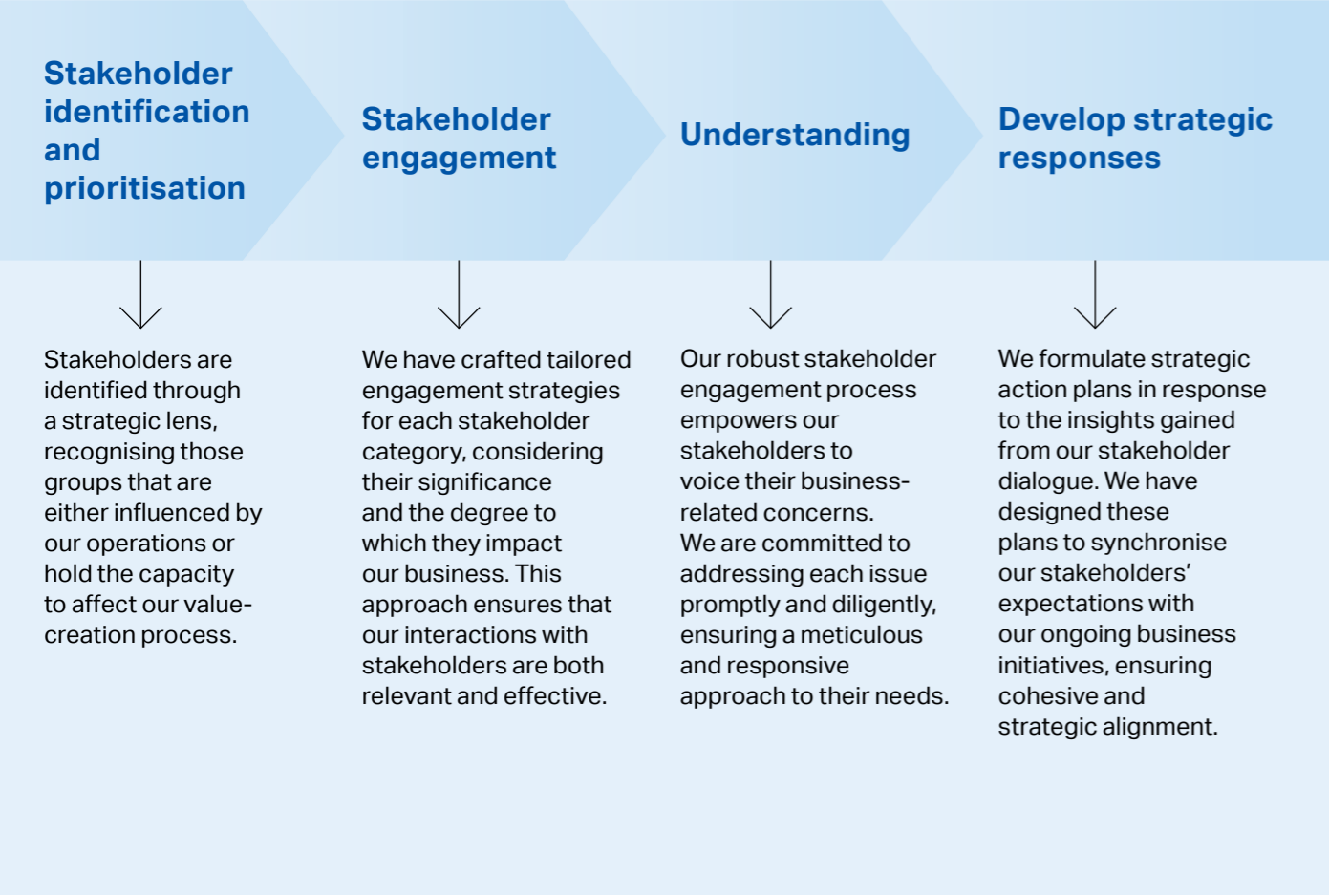


Stakeholder engagement

We uphold stakeholder interests through active engagement with investors, employees, dealers, media, regulators, communities, and customers. This approach helps us gather valuable feedback, refine our strategies, and address critical issues, equipping us to navigate risks and challenges adeptly.

STAKEHOLDER ENGAGEMENT PROCESS



INTERNAL STAKEHOLDERS

We employ regular and systematic engagement practices to communicate with our internal stakeholders. We aim to foster impartial two-way dialogue, attaining comprehensive insight into our stakeholders' immediate needs. Informed by these interactions, we craft strategic approaches and establish the trajectory for our Company's endeavours.



Employees

- Engagement mechanism**
- Training programmes, events, seminars, and workshops
 - Awards – plant level reward programmes
 - Surveys and employee-centric applications
- Purpose of engagement**
- Innovation
 - Employee motivation and team building
 - Discussion and issue resolution
 - Prevention from accidents and health hazards
- Frequency**
- Periodically
- Key stakeholder concerns**
- Career growth and progression
 - Performance management
 - Employee motivation
 - Employee involvement
- How we create value for them?**
- We create value for our employees by providing appropriate remuneration, training, health, and well-being initiatives.



STAKEHOLDER ENGAGEMENT

EXTERNAL STAKEHOLDERS

We engage with our external stakeholder groups through regular meetings with predetermined agendas and ad hoc meetings as needed. We aim to communicate our Company’s strategy and impacts clearly and concisely. We focus on material topics that significantly influence our stakeholders and our Company during these meetings.

Shareholders

Engagement mechanism

- Investor presentations and calls on a quarterly basis
- Annual general meeting
- Annual report
- Shareholder meetings
- Sustainability report
- Grievance redressal mechanism

Purpose of engagement

- Share financial performance, strategic insights, new projects, and changes in ESG performance

Frequency

- Periodically

Key stakeholder concerns

- Timely dividend payments
- Transparency in reporting
- Our Company’s financial health, growth, and performance

How we create value for them?

We create value for our shareholders by delivering above-average investment returns and engaging in ethical business practices.

Dealers

Engagement mechanism

- Dealer meetings
- Dealer surveys

Purpose of engagement

- Building stronger relationships and getting feedback from the market

Frequency

- Periodically

Key stakeholder concerns

- Product benefits and features
- Product quality and feedback
- Building relationships and trust
- New product development

How we create value for them?

We provide loyalty programmes to recognise our channel partners’ long relationships and give them special privileges.

Customers

Engagement mechanism

- Customer care service to address queries and get feedback
- Social media

Purpose of engagement

- Feedback to streamline operations and services and, build better products

Frequency

- Periodically

Key stakeholder concerns

- Product benefits and features
- Product quality and feedback
- Building relationships and trust
- New product development

How we create value for them?

Our diverse product portfolio can meet the construction requirements of a wider group of customers.

Regulatory & statutory bodies

Engagement mechanism

- Regular compliance reports
- Statutory audits

Purpose of engagement

- Disclosures on compliance as required by government

Frequency

- Periodically

Key stakeholder concerns

- Business ethics and compliance
- Disclosure on ESG

How we create value for them?

We contribute through direct and indirect taxation and comply with applicable regulations.

Media

Engagement mechanism

- Management interviews

Purpose of engagement

- Communicate progress made in the financial year and enhance brand perception

Frequency

- Periodically

Key stakeholder concerns

- Transparency
- Disclosure on compliance

How we create value for them?

We reach a broader audience to build brand recognition through ethical promotions.

Local communities

Engagement mechanism

- Daily informal interactions
- Regular field surveys

Purpose of engagement

- Feedback of communities on the issues they face and performance of CSR initiatives

Frequency

- Periodically

Key stakeholder concerns

- Building relationships
- Improving living standards
- Direction and deployment of resources
- Awareness on social issues

How we create value for them?

We give back to the community and has many initiatives to improve their welfare.

Materiality assessment

Materiality assessments allow our Company to identify, prioritise, rank, monitor, and disclose key sustainability concerns, integral for shaping our sustainability strategy. We address material issues which are crucial to our business and stakeholders. This enables us to make informed decisions on several key issues.

In response to the evolving ESG landscape and dynamic business environment, we proactively monitor the existing material topics and identify new focus areas.



Environment

Material issues	Significance to JK Cement	SDGs impacted
Availability of raw materials	Efficiently manage resources being utilised in our business through product and technology innovations such as use of alternate materials.	
Biodiversity management	Disclosure to report information about the impact of the project and the operations on the biodiversity and their habitat and how we manage these impacts.	
Circular economy	Promoting use of alternative fuels and raw materials (AFR) to have minimal environmental impacts.	
Emissions management	Constantly strive to reduce air and GHG emissions through innovation in operations, installation of greener and cleaner technologies, and use of alternate fuels with lower emissions impact.	
Energy management	Comprehensively mapping our energy use and various sources and constantly working towards reducing our energy footprint.	
Product lifecycle management	The cradle-to-grave or cradle-to-cradle analysis technique assesses environmental impacts associated with all the stages of a product's life, which is from raw material extraction through materials processing, manufacture, distribution, and use. Aims to positively impacting on environment and society by offering innovative and sustainable products.	
Sustainable construction	The use of low-carbon cement in construction is environmentally responsible and resource-efficient.	
Waste management	Manage our waste properly, focusing on the 9 R's approach (Rethink, Refuse, Reduce, Reuse, Repair, Recover, Restore, Recycle, and Review).	
Water management	As our operations are mainly in dry and water-scarce areas, our focus is on minimising our water footprint and creating awareness among our stakeholders regarding judicious use of water.	

MATERIALITY ASSESSMENT

Social

Material issues	Significance to JK Cement	SDGs impacted
Community development	Our activities and infrastructure can have significant economic, social, cultural, and/or environmental impacts on local communities. Henceforth, we conduct impact assessment studies to anticipate and avoid negative impacts on local communities.	<div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>17</div>
Diversity and inclusion	Establishing a balanced workforce which reflects the societies in which we operate, including efforts to eliminate all discrimination and ensure equal opportunity for people from all backgrounds to succeed. Embrace diversity throughout our organisation and recruit to build an inclusive workforce.	<div>5</div> <div>8</div>
Employee engagement and development	Employee engagement activities motivate the workforce and encourage them to pursue their passion and treasure success as a team. We are committed to creating a workplace that is inclusive, fair, safe, and free from any discrimination.	<div>3</div> <div>4</div> <div>5</div> <div>8</div> <div>10</div>
Employment and labour relations	Maintain sound labour relations and ensure a positive atmosphere for employees and workers, which is safe, free of harassment and discrimination, and upholds human rights principles.	<div>5</div> <div>8</div> <div>16</div>
Human rights	We respect fundamental human rights in our operations, our value chain, and the communities where we operate and adhere to the guidelines of the Universal Declaration of Human Rights and the International Labour Organization's (ILO) conventions.	<div>5</div> <div>8</div> <div>10</div>
Sustainable Supply chain	We ensure high health, safety, social, environmental, and business integrity standards in the value chain. We also encourage sourcing from local vendors/ suppliers as much as possible and perform supplier environmental and social assessments.	<div>12</div>



Governance

Material issues	Significance to JK Cement	SDGs impacted
Branding and reputation	Effectively communicate and reach out to our diverse customer segments, maintaining a high customer perception of our Company's reputation.	<div>9</div> <div>11</div> <div>12</div> <div>13</div>
Corporate governance	A set of systems, processes, and principles that ensure our Company is governed in the best interest of all stakeholders. It encompasses comprehensive oversight of business strategies, ensuring complete accountability, ethical corporate behaviour, transparency, and fair treatment of all stakeholders.	<div>16</div> <div>17</div>
Customer Relationship management	We ensure that all our products and services align with customers' expectations by having regular dialogues with them.	<div>17</div>
Cybersecurity	The practice of protecting critical systems and sensitive information from digital attacks and data breaches.	<div>9</div>
Economic performance	Includes the economic value generated and distributed (EVG&D) by our organisation, its defined benefit plan obligations, the financial assistance it receives from any government, and the financial implications of climate change.	<div>3</div> <div>4</div> <div>5</div> <div>8</div> <div>9</div>

Corporate governance

JK Cement’s strong governance supports ethical leadership, enhancing long-term economic health and consistent stakeholder returns. We go a step beyond to adopt top corporate practices transparently, aligning our Company objectives with stakeholder interests.



Jhajjar Plant

The Board

The Board of Directors (BoD) acts as the fulcrum of our corporate governance practices and ensures that the management works in the best interests of all our stakeholders. To preserve the sanctity of corporate governance in the organisation, we need an active, well-informed, and independent Board. We have a one-tier board consisting of executive, non-executive, independent and non-independent directors.

Size and composition of the Board

JK Cement has a 14-member Board of Directors, each with diverse skills, qualifications, and expertise, contributing to our growth and decision-making processes. 50% of our directors are independent, striking the right balance between internal and external perspectives. The Board regularly discusses our Company’s strategic, operational, and financial aspects. The Board has formulated charters and policies for our various committees, defining their composition, roles, responsibilities, and authority.

Our corporate governance principles require us to conduct our operations with integrity, fairness, and transparency. We strive to comply with all relevant laws, be accountable to all stakeholders, and conduct our business ethically. Board members are elected and re-elected on an annual basis. The annual selection process for new and outgoing directors, those up for reappointment, is done individually via our Annual General Meetings or postal ballots. The average tenure of board members is up to 5 years, in compliance with the Companies Act. All Independent Directors have confirmed that they meet the criteria mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and Section 149 of the Act.

Since our Chairperson is a Non-Independent/Promoter as per SEBI (LODR) Regulations, Independent Directors shall constitute 50% of the strength of the Board, and the balance 50% of the strength may be Non-Independent Director. The Board usually meets at least once a quarter to review our Company’s quarterly financial and non-financial

results and operations. In addition, the Board meets as and when necessary to address specific issues relating to our Company’s business. As required under the Companies Act, 2013, our Board members must attend at least one meeting, which is 25%.

We also carry out independent performance reviews of the Board annually in the first quarter of the calendar year.

Diversity in the Board

Our Board reflects our commitment to diversity and inclusivity. Currently, we have three female members on the Board. To ensure diversity, we have a policy that guides our selection process for the Board of Directors. To safeguard diversity, we have established a policy that directs our recruitment procedure for appointing Board of Directors.

21.42%
Share of women Directors on the Board

COMPETENCY MAPPING INDICATORS

Strategic leadership and management experience Experience in guiding and leading management teams, leading and managing people, strategic planning, understanding of organisational systems and processes and appreciation of long-term trends/choices.	Financial and risk management Wide-ranging financial skills, relevant experience in accounting and reporting, corporate finance, and internal controls, including assessing the quality of financial controls to identify the critical risks to our Company and monitor the effectiveness of the risk management framework and practices.	Governance Experience in developing governance practices, serving the best interest of all stakeholders, maintaining board and management accountability, effective stakeholder engagements and commitment to the highest standards of compliance, corporate ethics, and values.	Other sector expertise Knowledge and experience in another sector are needed to provide strategic guidance to management in a fast-changing environment.
Global business/ international expertise Experience in leading large organisations with international/ global businesses and understanding of multiple geographies and cross-cultural business environments.	Law and public policy Understanding of the legal and regulatory landscape and policy developments on a national and global scale, including their impact on the dynamic business environment.	Climate change/ESG Experience in climate-related such as risk and opportunities, decisions related to product and service offerings, investments in renewable energy, and reviewing significant capital allocations for improving companies’ resilience.	Industry and sector experience or knowledge Knowledge and experience in cement sector needed to provide strategic guidance to management in a fast-changing environment..
			Social impact/ philanthropy Relevant experience in the matters of corporate social responsibility and sustainability for long term value-creation.

Board of Directors



Smt. Sushila Devi Singhania
Chairperson



Dr. Nidhipati Singhania
Vice Chairman



Dr. Raghavpat Singhania
Managing Director



Mr. Madhavkrishna Singhania
Deputy Managing Director
& CEO



Ms. Praveen Mahajan
Non-Executive
Independent Director



Mrs. Deepa Gopalan Wadhwa
Non-Executive
Independent Director



Mr. Mudit Aggarwal
Non-Executive
Independent Director



Mr. Saurabh Chandra
Non-Executive
Independent Director



Mr. Ajay Kumar Saraogi
Deputy Managing Director
& CFO



Mr. Ashok Kumar Sharma
Non-Executive
Independent Director



Mr. Ashok Sinha
Non-Executive
Independent Director



Mr. Paul Heinz Hugentobler
Non-Executive
Non-Independent Director



Mr. Sudhir Jalan
Non-Executive
Non-Independent Director



Mr. Rakesh Sethi
Non-Executive
Independent Director



Mr. Ajay Narayan Jha*
Non-Executive
Independent Director



Mr. Satish Kumar Kalra§
Non-Executive
Independent Director



Our Committees

The Board supervises five committees, each responsible for different operational aspects of the organisation. Every Board member brings unique abilities, experience and proficiency optimally suited for each committee under the Board's purview. These Committees report to the Board on financial and non-financial KPIs, progress on the targets, concerns etc. on quarterly basis.

Audit Committee

Responsible for overseeing the financial reporting and disclosure process. It also monitors the process of accounting policies and principles and appoints external auditor, internal auditor, tax auditor and cost auditor.

Nomination and Remuneration Committee

Responsible for considering and recommending to the Board the remuneration of Directors, KMPs and SMPs. This committee evaluates the performance of the Board members and selects suitable candidates for Directorship, KMPs and SMPs.

Stakeholders' Relationship Committee

Responsible for resolving stakeholders' grievances and complaints of shareholders and debenture holders.

Corporate Social Responsibility & Sustainability Committee

Defines the scope of CSR activities and ensures compliance with CSR and sustainability obligations conforming to CSR and Sustainability Policy.

Risk Management Committee

Monitors and approves our Company's risk policy and associated practices. It also reviews and approves risk documents and disclosures in the public domain.

*Ceased w.e.f. 08.02.2024; §14.02.2024

(C) Chairman; (M) Member

CORPORATE GOVERNANCE

Board memberships (Non-Executive/Independent Directors)
- Indian listed companies

Name of Director	Name of listed company (ies) (other than JK Cement Ltd.)	Designation
Mrs. Deepa Gopalan Wadhwa	JK Paper Limited	Non-Executive Independent Director
	Bengal & Assam Company Limited	Non-Executive Independent Director
	Artemis Medicare Services Limited	Non-Executive Independent Director
	NDR Auto Components Ltd.	Non-Executive Independent Director
	Sapphire Foods India Ltd.	Non-Executive Independent Director
Mr. Ashok Sinha	Cipla Limited	Non-Executive Independent Director
	The Tata Power Company Limited	Non-Executive Independent Director
	Navin Fluorine International Limited	Non-Executive Independent Director
	Tata Communications Limited	Non-Executive Independent Director
Mr. Saurabh Chandra	-	
Mr. Ashok Kumar Sharma	-	-
Mr. Mudit Aggarwal	-	-
Mr. Ajay Narayan Jha*	-	-
Mr. Satish Kumar Kalra\$	PNB GILTS LTD	Non-Executive Independent Director
	Can Fin Homes Ltd	Non-Executive Independent Director
	INDBANK Merchant Banking Services Limited	Non-Executive Independent Director
Ms. Praveen Mahajan	Global Health Limited	Non-Executive Independent Director
Mr. Rakesh Sethi	TruCap Finance Limited	Non-Executive Independent Director

*Ceased w.e.f. 08.02.2024, \$: 14.02.2024

Ethics and transparency

At JK Cement, our commitment towards maintaining the highest levels of ethical practices is steady. We have a well-established Code of Conduct that unequivocally declares our dedication to ethical behaviour and transparent communication. This Code of Conduct serves as a guiding principle for every member in our organisation, shaping our decision-making and governing our actions. To ensure that our Code of Conduct is implemented and adhered to effectively, we have enforced a comprehensive system of internal controls. This system is diligently embedded in our operations in such a way that it not only keeps a check on any deviations from our ethical standards but also ensures disciplinary actions when necessary. We also routinely perform evaluations of our business processes and practices.

These assessments are designed to uncover any infringements of our Code of Conduct. As and when any such violations are identified, we ensure to address them promptly. Through these regular assessments, we are able to identify areas that need improvement and can quickly implement changes to reinforce our commitment to ethical practices and fair business conduct. Our Board of Directors plays a crucial role in overseeing the condition of these moral assets. The Board constantly reviews our Company's policies and the efficiency of our internal controls. Their objective is to make certain that every necessary check and balance required to uphold our Code of Conduct is firmly in place and functioning as intended. Furthermore, we conscientiously conduct risk assessment procedures of our operations to identify any potential

safety and human rights risks. We then implement appropriate risk mitigation measures to safeguard our employees and stakeholders. Our objective is to create a safe, respectful and ethical working environment devoid of any form of human rights breaches. Our commitment to ethics is not simply about complying with rules and regulations, but it is about nurturing a culture that values honesty, integrity and transparency. At JK Cement, we are striving every day to uphold this commitment, ensuring that ethical behaviour remains a cornerstone of our journey towards business excellence.

Our Code of Conduct addresses conflicts of interest, emphasising that employees must steer clear of conflicts between personal and JK Cement interests. If such conflicts are unavoidable, seek guidance on the best course of action and fully disclose any

transaction or relationship that could reasonably lead to a conflict. Officials, executives and employees are expected to be meticulous in avoiding conflicts of interest with the company. If a conflict is anticipated, they should disclose all relevant facts and circumstances to the designated Chief People Officer or Company Secretary and Compliance Officer and obtain prior written approval.

Anti-Corruption

The Code of Conduct encompasses anti-corruption and bribery principles, emphasising that employees are prohibited from offering or accepting bribes, whether monetary or non-monetary, from or to any Company Stakeholder—be it Business Associates, Vendors, or Customers. Non-compliance will prompt immediate disciplinary action, potentially leading to dismissal.

Anti-Competitive

Our Company shall comply to uphold fair competition practices and avoid any actions that could lead to unfair competition and hindering of free trade. We shall not indulge in any practices which will cease competition in breach of applicable laws and regulations.

We shall comply with Anti-trust and Competition laws and take all necessary measures to ensure that no violations occur as a result of any deals, mergers, or collaborations we engage in.

There has been zero reported cases on account of Corruption, Bribery, Anti-competitive conduct and Conflict of Interests

Value creation with corporate governance

Our corporate governance strategies are designed to fortify trust, accountability and transparency among our internal and external stakeholders. This methodology champions financial stability and business sincerity and reassures our investors while generating enhanced value for our Company.

These are the primary policies that direct our organisation's operative and operational structure:

- Privacy policy
- Corporate environment policy
- Dividend distribution policy
- Internal financial control policy
- Archival policy
- Policy for determination of materiality of events information

- Policy on preservation of documents and records
- Policy on evaluation of performance of the Directors and the Board
- Policy for determining material subsidiaries
- Human rights policy
- Prevention of sexual harassment policy
- CSR and Sustainability Policy
- Related-party transaction policy
- Whistle blower policy
- Code of ethics and business conduct
- Risk management policy
- ESG policy
- Internal code of conduct to regulate, monitor and report trading by designated persons
- Biodiversity policy
- Code of conduct for supply chain
- Water management policy
- Tax policy
- Board diversity policy
- Nomination and remuneration policy

All the policies can be accessed at: <https://www.jkcement.com/policies/>

Strategic objectives

	SO1	SO2	SO3
	Capacity expansion	Operational efficiency	Consolidate market position
Current status	JK Cement has achieved consolidated grey cement capacity 22+ MnTPA.	Increasing use of AFR, green power, energy efficiency and decrease clinker factor.	<ul style="list-style-type: none"> Maintaining and improving market share in existing market for all products Entered untapped markets of Uttar Pradesh and Madhya Pradesh for Grey Cement and newer geographies such as Bihar
FY 2024-26	We are on track to expand capacity to 30 MnTPA by FY 2025-26, with expansions at Panna and Hamirpur and new units in Prayagraj and Bihar.	Increase share of blended cement, and working on fuel and power efficiencies to further optimise cost. More efficient go-to-market strategy.	<ul style="list-style-type: none"> Consolidate position in Uttar Pradesh, Bihar and Madhya Pradesh markets for grey cement, and also begin operations in other eastern states Reinforce leadership in the White Cement business by improving utilisation and increasing manufacturing of value-added products including paints
FY 2029-30	In the next four to five years, JK Cement has created a roadmap to double its existing capacity, with brownfield and greenfield expansion at Panna, Jaiselmer, Muddapur & Odisha.	Aspiration to be among the top quartile of sustainable, and low-cost producers of cement in the industry.	Drive market share gains with increased capacity and be among the top 3 in market share in each of our markets, with higher share-of-wall, and a more diversified product mix.
Linkages with risks	OR1 OR2 FR1	OR1 OR2 OR4 OR5 OR6 OR7 OR8 OR9	ER1 ER2 ER4 FR1
	ER External risks	OR Operational risks	FR Financial risks

At JK Cement, our dedication towards achieving sustainable growth involves delivering profit while enhancing our operations. We have established seven strategic objectives, derived from stakeholder expectations and significant value-creating material issues. We continually assess our progress against these goals and adjust for evolving risks to maintain long-term objectives.

	SO4	SO5	SO6	SO7
	Widen visibility	Launch of value added product	Customer centricity	Sustainable operations
	<ul style="list-style-type: none"> Enhanced brand visibility through print and online media and consumer promotions Maintained market share 	<ul style="list-style-type: none"> Increased volumes of premium and value-added products Expanded the Paints business in FY 2023-24 	<ul style="list-style-type: none"> Meeting customers' rapidly changing expectations Enhancing customer experience 	<ul style="list-style-type: none"> As of March 31, 2024, we are 4.5x water positive Share of renewable energy in electricity mix increased to 51% in FY 2023-24 Achieved a thermal substitution rate of 16.3% in FY 2023-24 Increase the use of alternative fuels with lower emissions impact and manage waste by focusing on reducing, reusing and recycling
	<ul style="list-style-type: none"> Expand and improve distribution network Engage with key influencer and channel partners Offer best-in-class customer technical services and strengthen brand equity to increase our share in the trade segment 	<ul style="list-style-type: none"> Increase share of premium products in grey cement to 15% of trade volumes Grow value-added proposition across existing and new markets Launch new value-added products Increase the overall topline of the value added products and paints business to ₹ 500 Crores+ 	<ul style="list-style-type: none"> Supply quality products at the right price Strengthen Customer Technical Services and engagement with different customer segments Leverage technology such as GPS-enabled trucks 	Consistently reduce emission, increase the use of clean and green power and improve thermal substitution rate and water positivity.
	Strengthen our brand equity and reinforce our positioning as a premium brand.	<ul style="list-style-type: none"> Premium Product 25% of trade volume Entering into newer categories such as RMC and construction chemicals Expand the overall topline of the value added products and paints business to ₹ 2,000 Crores 	To become the preferred supplier of cement and ancillary products.	<ul style="list-style-type: none"> Reduce specific Net Scope 1 emissions to 465 kg CO₂/tonne of cementitious materials with respect to base year of 2020 Increase the share of green power in our energy mix to 75% Improve our thermal substitution rate to 35% Become five times water positive
	ER1 ER2 ER4 OR6	ER1 ER2 ER3 ER4 FR1	OR6 FR2	OR1 OR2 OR3 OR4 OR5 OR6 OR7 OR9 FR1 FR2

Risk management

Our risk management approach is deeply integrated with our corporate strategy, serving as a cornerstone of strong corporate governance and effective leadership. It is core to our Company’s management at all levels, embedded in our decision-making processes and daily operations. By effectively managing risks, we unlock opportunities and drive benefits across the organisation.



Mangrol Plant

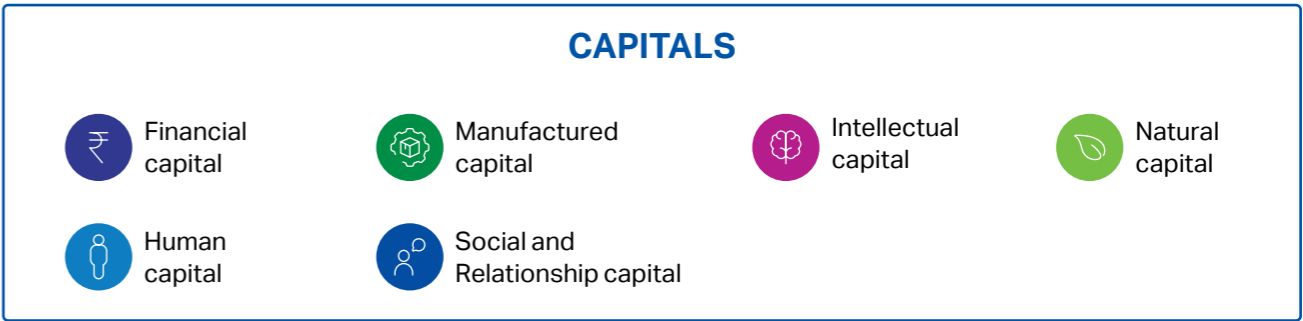
Our risk scope includes long-term strategic risks, short to medium-term risks, and specific events. Considering the present economic uncertainty, our systematic approach aids in the identification of potential risks and consistent updating of our risk register. We evaluate risks based on their likelihood and impact. Following this evaluation, we continually scrutinise our capability to manage risk and take necessary actions to mitigate the impact. Our executive team actively partakes in the quarterly review of the entire procedure and suggests rectification measures if deemed necessary.

Integration with strategy and business plan

We thoroughly analyse each risk we identify to understand how it could impact our operations. We measure the effects in financial and non-financial terms, such as operational cash flow, brand value, operating license, employee maintenance, business functions, fatal accidents and injuries, penalties and legal pursuits, and opportunity cost. Risks are ranked depending on the probability of occurrence and the potential impact, and we provide a final score for each identified risk.

Those risks with higher scores undergo scenario modelling and stress testing to measure their potential impact on the business under various timings and intensities. This approach assists in protecting our business. Our risk management framework covers multiple risks, such as financial, operational, climate-specific, water-related, and regulatory. We assess climate-related risks using a 1.5°C scenario analysis and utilise water risk identification tools to predict potential outcomes of water stress.

RISK MANAGEMENT PROCESS



EXTERNAL RISKS

ER1

Market changes

Changes in market scenario might affect product demand.

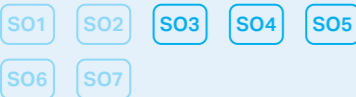
Potential impact

Economic growth drives the demand for construction. Changes in construction demand impact cement sales and prices, which eventually cascades to JK Cement’s performance. Any behavioural changes in consumer patterns may lead to increased product substitution.

Our response

81% of our revenues come from the grey cement segment, and the remaining 19% from the white cement business. This diversified revenue stream from the white cement is a crucial buffer, mitigating potential risks in the grey cement market.

Linkages to strategic objectives



Linkages to capital



ER2

Competition

Leading companies in this capital-intensive industry are longstanding entities that demonstrate high competitiveness. Consequently, enhancing or sustaining the market share and keeping pace with these larger competitors can take time and effort.

Potential impact

The cement industry is witnessing market consolidation, and more prominent players will likely dominate the sector soon.

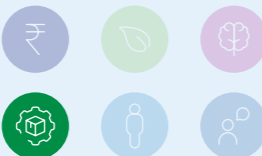
Our response

- We are expanding capacity through greenfield and brownfield projects to maintain our growth trajectory.
- We are consolidating our position in North and Central India.

Linkages to strategic objectives



Linkages to capital



ER3

Political risk

Political uncertainty and changing state/local regulations may expose us to economic and social instabilities.

Potential impact

Economic, social, and political instability can influence the cement industry, resulting in direct and indirect consequences that can lead to operational uncertainty.

Our response

- We have a presence in multiple Indian states which diversifies our political risk.
- We have dedicated directives and state-specific action plans have been implemented to enhance crisis management.

Linkages to strategic objectives



Linkages to capital



Gotan white cement plant



OPERATIONAL RISKS

<div>OR1</div> <div>Sustainability risk</div> <div>Environmental, Social and Governance (ESG) risks include human rights, air emissions, biodiversity management, water, waste, local community, employment and labour relations.</div> <div>Potential impact</div> <div>Failure to meet the ESG goals may result in fines and business disruptions.</div> <div>Controversies may escalate, damaging the brand's reputation.</div> <div>Our response</div> <div><ul style="list-style-type: none">We regularly conduct performance assessments and monitor progress towards our set targets, disclosing them periodically.We have developed new techniques for efficiently utilising natural resources, and balancing our ESG commitments and business performance.</div> <div>Linkages to strategic objectives</div> <div>S01S02S03S04S05S06S07</div> <div>Linkages to capital</div> <div></div>	<div>OR2</div> <div>Greenhouse gas emissions and climate change</div> <div>The cement industry is linked to high carbon dioxide emissions, and companies operating in this industry have to adhere to a host of regulatory frameworks to cut down emissions. These frameworks can affect the business operations, and if not obligated, may affect brand value.</div> <div>Potential impact</div> <div>Rising impacts of climate change can severely disrupt site operation and interrupt the supply chain from sourcing raw materials to transporting products downstream. These risks could result in downtime of plant facilities, directly affecting business revenue. Continuous temperature rise could impact employee well-being and productivity.</div> <div>Our response</div> <div>We have strategised a robust emergency response plan for each site to alleviate and circumvent all these physical risks at near-term and long-term horizons. We have been practising several operational preparedness, health and safety training, storage infrastructure, fiscal insurance plans, supply chain strengthening, efficient water management practices, and plantation exercises, among others.</div> <div>OR2 A Physical risk</div> <div>With the persisting impacts of climate change many climatic events occur in near-term and long-term time horizons, causing damage to assets and/or supply chain disruptions. The near-term risks are termed acute physical risks linked to the perennial climatic events, viz. floods, cyclones, and droughts. The long-term risks are termed chronic physical risks, viz. temperature variation, change in precipitation, and water stress.</div> <div>Linkages to strategic objectives</div> <div>S01S02S03S04S05S06S07</div> <div>Linkages to capital</div> <div></div>	<div>OR2 B Transition risk</div> <div>The shift towards a low-carbon scenario may require substantial changes in policies, legality, technology, and markets to address the need for climate change mitigation and adaptation. Transitioning to low carbon may expose companies to diverse financial and reputational impacts. We primarily classify transition risks under the following four categories:</div> <div>Potential impact</div> <div>These risks could impact business revenues and reputation due to our non-achievement of committed climate targets and sustainability agenda. The non-fulfilment of climate targets under mandatory policy regulations/schemes might have financial implications.</div> <div>Our response</div> <div>As part of our low-carbon transition journey, we are constantly implementing several initiatives to improve energy efficiency and increase the renewable energy share and green cement (blended cement) share of our total production.</div> <div>We have also committed to an ambitious target of achieving 75% of green power and a 35% thermal substitution rate (TSR) to reduce our dependency on conventional fuels by 2030.</div> <div>Our response</div> <div>Our compliance programme aims to guide and maintain regulatory adherence. It comprises five crucial elements, risk assessment, controls, communication and training, monitoring, and reporting.</div> <div>Linkages to strategic objectives</div> <div>S01S02S03S04S05S06S07</div> <div>Linkages to capital</div> <div></div>	<div>OR3</div> <div>Legal and compliance risks</div> <div>Noncompliance with legal obligation can lead to lawsuits, fines, investigations, and proceedings.</div> <div>Potential impact</div> <div><ul style="list-style-type: none">Regulatory violations can disrupt operations and impact our Company's overall reputation.Our Company may incur the investigation cost, financial penalties, disqualification, bans and profit disgorgement.</div> <div>Our response</div> <div>Our compliance programme aims to guide and maintain regulatory adherence. It comprises five crucial elements, risk assessment, controls, communication and training, monitoring, and reporting.</div> <div>Linkages to strategic objectives</div> <div>S01S02S03S04S05S06S07</div> <div>Linkages to capital</div> <div></div>
---	--	---	---

OPERATIONAL RISKS

OR4

Energy prices

The global energy market is subject to significant fluctuations. Being in the manufacturing industry, we encounter substantial energy expenses, and any increase in energy prices directly elevates our costs. This expense surge directly impacts our profitability, affecting our Company's financial stability and our ability to invest in future growth initiatives.

Potential impact

- Production cost shoots up when energy costs rise.
- It impacts our pricing and reserves/cash flow.







Our response

Our primary focus is on optimising our fuel mix, improving energy efficiency, and maximising the use of alternative fuels.

Linkages to strategic objectives

S01 S02 S03 S04 S05 S06 S07

Linkages to capital



OR5

Raw materials (including energy components and fuel)

It involves the risk of being unable to procure the raw material at an optimum cost.

Potential impact

The scarcity of natural resources, such as limestone, unavailability of fuels for production, stricter government regulations on fossil fuel consumption can hamper normal business processes and affect the whole supply chain.







Our response

- Expanding our blended cement portfolio
- Driving the use of alternative raw materials to conserve natural resources.

Linkages to strategic objectives

S01 S02 S03 S04 S05 S06 S07

Linkages to capital



OR6

Health and safety risk

This risk includes risks related to the health and safety of employees at the workplace and health and safety issues that may impact the local communities.

Potential impact

Any injuries or fatalities within the factory boundaries disrupt operations and affect the overall business. Similarly, incidents outside the premises can create chaos and disrupt or halt operations.






Our response

- Driving our zero-harm policy meticulously.
- Conducting health and sanitation awareness programmes regularly.
- Conducting safety trainings for all employees, especially those working in our factories.

Linkages to strategic objectives

S01 S02 S03 S04 S05 S06 S07

Linkages to capital



OR7

Information technology and cyber threat risk

This risk includes cyber-attacks, data loss, network outages, computer malware and human errors.

Potential impact

With remote work becoming a practice, the risk of IT-related threats has increased.







Our response

- Implement Vulnerability and Penetration Testing (VAPT) through an external agency.
- Audit our IT security system through a third-party agency on a half-yearly basis.
- Fine tune our organisation-wide ISMS Architecture.
- Improve policies and procedures for managing digital and IT operations in the organisation.

Linkages to strategic objectives

S01 S02 S03 S04 S05 S06 S07

Linkages to capital



OR8

Talent management

This risk encapsulates the potential risks that could materialise due to a lack of a sufficient, skilled, and capable talent pool, hampering business operations, efficiency, and overall organisational growth.

Potential impact

Recruiting the right talent for the right function is imperative for the organisation's success.







Our response

- To foster a vibrant work culture, we follow a people-centric approach and incentivise star performers.
- Our talent management strategy includes various initiatives such as virtual learning sessions, employee assistance programs, and feedback sessions to enhance our workforce's skills, engagement and well-being
- Skill development initiatives for local communities fostering employment.
- Introduced variable pay for senior management.
- Strengthening the team with a mix of fresh and experienced professionals

Linkages to strategic objectives

S01 S02 S03 S04 S05 S06 S07

Linkages to capital



48 JK Cement Ltd. | Integrated Report 2023-24

49

FINANCIAL RISKS

FR1

Risk involving credit ratings

The cement sector demands significant capital investment. We require financial support for both short-term and long-term needs. Upholding robust credit ratings is crucial for securing this essential financing.

Potential impact

A higher credit rating enhances our ability to access funding sources, both short-term and long-term, at competitive interest rates, which, in turn, positively impacts our cash flows.

Our response

Maintaining high credit ratings leads to consistent cash flow, a good debt-to-equity ratio, improvement in long-term ratings and access to cheaper funds.

Linkages to strategic objectives

SO1

SO2

SO3

SO4

SO5

SO6

SO7

Linkages to capital

₹

FR2

Liquidity risk

This risk refers to risks associated with the cash flow of our Company.

Potential impact

Lack of adequate liquidity can affect operations and the smooth running of the organisation.

Our response

- We plan our cash flow well in advance to avert a crisis.
- We maintain a healthy cash balance to avert any crisis. Moreover, our Net Debt/ EBITDA is below 2.

Linkages to strategic objectives

SO1

SO2

SO3

SO4

SO5

SO6

SO7

Linkages to capital

₹

FR3

Interest rate risk

This risk is associated with fiscal volatility and its impact on debt cost in a rising interest rate environment.

Potential impact

Any movement in the interest rate can impact the profit of our Company, market value and financial results.

Our response

- To manage interest rate risk, we optimise our position regarding interest income and interest expenses.
- The treasury department performs comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its portfolio.
- We also maintain a good interest ratio coverage.

Linkages to strategic objectives

SO1

SO2

SO3

SO4

SO5

SO6

SO7

Linkages to capital

₹

FR4

Credit risk

This risk is associated with delayed payments by customers and dealers, either in large projects or at the dealer level.

Potential impact

Counterparts failing to comply with their commitments and delaying payments affect our Company's ability to maintain the required cash flow.

Our response

- Assess the reliability of our customers before supplying our products on credit.
- Monitor daily outstanding sales regularly using technology tools such as credit monitoring software.

Linkages to strategic objectives

SO1

SO2

SO3

SO4

SO5

SO6

SO7

Linkages to capital

₹

R&D Lab, Mangrol

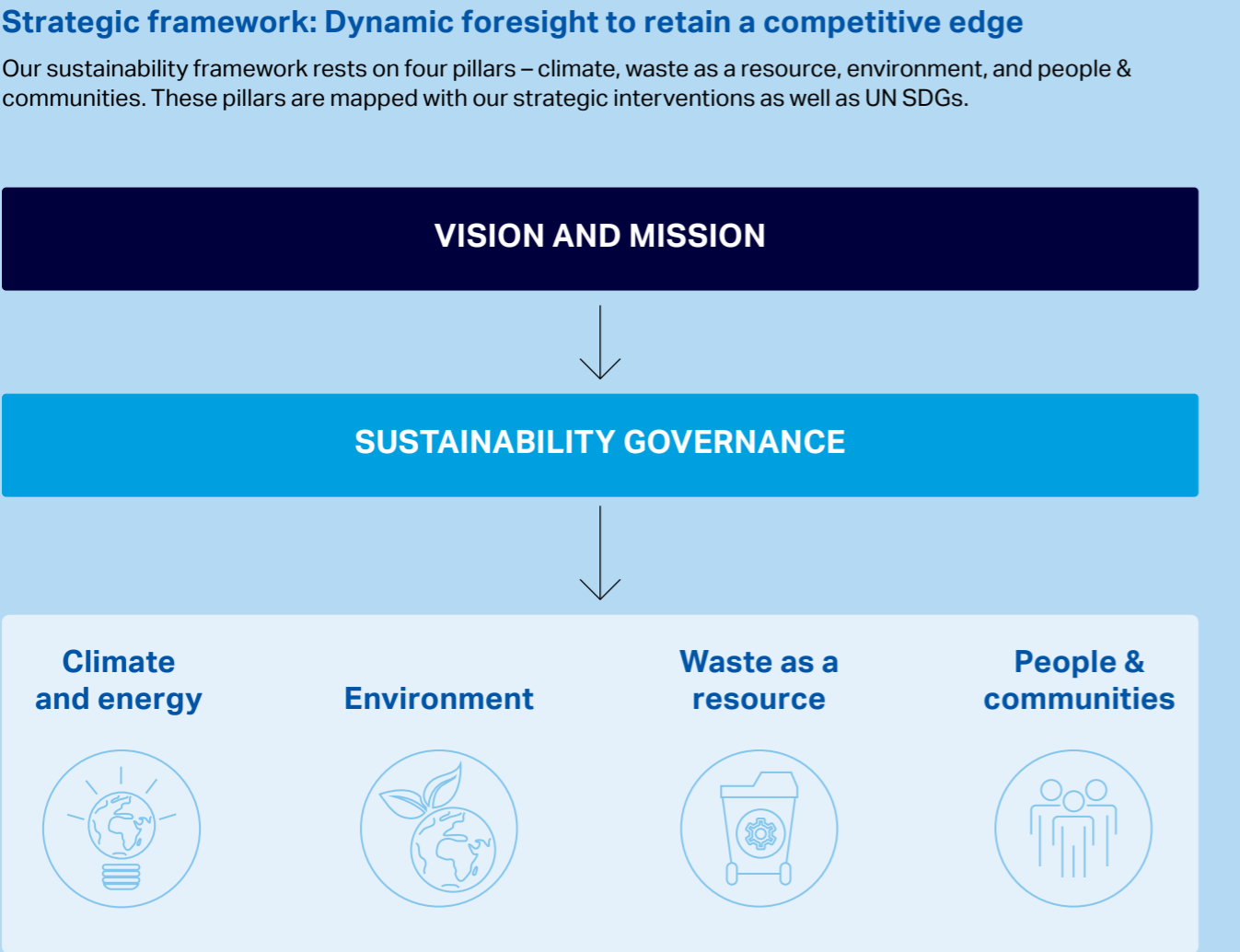
50 JK Cement Ltd. | Integrated Report 2023-24

51

How we create value

Sustainability strategy

Our sustainability charter or sustainability strategy is a reflection of our organisation’s aspirations, aligning with national and international goals. It is developed through detailed consultations and peer benchmarking. Our collaborative approach engages stakeholders and integrates innovation and strategic planning, supported by a sustainability governance framework which focuses on monitoring, accountability, and transparency.



OUR FOCUS AREAS

Climate and energy



Energy efficiency and use of clean energy

- Increase use of green power at our manufacturing units
- Increase our renewable generation capacity
- Increase the capacity of the Waste Heat Recovery System (WHRS)
- Improve thermal and electrical energy efficiency at our manufacturing units

Low-carbon transportation and logistics

- Encourage rail transportation and introduce E & CNG Vehicles.
- Incentivise and build the capacity of suppliers to make our supply chain greener

Resilient and sustainably built environment

- Collaborate with the construction and infrastructure sectors to develop climate-resilient structures, provide customised solutions, and manufacture durable and resilient building materials (cement)



Environment



Water and biodiversity conservation

- Increase the use of low-grade limestone to reduce dependence on high-grade limestone and extend quarry lives
- Increase the green belt of the entire occupied area
- Scale up rainwater harvesting efforts
- Reduce dependence on groundwater by increasing mine water utilisation
- Development of a Biodiversity park in 50 hectares of area along with Miyawaki plantation, which will be completed in three phases by FY 2024-25



Waste as a resource



Increase use of AFR

- Increase replacement of virgin raw materials and fuels with alternative raw materials and other substitutes
- Reduce clinker ratio
- Increase production of blended cements



People & communities



Hone skills

- Link JK Cement-specific initiatives for state and national skill development

Enhance diversity and inclusiveness

- Increase the share of women in the total workforce
- Scale involvement and ensure access to local vendors and suppliers

Promote safety

- Achieve zero harm/incidents/accidents

Uplift communities

- Increase beneficiaries of CSR initiatives

Ensure road safety

- Develop a safety rating system for drivers
- Extend health and safety measures to market fleet



SUSTAINABILITY STRATEGY

SUSTAINABILITY GOVERNANCE STRUCTURE

JK Cement has set up a strong governance structure to foster sustainable operations. The CSR and Sustainability Committee oversees the workings of the Sustainability Steering Committee. This committee comprises of the Managing Director, C-suite executives and the Head of Sustainability.



CSR and Sustainability Committee

The Committee's primary goal is to assist the Board in meeting its sustainability commitments by devising and supervising the execution of company policies related to sustainable operations. Furthermore, the Committee advocates for good corporate governance practices and suggests suitable remedial measures.

Sustainability Steering Committee

This Committee's task is to provide recommendations to the CSR and Sustainability Committee, which then presents quarterly reports to the Board. The Board outlines the primary goals and offers leadership to management for achieving sustainability objectives within the existing framework.

Corporate Sustainability Council

Plant and functional heads represent the council and are responsible for executing sustainability initiatives across JK Cement's operations. The Council plays a key role in promoting sustainability awareness throughout the organisation. The Council oversees communication, reporting and alignment with international best practices. It assists with sustainability audits, participates in environmental and social awards, and provides pertinent information and disclosures to stakeholders and sustainability rating agencies. Sustainability Champions at our plant locations collaborate with the Council and offer their input to the Sustainability Steering Committee.



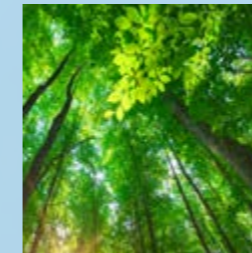
Solar plant at Muddapur





Creating value responsibly

At JK Cement, our journey toward sustainability is marked by a resolute commitment to reducing our environmental impact, which has resulted in significant achievements. We have consistently invested in green energy, maximised the use of waste and responsibly utilised natural resources.



Our dedication to environment protection is reflected in an impressive reduction in our Scope 1 emissions.

Specific Net Scope 1 emissions reduced by 11.7% from 580 in the base year FY 2019-20

512 kg/tonne
of Cementitious material
CO₂ emissions during FY 2023-24



Our shift to green energy is another testament to our sustainability efforts. We have significantly reduced our reliance on fossil fuels and embraced clean energy sources. This marked increase in use of renewable energy highlights our dedication to prioritising clean energy solutions and actively shaping a greener future.

Green power mix stood at 51% compared to 19% in the base year FY 2019-20

51%
Green power mix as of
FY 2023-24



Improving our energy efficiency has also been a focal point of our efforts. This is reflected in the increase in our thermal substitution rate.

Thermal substitution rate reached 16.3% rising from 6% in the base year FY 2019-20

16.3%
Thermal Substitution Rate
(TSR) in FY 2023-24



Water conservation is another area where we have made remarkable strides. This accomplishment by increase in Water Positivity showcases our dedication to water conservation and management, ensuring sustainable utilisation of this crucial resource.

Water positivity climbed 4.5x from 3x in the base year FY 2019-20

4.5x
Water positive as of
FY 2023-24


Together, these milestones reflect our holistic approach to sustainability, demonstrating that at JK Cement, environmental responsibility is more than a commitment—it's a way of life.



Relationship with other capitals

-  **Human capital**
Improved capabilities for talent attraction and retention
-  **Manufactured capital**
Increased CAPEX for expansion
-  **Intellectual capital**
Increased investment in new products
-  **Social and relationship capital**
Increased investment in CSR and supply chain initiatives
-  **Natural capital**
Greater capital towards emissions reduction and resource optimisation initiatives

Material topics impacted

-  **Economic performance**

Key highlights

- ₹ 10,918 Crores**
Revenue from operations
- ₹ 2,006 Crores**
EBITDA
- ₹ 831 Crores**
Profit after tax

Financial capital

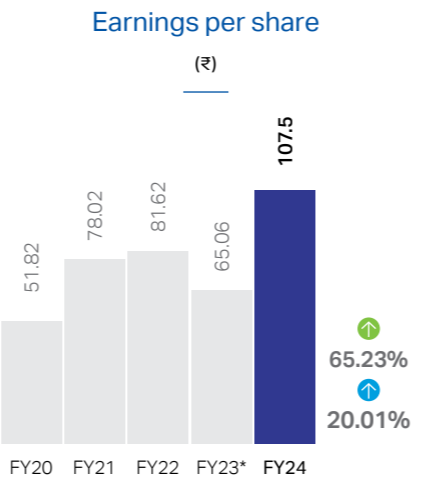
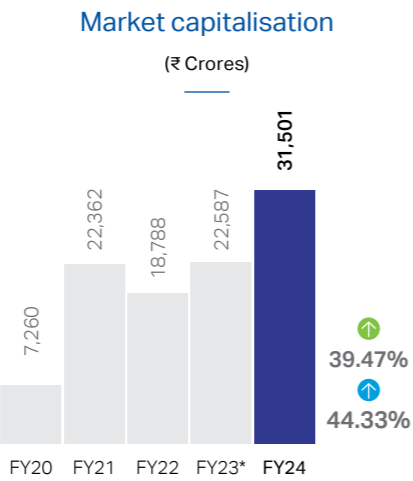
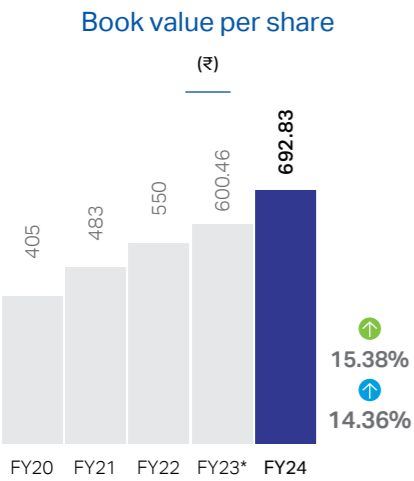
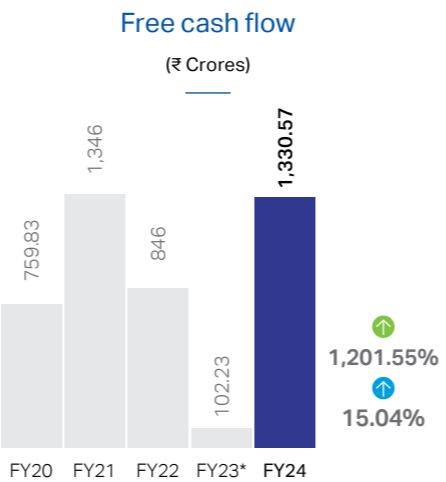
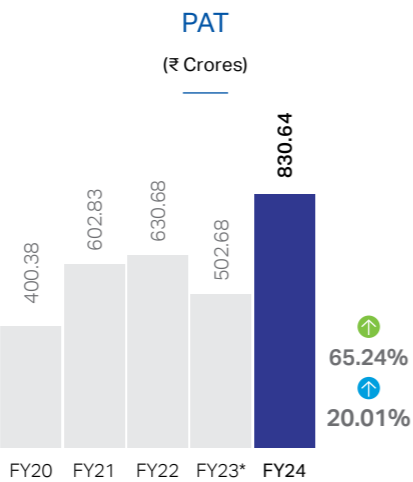
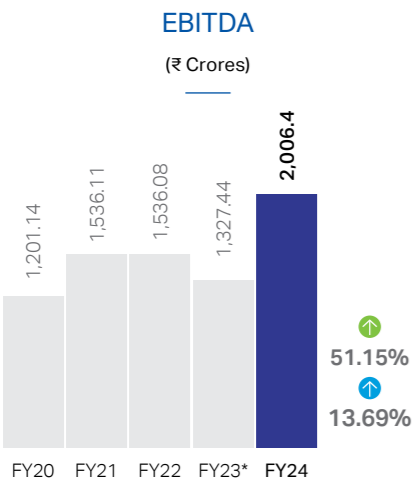


FINANCIAL CAPITAL

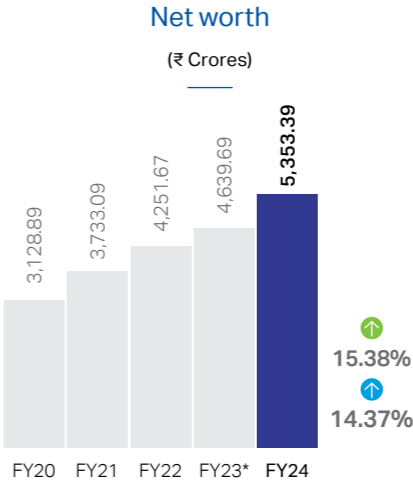
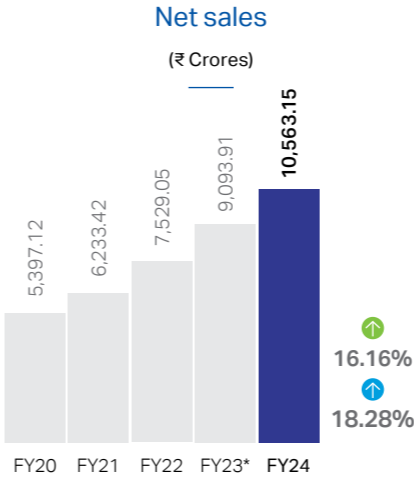
JK Cement seeks long-term growth through a balanced and cost-effective mix of debt and equity strategically utilised to sustain and enhance value across all aspects. We have established mechanisms to monitor our cash flows and liquidity position, enabling us to identify opportunities for business expansion and rationalise costs. We allocate sufficient capital to growth projects and maintain optimal liquidity to support and safeguard our business operations in diverse economic scenarios.

Performance

During FY 2023-24, there was a ~51% increase in EBITDA compared to FY 2022-23. Our net profit after tax for FY 2023-24 stood at ₹ 831 Crores, compared to ₹ 503 Crores for FY 2022-23, with an increase of ~65%.



*FY 2022-23 numbers are re-casted. ↑ YoY ↑ 4 Year CAGR



↑ YoY ↑ CAGR

Capital allocation

In FY 2024-25, we have earmarked ~₹ 1,500 Crores for expansion projects of Panna Line-2 with greenfield split grinding unit at Bihar including spill over capex of Ujjain and Prayagraj split grinding units and refurbishing of Toshali Cement. Further ₹ 500 Crores have been allocated for multiple purposes including balance capex for WHRS at Muddapur, upgradation of paints business, initially spent on allotment of coal block and sustenance capex. These expansions enable us to enter untapped markets, explore new growth avenues and drive incrementally value accretive growth.



"As we celebrate 50 years of operations, JK Cement reflects on a legacy of strong growth and innovation. Over the past six years, we have significantly increased our market cap, thanks to strategic investments that optimise costs and enhance profitability, making us one of the leaders in EBITDA per tonne. Despite being one of the youngest cement companies, our world-class project execution, meticulous planning, and market seeding have set us apart.

We believe in partnering with the best to achieve excellence and are committed to growing faster than the market. Our strategy focuses on sustainability, with continuous efforts to reduce our CO₂ footprint. We consistently add capacity, aiming to offer more holistic solutions and increase our presence on walls. Continuous cost improvement, enhanced price positioning, and consolidating our footprint to become a top 5 player are core to our vision. Additionally, we strive for improved diversity, ensuring a robust and inclusive future."

Ajay Kumar Saraogi
Deputy Managing Director & CFO



Mangrol Plant



Relationship with other capitals



Human capital

Adequate and competent manpower in safe working conditions



Intellectual capital

Innovation to enhance productivity



Financial capital

Increased revenue generation



Social and relationship capital

Local suppliers supported and promoted



Natural capital

Consumption of natural resources

Material topics impacted

M1

Circular economy

Key highlights

18.53 MnT

Grey & White Cement production (including Wall Putty)

81%

Capacity utilisation (excluding Toshali and Fujairah)*

*Ujjain GU was commissioned in November 2023.

Manufactured capital

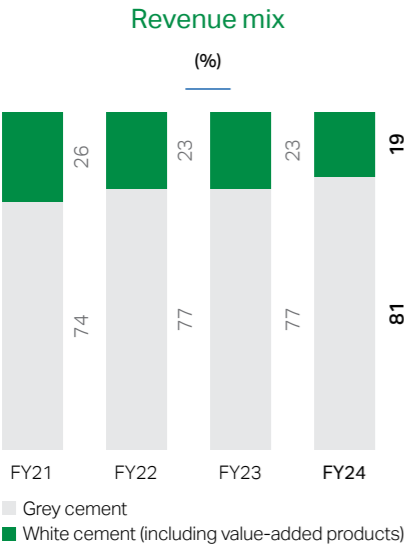


MANUFACTURED CAPITAL

Effectively managing our manufacturing assets is essential for optimising operational efficiency and profitability and fostering growth. At the same time, we are committed to responsible manufacturing practices, which entail reducing resource and energy consumption, integrating state-of-the-art technology and safety protocols, and steadfastly complying with environmental regulations.

AUGMENTING CAPACITY

As of 31st March 2024, we have an installed capacity of 22.34 MnTPA with the recent acquisition of Toshali Cement. We have further lined up capex to augment capacities to reach 30 MnTPA by FY 2025-26 through greenfield and brownfield routes. We will also invest in sustenance capex and upgrade of our acquired paints facility. These investments will see us enter newer markets creating greater value and higher brand equity.



Short-term expansion

Projects planned	Greenfield (MnTPA)	Brownfield (MnTPA)
Prayagraj GU	2	1
Bihar	3	-
Hamirpur	-	1
Panna	-	1
Total (MnTPA)	5.0	3.0

Long-term expansion

Projects planned	Greenfield (MnTPA)
Muddapur ICP/SGU	5
Odisha ICP/SGU	3
Panna ICP/SGU	6
Jaisalmer ICP/SGU	6
Total (MnTPA)	20

22.34 MnTPA

Grey cement

1 4.25 MnTPA
Nimbahera (Rajasthan)

2 3.75 MnTPA
Mangrol (Rajasthan)

3 3.50 MnTPA
Muddapur (Karnataka)

4 2.00 MnTPA
Panna# (Madhya Pradesh)

5 0.20 MnTPA
Ampavalli (Odisha)

6 0.70 MnTPA
Balasinor (Gujarat)

7 2.00 MnTPA
Jharli (Haryana)

8 2.00 MnTPA
Aligarh (Uttar Pradesh)

9 1.50 MnTPA
Ujjain** (Madhya Pradesh)

10 2.00 MnTPA
Hamirpur# (Uttar Pradesh)

11 0.44 MnTPA
Cuttack (Odisha)

3.05 MnTPA

White cement & wall putty

12 1.51 MnTPA
Gotan white (Line - 1) & Putty

13 0.24 MnTPA
Gotan Line-2

14 0.70 MnTPA
Katni Putty (Madhya Pradesh)

15 0.60 MnTPA
Fujairah, UAE

#Jaykaycem (Central) Limited stands dissolved without being wound up and amalgamated with J.K. Cement Limited w.e.f. 01.08.2023. Therefore, 2 MnTPA capacity of Panna Integrated Cement Plant and 2 MnTPA capacity of Hamirpur Grinding Unit are under operational control of JK Cement.

** 1.5 MnTPA grinding capacity at Ujjain, Madhya Pradesh got commissioned in November 2024.

MANUFACTURED CAPITAL



"FY 2023-24 was a transformative year for the grey cement business, marked by a significant increase in volumes and EBITDA. This growth has been fuelled by our commitment to brand enhancement, cost efficiency, and sustainability, alongside gaining market share in our core areas. We significantly expanded in central India, optimising our Panna and Hamirpur units and launching a new unit in Ujjain, thus cementing a dominant regional presence. Looking ahead to FY 2024-25, we are poised to maintain this momentum by commissioning another unit in Uttar Pradesh, aiming for even greater achievements."

Anuj Khandelwal
Business Head – Grey Cement

POWER GENERATION

Through meticulous planning and strategic investment, we have established a resilient network of in-house power generation facilities tailored to meet the electricity demands of our manufacturing operations. Our portfolio encompasses diverse technologies, including Captive Power Plants, Waste Heat Recovery Systems and Solar Power Plants. We procure renewable power from third parties through Group Power Purchase Agreements.

Our green energy portfolio

We meet a substantial proportion of our energy needs through green power sources a testament to our ongoing commitment to environmental stewardship. We remain dedicated to further augmenting our green energy capacity, reaffirming our pledge towards a more sustainable future.



Ujjain Plant

Existing green power capacity

	Waste heat recovery system capacity (MW)	Renewable power generated (MW)*
Nimbahera	13.2	7.02
Mangrol	29.1	6.93
Muddapur	18	60.98
Panna	22	-
Gotan	-	0.3
Balasinor	-	1.8
Jharli	-	2.81
Aligarh	-	14.5
Ujjain	-	0
Hamirpur	-	5.3
Katni Wall Putty	-	1
Total	82.3	100.64

*Renewable power includes Solar and Wind through Group Power Purchase Agreements (PPA)

Proposed green power capacity

	Renewable power* (MW)
Nimbahera	70
Mangrol	70
Muddapur	11.6
Gotan White	12
Balasinor	4.62
Hamirpur	9
Prayagraj	13
Total (MW)	190.22

*Renewable power includes captive Solar and wind and PPA



Hamirpur Plant



Relationship with other capitals



Human capital
Human productivity enhanced by digital usage



Manufactured capital
Driving innovation and efficient processes



Financial capital
R&D investment towards innovative products and process/cost optimisation



Social and relationship capital
Improved supply chain management and enhanced customer satisfaction



Natural capital
Minimised environmental footprint due to technological improvements

Material topics impacted

M19 Cybersecurity

Key highlights

₹ 1.19 Crores
Investment in R&D

Intellectual capital



INTELLECTUAL CAPITAL

During the year, we made significant investments towards research and development (R&D) for sustainable cement products and green technologies, improving process control and quality in cutting-edge laboratories. We concentrated on sustainable technologies, environmentally friendly products, circular economy initiatives, and water conservation, working with IIT Delhi and IIT Kanpur to boost innovation. We also implemented several digitalisation initiatives to optimise operations, as well as robust cybersecurity measures to protect our digital infrastructure.



RESEARCH & DEVELOPMENT

Our R&D pursuits give us a distinct competitive advantage facilitate in the building of new competencies. In FY 2023-24, we channelled an investment of ₹ 1.19 Crores into R&D for the innovation of sustainable cement products and implementation of green technologies. Our commitment to leveraging R&D for ongoing projects highlights the significant emphasis we place on continual innovation. State-of-the-art laboratories at our Nimbahera, Mangrol, Muddapur, and Gotan sites are instrumental in continuously enhancing both our process control and quality management systems. We have a robotics lab and an automatic Blaine analyser at the Muddapur facility, with cutting-edge technologies to further refine our process and elevate quality control standards.

Management strategy for utilising R&D for responsible business

As a prominent cement manufacturer in India, JK Cement has implemented a comprehensive management strategy to harness the power of research and development (R&D) to foster responsible business practices.

Here's an overview of our initiatives for the FY 2023-24:

Investment in sustainable technologies

We have allocated a significant portion of our R&D budget towards developing and adopting sustainable technologies in cement production. This approach includes researching alternative fuels like biomass or waste-derived fuels (RDF) and optimising energy efficiency in our manufacturing processes. Using digital solutions, we are creating connected, smart, and energy-efficient sites

that will complement our other decarbonisation levers.

Product innovation for sustainability

Our R&D laboratory focuses on developing eco-friendly cement products with a reduced carbon footprint. This methodology involves incorporating supplementary cementitious materials such as fly ash, slag, and calcined clay to lower clinker content and reduce carbon dioxide emissions.

Circular economy initiatives

We spearhead R&D projects to promote a circular economy within the cement industry. This mechanism includes finding innovative ways to recycle waste materials generated during production or integrating industrial by-products into our manufacturing processes.

Water conservation and environmental management

Our innovative approaches in cement production prioritise water conservation and environmental stewardship. We devise methods for efficient water recycling and work towards minimising the environmental impact of quarrying operations.

Collaboration and partnerships

We collaborate with esteemed research institutions like IIT Delhi and IIT Kanpur to leverage external expertise and resources for our R&D projects. These partnerships accelerate innovation and facilitate access to funding opportunities for sustainable initiatives.

Continuous improvement and benchmarking

We nurture a culture of continuous improvement by regularly evaluating the effectiveness of our

R&D projects and benchmarking against industry best practices. Learning from both successes and failures, we refine our strategies to achieve our long-term sustainability goals.

New product development

JK Cement has spearheaded a transformative era in the construction sector by redefining product development. Through our pioneering efforts, we are conducting pilot studies for environmentally friendly cement that will reshape the industry:

Portland Calcine Clay Limestone Cement, widely known as LC3

Portland Limestone Cement (PLC)

At our Research & Development Centre, we have explored ground-breaking combinations of limestone and calcined clay as alternative raw materials for LC3 manufacturing. By innovating calcination processes and refining blending ratios, we have formulated

optimised compositions with decreased clinker content and minimised CO₂ emissions.

Additionally, we have devised strategies to enhance low-grade and high-magnesia limestone reactivity while ensuring seamless integration with Portland cement, resulting in PLC blends with superior performance attributes.

This innovative cement blend partially substitute traditional clinker, effectively curbing carbon emissions and bolstering sustainability without compromising performance or quality.

After BIS approval, industries collaborate with multiple government agencies and research institutes to standardise these products, which will be manufactured across different units. Our facilities are geared towards producing these low-carbon cement, representing a noteworthy stride towards a more sustainable future.



"In the last fiscal year, we have made significant strides in our white cement and paints business towards achieving our long-term vision of becoming a holistic solution provider, catering to the varied needs of our customers. We continue seeing an upward trajectory in our white cement and wall putty categories,

clocking higher-than-industry growth achieved by indexing on levers such as digitisation, continuous brand building and engagement with our key stakeholders, i.e. channel partners, influencers, and end-consumers. In our maiden year, it has been encouraging to see the emergence of green shoots from our new venture in the vibrant world of colours with the launch of JK MaxX Paints. In a short period, we have proliferated our offering of decorative paints across most states in North India, including Uttar Pradesh and Rajasthan. It has been a remarkable journey so far, and we have already surpassed the milestone of ₹ 200 Crores of gross revenues in a year in our paints business.

We have been strategically leveraging the innate synergies between our wall putty and paints business, strengthening our foundation of sales and distribution, upskilling our teams, and sharpening our customer value proposition to drive salience and higher brand advocacy. As we progress, we remain steadfast in our pursuit of excellence, with quality, innovation and customer delight being the cornerstones of our sustainable and profitable growth strategy."

Nitish Chopra
President & Dy. Business Head
JK White Cement & Paints Business

INTELLECTUAL CAPITAL

DIGITALISATION



Muddapur Plant

At JK Cement, we aspire to maintain agility and remain on par with industry leaders through our digital processes. Our objective is to digitally revolutionise the development and management of applications across the organisation.

In FY 2023-24, we have implemented below mentioned initiatives to redefine the experience of our customers, employees, and partners:

- We have successfully implemented the next-generation ERP suite from SAP - S/4 HANA on RISE across organisations with real-time analytics, simplified data model, enhanced user experience, integrated business processes and cloud-ready architecture.
- With a focus on harnessing the power of emerging technologies to enhance customer experiences, AI powered chatbots have been launched on our website.
- Enhanced our Customer Digital Onboarding Portal for seamless onboarding of channel partners.
- New and improved features in UPHAAR 4.0 Loyalty Application for contractors have been successfully launched.
- Leveraging Warehouse Management System to optimise inventory management processes for New Paints business.

- Implemented QR code printing on White Cement bags to ensure product authenticity and check infringement
- Optimisation of travel and expense management using SAP concur leading to single-day reimbursements.

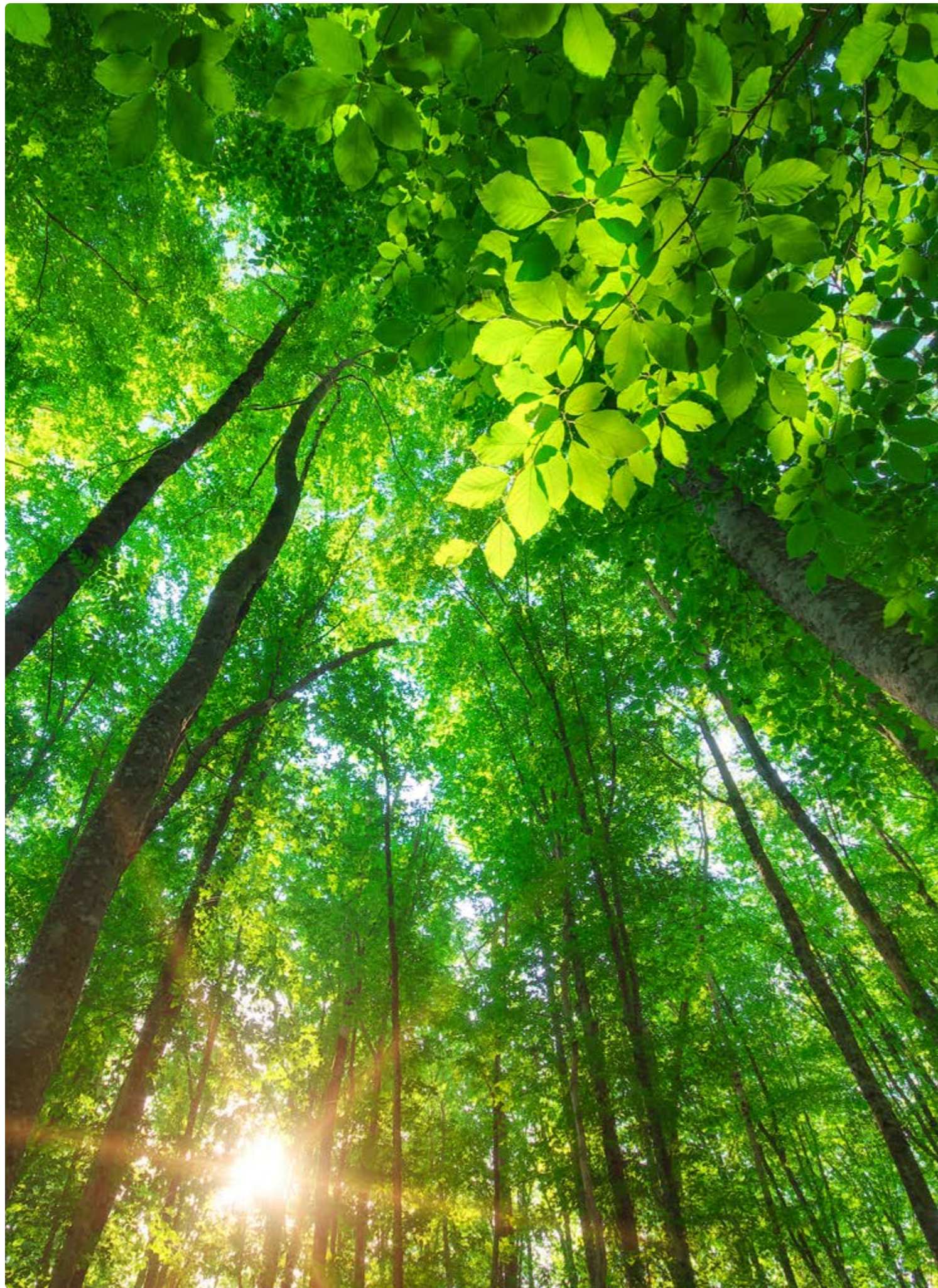
Infrastructure and information security

In today's rapidly advancing digital landscape, digital technologies have undoubtedly revolutionised business' operations. However, this digital transformation also brings with it heightened cybersecurity risks. The deployment of digital technologies has significantly increased the potential for cyber-attacks, posing severe threats to operating procedures, business continuity, and the security of vital data. We have implemented several measures to eliminate or avoid those risks:

- We are now a CERT-IN compliant organisation, maintaining ICT logs for 180 days and reporting cyber incidents to CERT-IN within six hours.
- We are conducting threat analysis for all critical Applications and remediation of Critical vulnerabilities is underway.
- We have deployed data loss prevention solution to protect sensitive data, effectively mitigate the risk of data loss, ensure data privacy and compliance, and safeguard critical assets and reputation from security threats and breaches.
- Network Access Control has been deployed to effectively manage access networks, mitigate security risks, and protect critical assets and data from unauthorised access and cyber threats.
- Darktrace Network Detection and Response (NDR) provides AI-powered threat detection, continuous monitoring, automated threat response, behavioural analytics, threat hunting and investigation capabilities to protect against advanced cyber threats.
- Centralised Wi-Fi solution has been enabled with auto-login with the same Internet privileges during mobility, enabling seamless Wi-Fi connectivity across the organisation.
- SD-WAN has been implemented to provide Centralised Redundancy and encrypted multi-path routing. This solution offers optimised network performance and cost-effective connectivity by intelligently routing traffic across multiple paths while providing centralised management for enhanced security and control.
- Server landscape Optimisation (On-prem and Cloud) has been done to maximise efficiency, performance, and resource utilisation while minimising costs and complexity.
- Centralised Backup Solution successfully deployed to secure our Company's server, storage, and endpoint data pan-India.



Fujairah Plant



Relationship with other capitals

- 
Manufactured capital
 Installation of pollution control equipment and responsible use of resources
- 
Intellectual capital
 Innovation to minimise environmental footprint
- 
Financial capital
 Increase investment towards reducing negative environmental impact
- 
Social and relationship capital
 Improve health, well-being and water security
- 
Human capital
 Improved eco-consciousness among workforce

Material topics impacted

- M1** Circular economy
- M3** Energy management
- M4** Water management
- M5** Emissions management
- M6** Waste management
- M7** Availability of raw materials
- M17** Biodiversity management
- M21** Product life cycle management

Key highlights

- 4.5x**
 Water positive
- 16.3%**
 TSR
- 7x**
 Plastic negative
- 3.8 MnT**
 Fly ash and Slag consumed in Grey Cement

Natural capital



NATURAL CAPITAL

We recognise sustainability as an ongoing process, not a destination. We strive to enhance our operations by implementing responsible practices, adopting advanced technology, optimising processes, and prioritising eco-friendly methods.



IMPLEMENTATION OF ISO MANAGEMENT SYSTEM

At JK Cement, we firmly believe in fostering a culture of excellence and sustainability across all our operations. Our robust integrated management systems (IMS) encapsulate our commitment to quality, environmental responsibility, occupational health and safety, and energy management. These systems, built upon internationally recognised standards such as ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 50001:2018, serve as the cornerstone of our operational framework.

Our IMS seamlessly integrates various management disciplines, streamlining processes and facilitating a cohesive approach towards achieving our organisational objectives. By consolidating quality, environmental, occupational health and safety, and energy management systems into a unified framework, we ensure operational efficiency, risk mitigation, and continuous improvement across all levels of our organisation. Implementing IMS at JK Cement has yielded tangible benefits, driving business performance and enhancing stakeholder value. We have established a consistent product quality framework by adhering

to international standards and improving customer satisfaction and loyalty. Moreover, our proactive approach towards environmental management has not only reduced our ecological footprint. However, it has also positioned us as a responsible corporate citizen, earning our communities' and regulatory bodies' trust and respect. Furthermore, our focus on occupational health and safety has resulted in a safer work environment, reducing accidents and injuries while fostering a culture of employee well-being and engagement. Additionally, our commitment to energy management has reduced operational costs and contributed to our sustainability goals, aligning with global efforts to combat climate change.

The successful implementation of IMS is not confined to our existing facilities but extends to our expansion projects. We have meticulously integrated IMS systems from the inception stage at our new plants, such as the Panna Integrated Unit and Ujjain Grinding Unit. This proactive approach ensures that our new facilities adhere to the highest quality standards, environmental sustainability, occupational health and safety, and energy efficiency

right from the start, setting a solid foundation for long-term success.

All our units are 100% ISO Certified for following standards: 14001, 9001, 45001 & 50001

By aligning with international standards and fostering a culture of continuous improvement, we strive to enhance organisational efficiency, mitigate risks, and create long-term value for all stakeholders.

Zero Fines and penalties incurred for environmental non-compliances during the reporting period

ENERGY AND CLIMATE CHANGE

Incentives for climate change risk management

To address and mitigate the identified risks associated with climate change, our Company encourages employees to align with our climate change goals by offering incentives. We have integrated climate objectives as key performance indicators (KPIs) into our employees' annual performance reviews. Additionally, we have adopted the KAIZEN approach to manage climate-related risks proactively.

Water reduction projects

JK Cement offers monetary rewards for innovative projects reducing water consumption.

Energy efficiency

We award this for improvements and innovations related to energy reduction and efficient production, among others.

WHRS system

The WHRS utilises waste heat from the preheater and cooler's exit hot gases to produce steam via a boiler, subsequently driving a turbine to generate electricity. This sustainable energy solution aligns with our Company's environmental responsibility and resource efficiency commitment. By harnessing waste heat, the WHRS not only meets the plant's electrical power requirements and reduces reliance on fossil fuels, contributing

to long-term sustainability goals. WHRS emerges as a technologically advanced and economically viable solution for capturing heat from industrial waste gases, laying the foundation for a more sustainable future.

Circular economy recognition award

We recognise and reward any suggestion/improvement in TSR percentage, waste utilisation, waste management, and low-grade limestone utilisation, among others, through our circular economy recognition award.

Charting a greener future: JK Cement secures SBTi approval for sustainability target

Standing at the forefront of environmental stewardship, we are committed to science-based targets, embedding the principles of responsibility and innovation into the bedrock of its operations. In August 2023, SBTi reaffirmed our commitment towards environmental responsibility and validated our near-term science-based corporate greenhouse gas emissions reduction target(s), in line with a 1.5°C trajectory.

The SBTi-validated targets are a testament to our ongoing efforts to minimise our carbon footprint, enhance operational efficiency, and foster sustainable development.

JK Cement commits to reduce gross Scope 1 GHG emissions by 20.4% per tonne of cementitious products by 2030 from a 2020 base year*. JK Cement also commits to reduce gross Scope 2 GHG emissions by 44.7% per tonne of cementitious products within the same timeframe (reduce Scope 1 and 2 emissions by 21.7% by 2030 from the 2020 base year).

This earnest dedication to climate action propels JK Cement on a progressive journey towards a lower-carbon economy, navigating through the challenges of a traditionally resource-intensive industry.



By integrating these ambitious targets into its strategic vision, We garner the trust of our global stakeholders and spearheads a transformative shift within the sector, championing a future where economic growth and sustainability advance hand-in-hand.

*The target boundary includes land related emissions and removals from bioenergy feedstocks.

NATURAL CAPITAL

Our decarbonisation strategy and performance

Our strategic roadmap towards a low-carbon future includes decisive decarbonisation actions aimed at reducing our Gross Greenhouse Gas (GHG) emissions (Scope 1 and Scope 2) by 21.7% from FY 2019-20 to FY 2029-30. This plan is anchored in a series of environmentally-sound initiatives, including:

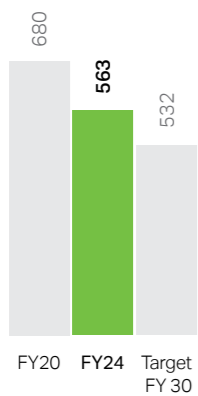
- Elevating the proportion of renewable sources and waste heat recovery systems in our energy portfolio to 75% reduces reliance on traditional power sources.

- We have already achieved the goal of reducing the clinker factor to 65% by replacing clinker in cement with alternative binding agents. This move has effectively reduced our products' carbon footprint
- Boosting the Thermal Substitution Rate (TSR) to 35% by incorporating biomass and Alternative Fuels and Raw materials (AFR) instead of conventional fossil fuels in our kiln, contributing to significant emissions abatement
- Enhancing energy efficiency across all operations to minimise energy consumption and corresponding emissions.

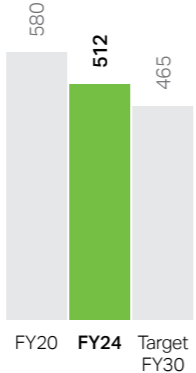
Our Company embraces clean and green technological advancements, manifesting our commitment to environmental stewardship and sustainable operational practices. These initiatives not only advance our sustainability agenda and place us at the forefront of industry efforts to combat climate change.

Our location-based emissions are relevant because we procure power supply exclusively through the national grid. Consequently, we determine the emission factor for our operations following the regional grid specifications.

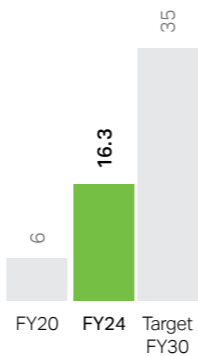
Gross Sp. GHG emission
Scope 1 & Scope 2
(kg CO₂/t cementitious material)



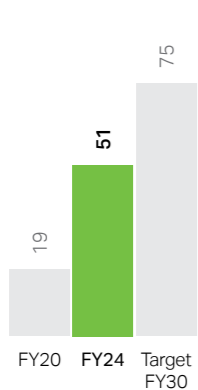
Net Scope 1 - Emission
(kg CO₂/t cementitious material)



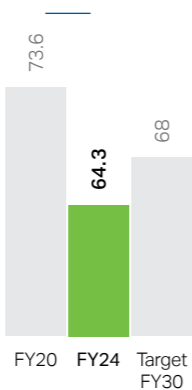
Thermal Substitution
Rate (TSR)
(%)



Green power mix
(%)



Sp. power consumption
-Cementitious Material
(kWh/t)



Above performances are based on JKCL's Standalone Units (09 plants)- excluding Panna (I.U), Hamirpur and Ujjain (G.U).



NATURAL CAPITAL

Energy efficiency initiatives

Energy conservation

Sustainable development and continuous improvement of Key Performance Indicators are of prime importance for our Company. Energy reduction in every field is necessary to sustain business in the current scenario of each and every industry, including Cement. Electrical and Thermal energy consumption significantly contributes to the cost of manufactured cement. Hence, our primary focus is on reducing the cost of production in the conservation of electrical & thermal energy .

During FY 2023-24, various efforts have been made to reduce the consumption of electrical and thermal energy for the production of cement by our different manufacturing units. These energy conservation measures in FY 2023-24 has resulted in reduction of power consumption by 9.83 Crores kWh, equivalent to 8,455 tonnes of oil equivalent (TOE).

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 and modifications
- Downsizing of existing equipments
- Improving thermal efficiency
- Improving production and operational efficiency
- R&D activities and adopting new technology
- Variable frequency drive (VFD) installation in fans

Process optimisation

We saved considerable money by optimising various parameters, interlockings, and logic. Monitoring the production process and analysing data is essential for energy conservation. Various process optimisations achieved a saving of ₹ 41.42 Crores achieved with reduction of 9.58 Crores kWh of electricity equivalent to 8,241 TOE with expenditure of ₹ 0.13 Crores only. Most of the optimisations are done with minimal investment.

Installation of energy efficient equipments

Replacement of low-efficiency motors with high-efficiency motors, replacement of high-power consumption lamps by energy-saving LED lamps, Zero air loss liquid air trap, installation of new low-pressure compressor for fly ash handling and other energy efficient equipments of latest technology were installed to improve the electrical efficiency of the system. By these steps, we saved 0.02 Crores kWh, equivalent to 19 TOE and saved ₹ 0.14 Crores with the expenditure of ₹ 0.66 Crores.



Implementing in-house kaizens and modifications

Small energy saving, such as kaizen, in various production sections are significant tools for energy conservation. Such minor modifications resulted in savings of 0.02 Crores kWh equivalent to 17 TOE and ₹ 0.14 Crores saving with ₹ 0.05 Crores investment only.

Downsizing of the existing equipments

We utilised optimum loading on motors for existing lower loading and power ratings, various motors were replaced by lower KW ratings resulting in improvement in loading factor and efficiency. Such steps, in total, resulted in savings of ₹ 0.03 Crores by reducing 0.01 Crores kWh of electricity equivalent to 4 TOE with an investment of ₹ 0.03 Crores.

Improvement in production and operational efficiency

Improvement in the production rate index of kilns with optimisation of process and operational parameters which achieved savings in terms of rupees and system

efficiency. Through improved output and operational efficiency, we saved ₹ 1.29 Crores by reducing ₹ 0.19 Crores kWh of electricity equivalent to 163 TOE.

R&D activities and adopting new technology

For FY 2023-24, technology upgradation and R&D activities in the areas for Process Improvement,

downsizing of the existing equipment, improving production and operational efficiency and installation of energy-efficient equipment such as solar plants this has resulted in reduction of fossil energy consumption by 0.12 Crores kWh equivalent to 6,294 TOE during the year with a total Investment was ₹ 42.74 Crores and resulted in the saving of ₹ 12.08 Crores.

VFD installation in fans

The replacement of existing drive system by VFD installation in fans has resulted in savings of ₹ 0.01 Crores kWh and saving of ₹ 0.09 Crores of electricity equivalent to 10 TOE with expenditure of ₹ 0.16 Crores only.

Detail of energy conservation savings are as under:

Energy-saving initiatives	Investment (₹ Lakhs)	Savings (kWh)	Savings (₹ Lakhs)	Savings (TOE)
Downsizing the existing equipment	3	49,697	3	4
Improving production and operational efficiency	0	19,00,158	129	163
Improving thermal efficiency	0	0	0	0
In-house small modifications	5	1,97,206	14	17
Installation of energy efficiency equipment	66	2,16,348	14	19
Process optimisation	13	9,58,43,625	4,142	8241
VFD installation	16	1,21,950	9	10
Total	102	9,83,28,984	4,311	8455



“Our practice shows our commitment to environmental stewardship to achieve net zero emissions as we expand and grow. Aligned with the United Nations Sustainable Development Goals (UN SDGs), we have established clear sustainability targets for 2030. We have adopted

an internal carbon pricing mechanism and adhere to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Our ambitious environmental targets for FY 2029-30, including comprehensive Scope 1 and Scope 2 emissions goals aligned with the critical 1.5°C trajectory, have been recognised by the Science Based Targets initiative (SBTi). Currently, we are at 563 kgCO₂/tonne of cementitious product, and our focus is to reduce further to 532 kgCO₂/tonne of cementitious material by FY 2029-30. Currently, our green power mix stands at 51% and thermal substitution rate (TSR) 16.3%, and our target is to achieve 75% green power

and 35% thermal substitution rate (TSR) by FY 2029-30. Our ‘Nature Positive’ 2030 plan includes initiatives like establishing a biodiversity park in Chittorgarh. Our sustainability efforts have been recognised by the Confederation of Indian Industry (CII), with the GreenCo Platinum (Muddapur) and GreenCo Gold (Mangrol). Our upcoming expansions prioritise adopting technologies that minimise environmental impact while maximising operational efficiency, ensuring sustainable growth for years to come.”

Ajai Kumar
Head – Sustainability,
Government & Industry Affairs

NATURAL CAPITAL

Implementing Chlorine Bypass System at Muddapur

At Muddapur, ICP, we aim to maximise our utilisation of alternative fuels, thereby reducing our reliance on conventional fuels. Higher usage of AFR raises the chlorine input to the kiln system, which poses challenges. Despite the benefits of alternative fuels in reducing Carbon Dioxide emissions and lowering the industry’s carbon footprint, the high chlorine content in waste materials disrupts processes and affects product quality. We installed a

Chlorine Bypass System at a cost of ₹ 200 Crores to address this, complemented by enhancements to pre-processing infrastructure.

Major steps in technology absorption and R&D activities planned for FY 2024-25

This system enables the controlled bypassing of gases laden with chlorine-containing dust, collected and stored for controlled consumption in cement manufacturing. By incorporating this technology,

Our Company mitigates process and quality disturbances and meets greenhouse gas reduction targets and extended producer responsibility obligations.

In essence, the Chlorine Bypass System facilitates the utilisation of various industrial and municipal waste as kiln fuel, replacing conventional non-renewable fossil fuels and advancing sustainable practices in cement production.

INTERNAL CARBON PRICING

We have established an Internal Carbon Price (ICP) at \$ 19/tonne of carbon dioxide equivalent across all our operations, a strategic move to navigate the evolving regulatory landscapes effectively. Implementing a carbon pricing mechanism underscores our dedication to promoting a low-carbon economy and underscores

our sincere efforts to curb greenhouse gas emissions. Integrating internal carbon prices in our business planning process helps our Company to assess climate-related risks and opportunities, prepare for future climate regulations, steer investments towards low-carbon technologies and assess the

resilience of investments to such regulations. Setting a price on carbon enables our Company to evaluate the attractiveness of projects in different scenarios and helps make better decisions to future-proof the business. This approach can also stimulate innovative ideas on allocating capital to deliver higher returns in a low-carbon economy.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Climate change poses physical and transitional risks while allowing businesses to grow. To improve transparency for our climate-related risks and opportunities, we have deployed a Task Force on Climate-related Financial Disclosures and will share our progress periodically. In line with the TCFD recommendations, we have conducted a comprehensive risk assessment review to identify climate-related physical and transition risks across different time horizons.

Scenario analysis

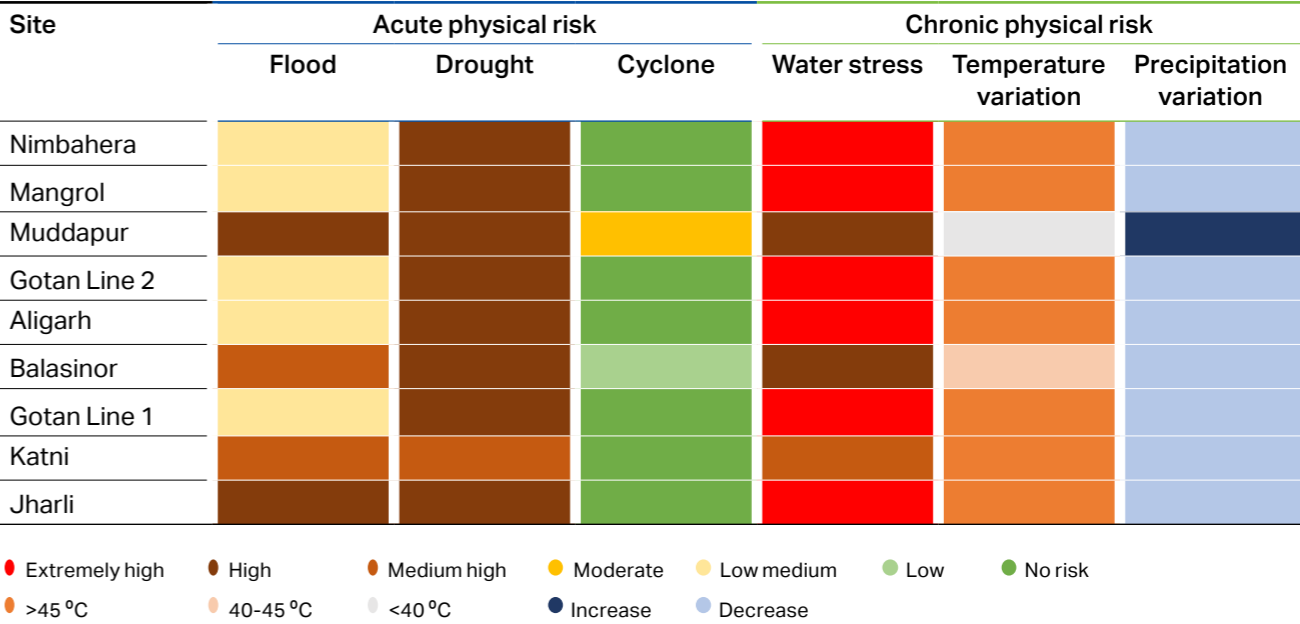
Climate-related scenarios allow us to understand how climate-related physical and transition

risks might plausibly impact the businesses over time. Scenario analysis, therefore, evaluates a range of hypothetical outcomes by considering a variety of alternative plausible future states (scenarios) under a given set of assumptions and constraints.

For physical (chronic) risks, we have considered the latest set of scenarios mentioned in IPCC AR6 (Sixth Assessment report) released in 2021. These are known as Shared Socioeconomic Pathways (SSPs). SSPs are scenarios which are extensions of RCPs (Representative Concentration Pathways) and have projected socio-economic global changes up to 2100.

They are used to derive greenhouse gas emissions scenarios with different climate policies. We have assessed SSP 1.9, SSP 2.6, SSP 4.5, SSP 7.0, SSP 8.5 over different timeframes to assess the impact of chronic risks.

For transitional risks, a scenario analysis was undertaken in accordance with Well-Below 2-degree Celsius (WB2DC) scenario for JK Cement Limited. The possible impact of evolving climate policies has been considered to assess our Company’s resilience as well as prospective decarbonisation paths in order to comply with policy mechanisms in near future.



Opportunities

Resource efficiency

- Optimisation of natural resources:** We plan to increase tonne of cement produced per tonne of clinker, giving us an opportunity to reduce natural resource usage such as limestone as well as GHG emissions. We have successfully reduced the clinker factor from 70.3% in the base year FY 2019-20 to 63.6% in FY 2023-24. Lowering the clinker factor directly reduces the carbon footprint of cement production, as clinker production is the most carbon-intensive part of the process.
- Water conservation and replenishment:** Our Company has focused on responsible water use and climate change has provided us with a potential opportunity to reduce consumption and increase recycling and reuse. All our manufacturing facilities are zero-water discharge plants that treat and reuse all domestic and industrial wastewater generated on-site. Rainwater harvesting, integrated air-cooled condensers (ACC) with captive power plants (CPP) and installed mine water treatment plants add to our collective efforts to reduce water consumption across our operations. Our

initiatives have resulted in significant improvements in water-use efficiency, creating social equity and reducing water availability risks.

- Use of alternative fuel & raw materials (AFR):** AFR gives us an opportunity to reduce GHG emissions and utilise waste from other industries, thereby embedding a circular economy within our operations. Our AFR use is expected to grow fourfold from base year FY 2019-20. We have achieved a Thermal Substitution Rate (TSR) of 16.3% in FY 2023-24 and target reaching 35% by FY 2029-30.
- Increase use of waste heat recovery system (WHRS):** We generate power from waste flue gases, allowing us to reduce our fossil fuel-based power usage. Our WHRS capacity has increased from 42.3 MW in FY 2022-23 to 82.3 MW in FY 2023-24.

Energy sources

Use of lower-emission sources of energy: Climate-related transition provide an opportunity for JK Cement to transition to low-carbon energy sources. Our Company is committed to the UN Energy Compact and targets a green power share of 75% in the total power mix by 2030.

Products and services

Use of lower-emission sources of energy: We are focusing on producing green (blended) cement. By FY 2029-30, we aim to make 80% blended cement and make all our products green.

Markets

Access to new markets: We are making ambitious efforts towards carbon neutrality compared to the global cement sector. Carbon markets and emission trading schemes are expected to be introduced in the Indian market. Achieving targets will generate energy certificates, which will likely provide additional revenues.

Resilience

Development of climate adaptation and resilience: We have adopted near-term SBTi targets. These initiatives include the adoption of renewable energy, which are based on the prospect that they will help us build resilience in a future resource-constrained world, where costs and carbon markets may pose a risk to our operations. Our diverse operations in terms of geography and energy mix give us an edge and resilience to climate change.

NATURAL CAPITAL

AIR EMISSIONS



We are aware of the potential environmental impact of our operations, particularly concerning air quality. To address this, we use thorough and methodical strategies to minimise air emissions. Our targeted efforts focus on substantially reducing

sulphur dioxide (SO₂), nitrogen oxides (NO_x), and particulate emissions. We have incorporated state-of-the-art technology in our facilities. This approach includes the installation of electrostatic precipitators (ESPs) and baghouse filters, which are integral to controlling and enhancing the quality of emissions released into the atmosphere.

To ensure that we operate at the highest standard of environmental stewardship, we have instituted Continuous Emissions Monitoring Systems (CEMS). This methodology provides real-time data, enabling us to continually monitor and adjust our processes to minimise atmospheric emissions, particularly those originating from combustion and kiln operations. Our adherence to local environmental guidelines

is determined. We take a proactive stance by consistently aligning with regional regulatory requirements across all the locations where our activities occur. We do not merely aim to meet these standards but strive to exceed them.

In our vigilant efforts to ascertain the quality of the surrounding air, we have conducted ambient air quality assessments at our facilities. Based on the findings from these evaluations during FY 2023-24, we have reinforced our commitment, revealing that the emission levels were comfortably within the defined acceptable thresholds. This achievement reflects our dedication to environmental conservation and underscores our resolve to operate responsibly and sustainably.

CIRCULAR ECONOMY

Alternative fuels and raw materials

Our strategy to cut down on natural resource use is apparent from the steps we have undertaken. We are cutting back on using traditional resources by replacing alternative raw materials (ARM), like fly ash and slag from different industries. In addition, we have consumed a variety of alternative fuel resources (AFR) in our kilns – including agricultural waste, plastic waste, mixed liquid waste, refuse-derived fuel (RDF)/urban waste and assorted solid waste – to supplement the use of fossil fuels partially.

3.8 MnT
Fly ash and slag consumed



Embracing sustainability: Fuelling the future with biomass in Balasinor, Gujarat

In our dedicated pursuit of sustainability, we have embarked on a transformative project phasing out the use of fossil fuels in favour of biomass. This strategic shift is a pivotal step in our sustainability journey, aiming to reduce carbon dioxide emissions and operational costs significantly.

Our Cement Grinding Vertical Roller Mill, essential for drying raw materials and supporting material lift in the milling process, relied on hot gases generated by a liquid fuel-fired Hot Gas Generator (HAG).

We replaced the conventional liquid fuel HAG with an environmentally friendly and cost-efficient biomass-based solid fuel HAG to address this challenge. This one-time initiative aims to provide continuous carbon dioxide emission savings across the lifespan of our plant.

Future enhancements to our thermal efficiency are in the planning stages, including upgrading refractory materials and optimising operation procedures to further curtail carbon dioxide emissions.

₹1.28 Crores
Cost of implementation

7 KgCO₂/MT
emissions reduced

50%
Fuel cost reduced

₹39/MT
Of cement cost saved
(Total: ₹ 2.20 Crores)

EPR compliance and plastic negative

We are fully cognizant of the environmental risks posed by microplastics and are earnestly committed to reducing the volume of plastic waste in landfills. In a proactive response, we have established a programme to recover plastic refuse, including compromised cement bags and reincorporate it into our sustainability initiatives by co-processing them in our Alternative Fuel Resources (AFR) to create energy. This conscientious effort not only lessens the environmental impact of our operational waste but also enhances our Thermal Substitution Rate (TSR), reflecting our investment in energy efficiency.

In FY 2023-24, we have taken a robust stride forward by

co-processing over seven times the amount of plastic waste our operations introduced into the environment, mainly through cement packaging. Our achievement is quantifiable by 181.69 metric tonnes of plastic waste we have repurposed.

We have signed agreements with several Municipal Corporations to collect, sort and pre-process Refuse-derived Fuel (RDF) and Municipal Solid Waste (MSW) before they are repurposed in our cement kilns located in Nimbahera and Mangrol in Rajasthan, and in Muddapur in Karnataka.

Approval for the Plastic Waste Processing Facility (PWPF) at Panna ICP, Madhya Pradesh, is underway. Upon authorisation, the facility will co-process waste in Panna. This future development

will likely enhance our waste management capabilities.

Our dedication to community and environmental well-being is reflected in our proactive support of the Swachh Bharat Mission, which aims to contribute to the cleanliness of our cities. Moreover, aligning with our Extended Producer Responsibility (EPR) following the Plastic Waste Management Rules, we are focused on mitigating the impact of plastic waste introduced by the packaging of our products.

Through these initiatives, we are advancing waste management practices and playing a pivotal role in promoting a circular economy where waste is transformed into energy, fostering a cleaner and more sustainable environment.

7x
Plastic negative

26.15 MT
Pre-consumer and post-consumer plastic introduced into the environment

181.69 MT
Plastic waste co-processed as AFR

NATURAL CAPITAL

WASTE MANAGEMENT



Our approach to waste management is proactive and focuses on constant monitoring, diminishing, repurposing, and recycling the waste produced by our operations. We diligently comply with all relevant local legislation and guidelines regarding the disposal of hazardous and non-hazardous waste from our manufacturing activities.

In our commitment to sustainability, we opt for alternative raw materials and adopt co-processing practices in our facilities. This strategy enables us to channel

non-recyclable waste away from landfills and utilise in our kilns. Consequently, a considerable amount of our used oil undergoes co-processing on-site.

We handle biomedical waste disposal with utmost responsibility, entrusting only certified agencies to follow established regulatory standards. Furthermore, we engage with certified recycling professionals to ensure the environmentally responsible disposal of e-waste and spent batteries.

Installation of waste composter at Panna, Madhya Pradesh

We recently undertook a pivotal initiative to address organic waste management challenges at our Panna unit. With an initial investment of ₹ 5.45 Lakhs, we installed a waste composter at the labour colony of the Panna unit. This strategic investment marks a transformative step towards optimising organic waste management practices, aligning with our sustainability and operational efficiency commitment. Before installing the waste composter, organic

waste generated at the Panna unit, including food waste and gardening waste/leaves, posed logistical challenges. Food waste was traditionally sent to the municipal corporation for disposal, while gardening waste/leaves were deposited in a pit.

By implementing this practice, we are reducing our reliance on external sources of manure, consequently lowering operational costs and enhancing financial performance. Moreover, producing compost from organic

waste fosters sustainability by promoting soil health, reducing greenhouse gas emissions, and minimising landfill waste.



RESPONSIBLE MINING AND BIODIVERSITY PROTECTION



Our Company strives to conduct limestone mining activities in our quarries and adjacent areas with a high degree of responsibility and environmental prudence. Stringent adherence to ethical mining processes and strict compliance with all appropriate laws and regulations are non-negotiable standards for our operations. We achieve this through meticulously structured inspection and oversight programs, complemented by sophisticated

monitoring technologies that help us secure storage and transfer operations.

Our environmental and biodiversity policies show our dedication to environmental protection and preservation. These policies guide our plant-specific biodiversity action plans, which involve collaborating with local communities and plant horticulture teams.

Best practices adopted across our mines

- Implementing a fixed auto-timer water sprinkling system for spraying water on the haul road from the loading point to the unloading point, effectively suppressing dust and addressing air pollution concerns.
- Developing an in-house nursery to preserve various plant species, facilitating gradual greenbelt establishment.
- Introducing a Screen System in the Crusher: In mines where clay is mixed with limestone, screening out clay with high silica content at the crusher enhances limestone quality. By separating clay and supplying clean limestone, the limestone grade improves, aiding in the utilisation of sub-grade limestone.
- Utilising dry fog system at the crusher hopper during unloading to mitigate fugitive emissions.
- Implementing an overland Belt Conveyor (OLBC) to reduce carbon footprints by decreasing diesel consumption.



BIODIVERSITY MANAGEMENT PROCESS



Our Company has implemented mining plans that have been approved from regulatory bodies. These plans specify our commitment to afforestation, detailing the specific steps and timelines we follow. Within the framework of these approved mining plans, we carry out thorough Environmental Impact Assessments (EIA) to ensure that our activities are in harmony with the environment.

For FY 2023-24, our operations have not impacted any designated forest lands, confirming that we are not contributing to deforestation.

Post-extraction, we diligently assess the condition of the quarried land to determine the necessary actions for tree cover restoration. Our reforestation initiatives focus on establishing green belts enriched by the sapling planting, and we meticulously track the survival rate of these young trees to measure our success in reforestation.

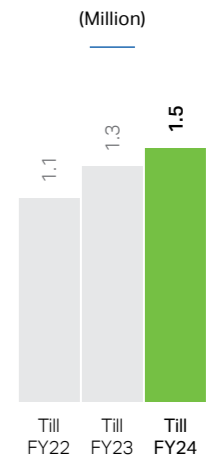
We rigorously adhere to all legal spillage, containment, and remediation requirements. JK Cement Limited (JKCL) advocates for the transformative influence of incremental, community-level change in nurturing a more sustainable future.

A shining example of our dedication is the biodiversity park developed at our Ahirpura Mines near the Nimbahera plant. This park is a testament to our efforts to conserve regional plant and animal

life, ensuring the preservation and flourishing of indigenous species. The park serves a dual role, acting as a safe habitat for wildlife and a natural carbon sink, balancing our organisation's carbon emissions.

By 2024, we have successfully planted over 1.5 million saplings and are proud to report an impressive survival rate of 80-85%, reflecting the care and attention we invest in our ecological initiatives.

Total saplings planted



NATURAL CAPITAL

Miyawaki and Beema bamboo plantation

We adopted the Miyawaki method, which involves strategically planting multiple indigenous tree species per square meter, fostering rapid growth towards a self-sustaining ecosystem within three years. The resulting dense foliage significantly contributes to the vicinity's dust absorption and temperature regulation. These forests improve local

biodiversity and soil fertility, while also mitigating soil erosion and enhancing water retention, aligning with our commitment to environmental stewardship and sustainable business practices. We have also planted Beema Bamboo which has been developed through tissue culture techniques to produce a fast-growing, high-yield plant for various commercial purposes.



WATER MANAGEMENT

Due to growing apprehensions regarding water scarcity in our operational regions, we have recently revised our water management strategies within our cement enterprises. Our efforts concentrate on reducing water consumption, enhancing water replenishment reserves, and raising awareness among stakeholders about prudent water utilisation practices.

4.5x

Water positive

350.2 KL

Water recycled

Water footprint

We have built water harvesting structures and check dams to collect rainwater to recharge the groundwater. The rainwater collected in mine pits is utilised for industrial use and also provided to neighbouring villages for crop cultivation during the dry season as well as drinking water facilities for villages.

We value water as a precious resource and have built a sewage treatment plant (STP) to treat domestic wastewater in our residential community. Additionally, we have an effluent treatment plant (ETP) in our Captive Power Plant. The treated wastewater is utilised for green belt development and dust suppression.

Our comprehensive water management strategy encompasses a series of innovative and sustainable initiatives aimed at optimising water usage and enhancing the quality of our water resources. We have recently upgraded our sewage treatment plants (STPs) to boost operational efficiency and elevate the standard of treated water.

In our pursuit of water conservation, we are transitioning from coolers to air conditioning units in a phased manner, promising substantial water savings. Additionally, we have installed automatic valves for precise water supply control within residential zones, employing timed settings to moderate domestic water usage and foster a culture of water efficiency.

To tackle the issue of scale accumulation in our pipelines and fixtures, we have introduced Colloid-A-Tron anti-scaling devices in strategic locations such as the overhead tank, the ADM building, and the RO plant. This approach extends the lifespan of infrastructure and maintains the quality of water flow.

Recognising the importance of groundwater replenishment, we actively engage in rainwater harvesting and recharge practices, complemented by water-efficient drip irrigation systems that replace traditional methods. Our water recycling efforts further demonstrate our commitment to environmental stewardship, domestic sewage and industrial effluent are treated and repurposed for the nourishment of the Greenbelt area, contributing to a greener and more sustainable ecosystem.

Through these concerted efforts, we adhere to our responsibilities as corporate citizens set a benchmark for water management excellence, ensuring that we use every drop of water judiciously and sustainably.

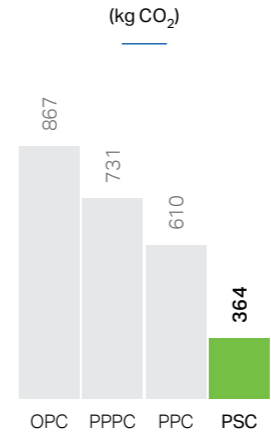
SUSTAINABLE PRODUCTS

We aim to deliver high-quality products that benefit to the environment. We produce our green cement products with a focus on responsible manufacturing practices. We prioritise using blended cement, which minimises the need for conventional cement and reduces our reliance on natural resources. Our product brochures include each product's environmental, health, and safety declarations. The distinguishing features of our construction products are:

- Locally extracted or recovered materials from the mines surrounding our plants
- Low embodied carbon materials such as Portland Slag Cement and Portland Pozzolana Cement by recycling fly ash, slag as well as AFR
- VOC from the product manufacturing is negligible (refer sustainability scorecard)
- All our products are packaged with recyclable materials
- PSC has eco-friendly benefits.
- All our products disclose potential health hazards
- We do not include any hazardous materials in our cement manufacturing processes such as mercury, cadmium, formaldehyde (added), chlorofluorocarbons (CFCs), halogenated flame retardants, lead, PVC, and other harmful substances

As part of our ongoing commitment to sustainability, we are implementing a range of sustainable construction materials. We are also working towards obtaining GreenPro Certification for the cement products we manufacture.

Impact on global warming



LCA Impact Assessment Findings suggest that our PPC, PPC and PSC have 30%, 16% and 58% lower global warming impact compared to OPC.

Impact assessment of our products

SimaPro conducted a Life Cycle Assessment (LCA) following with ISO 14040/44 standards for various products at our Nimbahera, Mangrol and Muddapur plants. The study encompassed all stages of production, from raw material extraction and transportation to emissions during processing, up to the point of product exit from the factory gate. The functional unit for the study was one tonne of each type of cement. The study followed a cradle-to-gate approach and relied exclusively on primary data sources, eliminating the need for assumptions. We conducted a comparative analysis of the environmental profiles of various types of cement to assess their impact on climate change, ozone layer depletion, particulate matter, acidification, eutrophication, land use, and human health. We used the ReCiPe method for Life Cycle Impact Assessment (LCIA). The main objective of the ReCiPe method is to convert the extensive list of life cycle inventory results in a limited set of indicator scores. Our LCA study revealed blended cement has a lower environmental impact than Ordinary Portland Cement. In FY 2023-24 we have produced 61% blended cement (PPC, PSC & composite cement) of our total production.



Relationship with other capitals



Manufactured capital
Ensuring timeless and quality of deliverables



Intellectual capital
More ideas for innovation



Financial capital
Investment in learning and development of employees



Social and relationship capital
Greater employee satisfaction through voluntary participation in community development initiatives



Natural capital
More initiatives carried out towards environmental sustainability

Material topics impacted

- M2** Occupational health & safety
- M10** Employee engagement and development
- M11** Employment and labour relations
- M16** Human rights
- M18** Diversity & inclusion

Key highlights

4,196
Permanent employees

6,588
Contractual workers

10,784
Total workforce

64,237
Total training hours (permanent workforce)

Human capital



HUMAN CAPITAL

At JK Cement, employees are our most valuable asset. We continuously strive to create an environment that encourages their growth and aspirations. Our focus includes ensuring employee health and safety, promoting holistic development, and unlocking their potential. Regular training programmes enhance their skills, enabling them to take on greater responsibilities as they advance within the organisation.



“Business has moved steadily in numbers, form, and shape in the last year. It was imperative to match the pace of HR delivery with business requirements and add value to our employee proposition and employer brand through various initiatives. We have made it possible to continuously improve our policies and processes by

having an outside-in and inside-out approach. The use of technology in various facets of our work not only brought in much-needed consistency and speed but also brought in elements of delight in the employees apart from setting some benchmarks in the industry sector that we operate in, most notable being the culmination of our annual performance appraisal well before time, and adoption of digital expense management tool, which has been a benchmark not only in the sector we operate but much beyond that. Our zeal for bettering ourselves continues.”

Dr. Andleeb Jain
Group President
People | Culture | Digital

Celebrating excellence

Our fifth-in-a-row win as a ‘Great Place to Work’



JK Cement has been awarded the prestigious Great Place to Work certification for fifth time. This accolade is a testament to our dedication to creating a dynamic and supportive work environment that fosters excellence, innovation, and a spirit of camaraderie.

Our fifth consecutive ‘Great Place to Work’ certification crowns our dedication to our people and

culture. It is a hallmark of the trust, respect, and affection we share within our team and serves as a beacon for future talents seeking a remarkable workplace. Together, we are proud to celebrate this incredible achievement and are passionate about reaching even greater heights.

EMPLOYEE ENGAGEMENT

At our organisation, mutual investment between employees and our Company charts a trajectory for shared growth. Our Company’s growth is intricately tied to the personal development of our team members. By actively engaging with our employees, we foster a reservoir of talent equipped with desired skills. Engaging with our employees is pivotal in boosting productivity, as such initiatives inspire them to embrace their passions and celebrate collective achievements. Our dedication lies in cultivating an equitable, secure, and unbiased work environment.



Key Employees Engagement

Sports leagues and tournaments	Festivals and special day celebrations	Blood donation camps
Sales team meets and outbound trips	Team-building initiatives	Team get-togethers and achievement celebrations
Monthly happy hours	DII se JK - Employee testimonials	Continuous online and offline feedback

HUMAN CAPITAL

TALENT ATTRACTION & RETENTION



Attracting and retaining talent is vital for an organisation's success, as it creates a competent workforce that is essential for realising objectives. We are committed to nurturing the growth of our employees. Our larger goal is to instil a persistent culture of learning, offering a wide array of developmental tools to cater to the individual needs of our staff while aligning with our Company's objectives.

We concentrate on enhancing employee's skills and responding to their personal career goals and the needs of the organisation through our diverse educational programmes. Our employee value proposition is grounded in a

perennial culture that values stellar performance, efficiency, steadfast safety, and integrity.

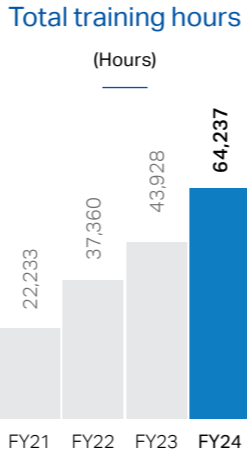
Our strategic blueprint for attracting and retaining premier talent encompasses competitive remuneration and benefits packages, creating pathways for career advancement, nurturing a supportive workplace culture, advocating for diversity and inclusivity, and cultivating a deep-rooted rapport with our team members. Furthermore, through our various coaching programmes, we ensure equitable treatment of all employees and remain committed to upholding human rights standards that align with global frameworks.

LEARNING & DEVELOPMENT



We are steadfast in our mission to cultivate leadership at every organisational tier. To achieve this, we prioritise the ongoing development of our workforce, channelling significant resources into a multitude of training and development initiatives. We have meticulously designed these programmes to enhance work performance, elevate productivity, and increase job satisfaction. We present various developmental routes from hands-on, practical on-the-job training to more structured traditional classroom education and numerous other learning platforms.

We have crafted these programmes carefully to upgrade our employees' skill sets consistently.



EMPLOYEE ENGAGEMENT INITIATIVES

Our flagship talent development venture, '**UDAY**' is a testament to our dedication to shaping the leaders of tomorrow. It is a comprehensive program carefully architected to fast-track the professional growth of our workforce while embedding a deeply ingrained culture of learning, particularly aimed at motivating, and empowering our younger employees. In parallel, we ensure a continuous flow of skilled leadership through strategic

internal promotion. Our young and promising professionals are recognised and elevated to higher-rank positions, securing a robust succession plan within the organisational hierarchy. Additionally, our '**SARATHI**' initiative is a specialised endeavour aimed at honing the skill sets of young managers, preparing them with the essential competencies required to excel in their managerial roles.

₹ 2.38 Crores

Spent on learning and development initiatives implemented for strengthening workforce's skills and building new competencies

Initiatives taken to engage with employees and provide them a nurturing environment to work are listed below:

UDAY	SAARTHI	SAKSHAM	SHRUTI	PRAWAH
This is aimed at grooming the leaders of tomorrow and empowering young talent in the organisation to take on higher responsibilities.	This focuses on building capabilities of young managers and helps them develop their people management skills.	We became the first company in the Indian cement sector to fully adopt an end-to-end cloud-based HR platform.	This aims to ensure physical, emotional, and mental health of our employees (Employee Assistance Programme).	An initiative to understand the feedback from new hires (3-4 months old) to understand their concerns.
YOUR VOICE MATTERS	SHAKTI	AAROH	JUMPSTART 2.0	SAMWAAD
Our continuous feedback tool in collaboration with the Great Places to Work Institute. Employees can give weekly feedback which is confidential.	This aims to facilitate women-friendly environment and support the organisation's vision to become a 'Great Place to Work' for women.	The purpose is to successfully and uniformly orient fresh talent (GET/MT/EMT/CA trainees) to the culture of JK Cement.	Digital onboarding programme for new people joining our Company and familiarising them with our policies, systems and tools.	We value our employees and always look for opportunities to promote the culture of bonding and spirit of openness.

Project Uday
Crafting the leaders
of tomorrow

Project Uday is a testament to our forward-thinking approach in cultivating leadership from within. Recognising the power of harnessing internal talent, our innovative Young Leaders Program aims to accelerate career development for promising individuals, preparing them to ascend to leadership positions and drive the organisation towards a prosperous future.

The project is structured with a dual emphasis on personal and professional enrichment, converging into a comprehensive journey that includes mentorship, training modules, hands-on projects, and leadership forums.



Uday training Program

Business acumen: Participants engage in immersive sessions with industry experts, tackling real-world challenges to enhance their understanding of strategic decision-making and market dynamics.

Skill enhancement: Offers personalised curriculum covering technical and interpersonal skills

Role elevation: Shadowing senior leaders and leading projects let participants apply what they have learned and show their potential for advancement.

Value creation: Emphasises on continuous improvement and realising strategic goals.



PERFORMANCE AND CAREER DEVELOPMENT REVIEW

Performance and career development evaluations play a pivotal role in an organisation's approach to managing its talent. This procedure engages employees in agile conversations with their supervisors about their work performance, objectives, strengths, areas needing enhancement, and career progression paths. During this process, we establish employees'

Key Performance Indicators (KPIs) and monitor their advancements. They receive ongoing feedback regarding their job performance and undergo a comprehensive assessment at the close of a specified timeframe.

Employees are also encouraged to voice their professional aspirations, pinpoint abilities and acquire knowledge to climb the career ladder and establish targets for

their professional development. This exercise aims to create a culture of continuous improvement and learning. Employee performance appraisals take place on an annual basis. We have closed the yearly cycle on time and released the appraisal letters for all the employees before 31st March 2024, which has resulted in a lot of internal and external praise.

REWARDS & RECOGNITION



Our organisation firmly believes in the power of recognition and appreciation to foster a thriving workplace culture. We have implemented multiple initiatives to reward our employees for their hard work and dedication. Under the umbrella of Protsahan, our comprehensive reward platform, we have established various programmes such as Samman, which recognises long-term employee contributions, and our Sales Force Incentive Program designed to motivate and incentivise our sales teams. Our goal is to provide diverse platforms for appreciating and recognising individual and team achievements, ensuring that every member of our workforce feels valued and appreciated for their contributions,

regardless of scale. Our approach is about rewarding outstanding performance and fostering a positive and appreciative atmosphere throughout our Company.

Through initiatives like 'Thank You' cards and Kaizen awards at the plant level, we seek to create opportunities for staff recognition and appreciation at every level of the organisation. Protsahan operates independently of performance management systems, emphasising its sole purpose of motivating and inspiring our people. By nurturing a culture where recognition is woven into the fabric of our everyday operations, we aim to drive employee engagement, satisfaction, and ultimately, organisational success.

DIVERSITY & INCLUSION



JK Cement deeply values diversity and inclusion as essential ingredients for organisational prosperity. Recognising that diverse perspectives and an inclusive culture fuel innovation and growth, our Company is committed to cultivating an equitable workplace. We champion an open environment where respect is the cornerstone, and every individual is treated with fairness, regardless of their race, gender, colour, national

or social origin, ethnicity, religion, age, disability, sexual orientation, gender identity or expression, political beliefs, or any other characteristic protected by law.

Our goal is to nurture a workspace where each employee is genuinely appreciated, feels a sense of belonging, and is confident in their ability to contribute meaningfully to our Company's mission. By embracing our diverse talents and fostering an inclusive atmosphere, we elevate employee morale and engagement but also drive superior business performance and innovation.

In FY 2023-24, we have worked towards strengthening the basic infrastructure and designing and drafting of policies conducive for diverse working conditions. We have also benchmarked what is best in the industry and accordingly crafted our policies to present the best to our diverse employees be

it existing staff or those to be hired in future.

These are the crucial initiatives we undertook for strengthening diversity and inclusion:

- Special Provision in Travel Policy with One level higher entitlements
- Car Eligibility irrespective of employee level
- Wellness Leaves
- Flexi-work options
- Retention Bonuses
- Additional Bonus on Diversity candidates in Employee Referrals
- Focus on Diversity Hirings in New and Lateral Hiring
- GET and MT Hiring with diversity focus

HUMAN CAPITAL

HUMAN RIGHTS AND PoSH

We maintain a strict zero-tolerance policy towards discrimination or harassment. Our commitment entails respecting human rights and seeking to avoid involvement in human rights abuse, identifying, assessing, and minimising potential adverse impacts through due diligence and management of issues, and resolving grievances from affected stakeholders effectively. We are committed to employing people solely based on their ability to do the job, prohibiting any discrimination based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity, religion, disability, family status, social origin, and so on.

We are equally dedicated to fostering a workplace environment and prioritising the well-being and safety of all our staff and labourers. We have established an internal complaints committee dedicated to addressing and resolving complaints regarding the Prevention of Sexual Harassment in the Workplace. Any individual may voice their concerns or report incidents by contacting us at icc.corporate@jkcement.com.

Our processes for human rights risk mitigation

We conduct systematic evaluations of our plant and mining operations on a regular basis. This vigilant monitoring is intended to detect and address any potential issues related to human rights violations. Our rigorous due diligence checks are designed to align our operations with acknowledged human rights norms. To further enhance our human rights engagement, we routinely organise training sessions focused on anti-discrimination and anti-harassment

practices within the workplace. These sensitisation efforts are integral to fostering a respectful and equitable working environment.

Our operational sites are governed by a structured protocol, instituted for risk mitigation, incident reporting and resolution, all of which adhere to the stipulations outlined in our Human Rights Policy. The risk assessment framework is inclusive, encompassing every category of our workforce, from contract labourers to full-time employees and specifically, women. When instances of human rights infringements are reported, our remediation process is activated. This involves a detailed investigation into the concern, an analysis of the underlying causes and the unveiling of corrective measures to redress the situation. Responsibilities are clearly designated, and timelines set to ensure swift and decisive action. The remedial process is augmented by the continuation of workforce training and awareness initiatives. Particularly in cases involving sexual harassment, we have established an internal complaints committee empowered to thoroughly investigate such allegations and ensure adherence to our zero-tolerance stance on harassment.

Zero
Cases of human rights violations reported in FY 2023-24*

*Including but not limited to incidences of child labour, forced labour, sub-minimum wage compensation, discrimination, or harassment within our facilities.

Furthermore, JK Cement acknowledges and actively supports the rights of our employees to freely associate and partake in collective bargaining. All our employees are covered by collective bargaining agreements. 100% of permanent workers are members to recognised trade unions. We are resolute in remunerating our permanent workers in strict accordance with statutory minimum wage regulations. This adherence demonstrates our resolve to not only meet but exceed compliance in upholding the rights of our workforce.



Grievance redressal

Our organisation prioritises a robust conflict resolution system to ensure stakeholders' issues are acknowledged and resolved efficiently. Stakeholders, including employees, investors, customers, and community members, can submit written complaints via drop boxes located in plants and offices. We have robust systems in place to ensure the expeditious resolution of queries within a predefined timeframe upon receipt of complaints. Any of the concerns or grievances can be raised through the 'Grievance Redressal' section on our website or through our dedicated helpline number and email ID.

Employee Well Being

To support our employees on mental and physical well-being and provide them a conducive work environment where they feel geared up to take on challenges is always one of the top things at our priority list. Some of the key highlights in terms of measures taken to promoting positivity, wellness and good health among our employees are shared below:

- Health Insurance and Mediclaim Policy
- Group Insurance Policy
- Natural Death Policy
- Continuous Feedback Programme
- Employee Connect Programmes
- Open-door Policy and access to the highest authorities in the organisation
- Transfers and movements basis the self-request of employees
- Internal Job Posting Policy
- Tie-ups with nearby Hospitals

- Health checkup camps at our Company premises
- Health checkup reimbursements
- Availability of doctors at our Company's offices/plants
- Safety Trainings and Enablement
- Wellness and Awareness programmes

Apart from the above, we undertake initiative like Sports events, Monthly Happy Hours, and sessions like Zumba, Bhangra, and Yoga. We also celebrate on festivals and special days, and organise outbound and team-building programmes to ensure the physical and mental well-being of our employees.

Occupational health & safety

JK Cement is resolute in providing a safe and healthy work atmosphere conducive to the well-being of all employees and stakeholders. Guaranteeing a work environment devoid of injuries and fatal accidents is a fundamental goal

at the forefront of our operational agenda. The deployment of an all-encompassing Health & Safety (H&S) infrastructure is a testament to this commitment.

Safety management system

Our Zero Harm initiative aims to make incessant progress in averting incidents both within the workplace and in external operations. Our approach meets the legal safety regulations, incorporating an extensive Environmental, Health & Safety (EHS) management framework across all of our manufacturing units, which aligns with ISO 45001:2018 specifications. We have orchestrated a broad spectrum of training and educational programmes that span the entirety of our facilities, addressing crucial topics that encompass occupational health and safety protocols, as well as providing valuable insights into prevailing seasonal afflictions and the impact of lifestyle-related choices.



HUMAN CAPITAL

Safety awareness tool

- Safety induction
- Tool Box Talk
- Job-specific training
- Safety campaign
- Safety alert

Safety inspection tool

- Safety Observation Tour
- Workplace safety
- Focus internal safety audit
- External safety audit

Reporting tool

- Near Misses reporting
- Hazard reporting
- Incident reporting

Emergency preparedness

- Mock drills
- Onsite emergency plan
- Fire fighting equipment facility
- Medical emergency facility

Risk assessment tool

- Self Assessment
- Hazard Identification and Risk Assessment

Meeting

- Monthly safety review meeting
- Management representative & workers representative safety committee meeting
- Production & manufacturing meeting

Activity method statements

- Standard Operating Procedure
- Safety handbook
- Contractor contract obligations and occupational health & safety guidelines

Administrative control

Permit to work system:

- Hot work
- Height work
- Confined space work
- Lifting activity
- Log out - tag out
- Excavation work

Incident investigation

- Root cause analysis
- Corrective and Preventive action
- Safety recommendation

Furthermore, we have the Suraksha suite of apps to boost safety measures: JKCL EHS for recording safety observations and JKCL EPTW for streamlined permit-to-work processes. We have introduced our novel initiative, the Suraksha Rath (Safety on Wheels). This pioneering mobile safety vehicle extends crucial services including first aid, emergency response, and on-the-spot safety instruction, thereby reinforcing our commitment to maintaining the highest standards of workplace safety across our operations.

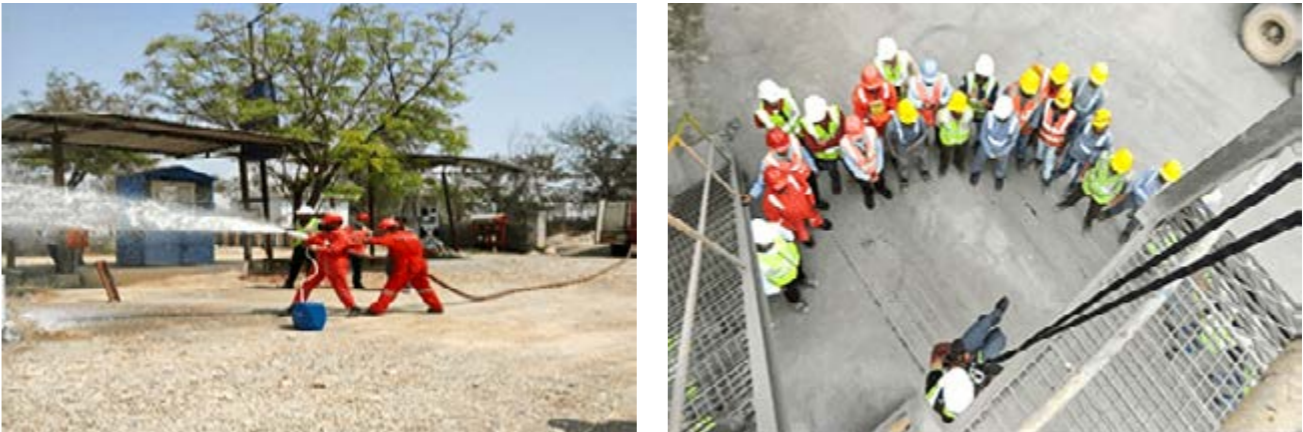
Hazard and injury management approach



- Our plants implement stringent safety measures including:

 - Mandatory safety induction and periodic job-specific trainings
 - Toolbox Talks (TBT) precede each work session
 - Continuous on-the-job training alongside rewards for exemplary staff performance
 - Annual free eye check-ups and surgeries supported by our Medical and Welfare teams in collaboration with leading hospitals
- Strict adherence to PPE usage within plant premises is enforced
 - Routine health screenings conducted by our medical staff
 - Frequent safety education sessions covering numerous topics for all personnel
 - Quarterly safety inspections.
 - Monthly Safety Performance review meetings
 - Monthly safety campaigns
- Thorough safety audits are conducted by the Safety Department and Corporate Safety Head, assessing areas such as working at heights, structural integrity, fire prevention, and proper use of personal protective equipment

We understand that near-miss reporting from our employees' end could potentially save someone's life. Aligned with this, we encourage our employees to report every incident.



- Road safety awareness**

 - Awareness sessions for drivers along with the logistics team led by the corporate safety head
 - Logistics Division Conference Room: Educational session for transportation staff
- Notifications about traffic safety during shift transitions
 - Educational briefings for in-house transportation drivers, emergency response security team, and third-party service drivers
- Safety briefings for Cement Mixer truck operators



Role of technology in health and safety

- Digital safety management system module which includes Permit to work system, workplace hazard reporting and investigation, work place near miss reporting & investigation, workplace safety observation tour, safety statistics analysis, etc.
- Fire/Smoke detectors installations at fire risk areas (reference AFR operation, bag go down, etc). and connected with emergency control room
- Digital control system (DCS) to control and monitor plant operations
- Nitrogen purging system installation at process equipment (reference coal fine bins, liquid AFR installation, etc).
- Temperature sensors installation in different equipment
- Gas detection monitoring by using multi gas detectors for confined space activity
- CCTV cameras installation at work place at multiple locations
- GPS installation in our Company's vehicles



Gotan unit awarded state-level safety award

Our Company's Gotan unit was honoured with the state-level safety award. This award, a collaborative initiative by the Factories and Boilers Inspection Department (Rajasthan) and the National Safety Council's Rajasthan Chapter, recognised the Gotan plant team's commitment to safety and regulatory compliance per the Factories Act of 1948.



Creating value collectively

JK Cement has always gone the extra mile in giving back to society. Our commitment to inclusive growth is reflected in our actions since inception, and we have gone above and beyond the call of duty while supporting our communities through multiple initiatives aimed at capacity building, healthcare support, education and livelihood generation. A truly transformative impact has been delivered by the Yadupati Singhania Vocational Education Foundation (YPSVEF). Within a short span of time, it has emerged as a prominent vocational education and skill development organisation in India, producing crucial industry-ready talent to meet dynamic industry demands across the globe. JK Cement's participation in WorldSkills competitions since 2011 has been aimed at making skills a global aspiration. This year alone, we trained 12 students who went on to win six medals in the IndiaSkills 2024 national competition.

Chandrapal

Gold Medallist in Wall and Floor Tiling



Chandrapal, a determined 19-year-old from Mathura, faced significant challenges as the youngest of six siblings in a family reliant on daily wages. Despite financial struggles and his father's health issues, Chandrapal aspired to join the Indian Army but failed to make it owing to height restrictions. Guided by a mentor from the Border Roads Organisation (BRO), he discovered the YPSVEF and moved to Kanpur with borrowed funds to train for better opportunities. With YPSVEF's support, Chandrapal won gold in a national competition, fulfilling a long-held dream and improving his family's living conditions. Now, he is preparing to represent India yet again at WorldSkills 2024 in France.

Aditya Chauhan

Silver Medallist in Bricklaying



Aditya Chauhan, an 18-year-old from Mau village, nurtured lofty ambitions despite his modest upbringing, with his parents devoted to farming and teaching. Encouraged by his mother and guided by his uncle at BRO, Aditya discovered the mason trade as a viable career path towards his dream of becoming a civil engineer. He faced a setback with his 12th grade marks but persisted with support from his uncle, enrolling in YPSVEF's top ITI for mason training. At YPSVEF, he learned about the IndiaSkills competition and decided to participate, a decision that reshaped his journey. Competing against engineering graduates in the mason trade category, he proved his skills and bagged the silver medal at the national level.



Relationship with other capitals



Manufactured capital
Optimisation of product portfolio
basis stakeholder discussions



Intellectual capital
Innovation driven by
customer insights



Financial capital
Increase customer and
supplier loyalty



Natural capital
Increase demand for
environmental sustainability



Human capital
Enhanced stakeholder engagement

Material issues

M9

Sustainable supply chain

M15

Community development

M20

Customer relationship management

Performance highlights

₹ 20.87 Crores

CSR expenditure

~5 Lakhs

CSR beneficiaries

25,530

Vendors

20%

Critical tier-I suppliers were assessed

Social and Relationship capital



SOCIAL AND RELATIONSHIP CAPITAL

JK Cement promotes the holistic development of the communities in which it operates. We have built schools, hospitals, and social facilities for local communities as part of our CSR initiatives. Rooted in our founders’ philanthropic vision, our CSR policy guides our efforts towards fulfilling its responsibilities towards society, environment and stakeholders. We have focused on improving supply chain sustainability by screening suppliers using Environmental, Social, and Governance (ESG) criteria.

CORPORATE SOCIAL RESPONSIBILITY

At JK Cement, we seek the holistic development of the communities where we have established our presence. We have interwoven our sense of identity with these communities, and we recognise that their prosperity is intrinsically linked to our success. This understanding shapes our approach to Corporate Social Responsibility (CSR). Our CSR endeavours are carefully attuned to the community’s urgent needs, addressing key areas such as Public Health and Sanitation, Education, Employment, and Access to Clean Water, among others. Through our initiatives, we have brought joy to countless families. We have constructed schools, colleges, and training institutes, hospitals, temples,

and various social facilities as an integral part of our engagement with the community. Our extensive and active outreach programme encompassing multiple social, philanthropic, healthcare, educational, and religious activities mirrors our internal policies to elevate the populace’s lives. Our CSR Policy is the foundation for our corporate social responsibility initiatives based on local needs assessments. Our CSR policy reflects our socio-economic development agenda, under which we have identified the focus areas – Healthcare, Education, Environment, Livelihood, Rural transformation and others. We work with local non-governmental organisations

(NGOs) and additional associates, all managed by our in-plant local CSR units. Before rolling out any new programme, we evaluate local needs and frequently carry out studies to gauge the impact of our actions, ensuring they are effective, pertinent, and enduring. In FY 2023-24, we have spent ₹ 20.8 Crores from our CSR funds for the betterment of the community. JK Cement has established a CSR Committee and a Sustainability Steering Committee to carry out these initiatives and interact frequently with the local communities. These committees are responsible for developing the necessary CSR policies and monitoring their implementation and progress to create maximum impact.

Our focus areas

Healthcare

- Providing A-scan machine to government hospital
- Mobile medical unit
- Sanitary pads production and awareness
- Health camps
- Providing safe drinking water
- Cleaning/sanitation

Location impacted

Jhajjar, Haryana; Merta, Nagaur, Rajasthan; Chittorgarh, Rajasthan

₹ 0.72 Crores
Expenditure

1,29,512
Beneficiaries



Education

- Providing JCB to Ashram for ground development
- Construction assistance for Jawahar Navodaya Vidyalaya School, Badwara
- Financial aid for constructing girls toilets in schools
- Construction of classrooms in government schools
- Education charity

Location impacted

Madhya Pradesh; Jhajjar, Haryana; Merta, Nagaur, Rajasthan

₹ 10.59 Crores
Expenditure

73,749
Beneficiaries



Livelihood

- Skill development programme for women
- Poverty eradication

Location impacted

Madhya Pradesh, Chittorgarh, Rajasthan

₹ 1.80 Crores
Expenditure

15,525
Beneficiaries



Rural transformation

- Riverfront with stairs at Bhaganwara village
- Installation of reflective boards at bus stands
- Construction of a school gate
- Installation of Solar lights
- Community hall and other infrastructure projects

Location impacted

Madhya Pradesh, Gotan, Tukliya, Nagaur, Rajasthan

₹ 2.45 Crores
Expenditure

2,03,096
Beneficiaries



Environment sustainability

- Plantation drive
- Tree guard and gardening

Location impacted

Chittorgarh, Rajasthan

₹ 0.15 Crores
Expenditure

47,408
Beneficiaries



Others

- Access to various utilities, sports equipment at Salemabad Anganwadi
- Distribution of Indian flag on the occasion of Azadi ka Amrit Mahotsav
- Mass Marriage Ceremony

Location impacted

Madhya Pradesh, Nagaur, Rajasthan; Chittorgarh, Rajasthan

₹ 5.16 Crores
Expenditure

10,280
Beneficiaries

SOCIAL AND RELATIONSHIP CAPITAL

CSR initiatives

Our initiatives showcase the collaborative efforts of our Company, our partners, community members, and social organisations. We gauge the effectiveness of our programmes by enhancing the socio-economic conditions of the communities we serve. We focus on delivering long-term solutions that yield a sustainable influence in various domains.



Free health care camp organised by JK Cement

Healthcare

Health and safety are our topmost priority. To promote the same, we regularly organise medical camps, eye checkups and blood donation camps are regularly organised for the local communities, where we distribute medicines for free. Addressing the acute lack of modern medical facilities in remote areas, we have undertaken dynamic measures to bring healthcare within the reach of the general public.

- In alignment with the Swachh Bharat Abhiyan, a sustained project is underway to preserve the cleanliness of Mohanbari village, Jharli, Haryana, undertaken as part of our Corporate Social Responsibility (CSR) initiatives. This project encompasses the provision of an honorarium for dedicated housekeeping staff, who diligently work to maintain the village's cleanliness and orderliness, operating under the vigilant oversight of the Village Sarpanch. This commendable initiative offers direct benefits to approximately 1,500 inhabitants of the village.

- Jharli village, Haryana has historically faced challenges in accessing safe and regular drinking water due to high total dissolved solids (TDS) levels of 4,000 in the local water supply and inadequacies in the government's water provision services. Our initiative had been proactively delivering a consistent supply of potable water to roughly 3,000 residents of the village to address this issue. This intervention fulfilled a fundamental necessity, thereby improving the overall well-being, quality of life, and community health. Subsequently, the water distribution method has evolved, and the initiative now furnishes the village with drinking water through a pipeline system, ensuring sustained and efficient access to safe water.
- Approximately 50 numbers Accredited Social Health Activists (ASHA) and government school teachers, integral to local health and education, lack adequate first-aid training that impedes emergency response. Our initiative seeks to address this gap by providing essential first-aid skills, bolstering their ability

to respond effectively, and enhancing community safety.

- Our Company provided comprehensive eye care services, including screenings, distribution of glasses, and facilitation of cataract surgeries in collaboration with Joshi Eye Institute, Hubli, Muddapur, Karnataka. We implemented this project for adults.
- Our Company has supplied an A-scan Machine to the Government Community Health Centre in Merta, Nagaur, Rajasthan. This device aids ophthalmologists in precisely performing cataract surgeries. This project benefits approximately 600 individuals annually by providing them with access to improved ocular healthcare services throughout the year.
- In Ningapur and nearby villages, Karnataka, a medical camp was conducted to improve access to healthcare services. We provided villagers with consultations, treatments, and education on chronic diseases, empowering them for better health management and fostering a positive shift in community well-being.



Education

Quality education and knowledge dissemination are critical pillars for nation building. JK Cement has been prominent in the nation's educational landscape for decades. Our educational institutions comprise K-12 schools, universities, and technical institutes at various locations nationwide.

- Implemented the boundary wall development project at the Chainpura School Ground, Rajasthan benefitting approximately 200 individuals. This strategic initiative enhances security, defines property limits, and provides an environment conducive for educational and recreational activities.

- At Chainpura Village Government Primary School, Rajasthan, a learning kit distribution campaign was successfully carried out, positively impacting 118 students. As part of this initiative, each pupil received a comprehensive kit that included a school bag, an assortment of essential stationery items, and a water bottle. This thoughtful provision aims to enhance educational accessibility and ensure that the students are well-equipped with all the requisite materials to foster a productive and supportive learning atmosphere.



Livelihood

Livelihood development is an important aspect of community development. Across our focus areas, we are working on numerous projects aimed at improving livelihoods.

- The Adarsh Farm Project aims to attain sustainable income via Climate-Smart Agriculture initiatives launched in three neighbouring villages in collaboration with Arpan Seva Sansthan. It has directly benefitted 800 individuals and indirectly around 4,000 others.

- We have established a dairy facility at Karunda village, Nimbahera, Rajasthan, under the monitoring of the Milk Samiti in Karunda that has yielded benefits for approximately 400 residents. The execution of a comprehensive milk collection system is in progress, an endeavour that signifies a strategic move towards optimising processing procedures and amplifying the efficiency of dairy management. This advancement introduces a promising avenue for the amelioration of community livelihoods and the amplification of dairy productivity.
- The JK Trust organised an animal treatment camp with support of JK Cement Ltd. The camp helped treat seasonal diseases and infertility among the cattle population and spread awareness among the public about proper cattle management and feeding. During the camp,

- around 116 animals were treated. The treatment camp benefitted around of 38 dairy farmers of surrounding villages.
- We conducted ten veterinary camps, providing essential medical care to approximately 1,541 cattle. This initiative significantly contributes to the health and well-being of livestock, promotes agricultural sustainability and supported the livelihoods of community members dependent on animal husbandry.
- We trained 34 women at two centres located in Mangrol and Phalwa, Rajasthan. The training programmes encompass stitching, beauty parlour management, and soft toy making. This initiative aims to empower women by providing them with valuable skills for personal and economic development.

SOCIAL AND RELATIONSHIP CAPITAL

Case study

The dairy renaissance of Nimbahera

The primary goal is to augment rural livelihoods by bolstering income opportunities for livestock farmers through an innovative breed improvement programme.

~25,000
Beneficiaries



Project objectives

- 1. Breed enhancement:** Initiate a programme that would improve livestock productivity through selective breeding, introducing high-yield Gir and Holstein Friesian cows
- 2. Veterinary services:** Ensure better and timely veterinary care by deploying 'Gopal'—a doorstep veterinary service tailor-made for farmers
- 3. Capacity building:** Conduct training and capacity-building workshops focusing on optimal livestock management practices
- 4. Product promotion:** Promote diversified dairy products to enhance the income potential for farmers actively

Impact on the community

The inception of the breed improvement initiative marked the genesis of a dairy development saga that would redefine Nimbahera's economic landscape and spark a rural renaissance.

Major outcomes

- 1. Increased milk productivity:** Productivity soared from 5-6 litres to an impressive 12-13 litres per cow daily
- 2. Diversification of dairy products:** Creation of an array of dairy products, turning surplus milk into mawa, paneer, butter, and beyond—catering to an expanding market
- 3. Financial upswing:** As a result of diversification and increased productivity, daily income catapulted to ₹ 2,500-₹ 3,000, eclipsing previous earnings and redefining the dairy's financial narrative

Long-term impact

Economic empowerment

Dairy farming is no longer just a means of survival but has evolved into a vessel of economic progress, empowering farmers with sustainable incomes

Educational and healthcare advancements

The ripple effects of this dairy development extend to improved access to education and healthcare for the community, fostering a new era of well-being

A model for rural transformation

This case study embodies a template that could spur a nationwide dairy farming revolution, fostering indigenous business models tailored to the nuanced needs of rural India



Rural transformation

At JK Cement, we actively engage in the comprehensive growth of the communities where we are situated. We prioritise enhancing lives through substantial infrastructural projects to develop the surrounding areas. Our Company engages with the local communities through various social initiatives, such as infrastructure development, livelihood support, community care, environmental protection, healthcare services and sports.

- The progressive development of the Amba Mata Guest House in Nimbahera, Rajasthan is set to serve approximately 5,000 individuals. The project's vision extends beyond furnishing guest lodgings; it aims to offer a versatile venue capable of hosting various events for the local populace. This initiative will likely enrich the community by furnishing a multipurpose space that fosters social gatherings and cultural events, thereby enhancing communal ties and providing a boost to the local hospitality landscape.

- The construction of a boundary wall around the shamshan (cremation ground) at Payeri, Nimbahera, Rajasthan holds the potential to benefit approximately 350 individuals. This endeavour ensures security and privacy and demonstrates a commitment to preserving cultural and religious spaces, fostering a sense of community well-being and cohesion.
- The construction of a roof shed in Payeri village promises to benefit around 350 residents. This construction provides shelter and enhances community gathering spaces, facilitating social interactions and events. It reflects a commitment to improving infrastructure and enhancing the quality of life for the villagers.
- The construction of a community hall in Phalwa, Nimbahera, Rajasthan has brought positive impact on 250 beneficiaries. This vital infrastructure will serve as a communal space, fostering social cohesion and providing a venue for various community activities, contributing to the overall development and well-being of the residents.
- The construction of Samudayik Bhawan in Regar Mohala, Mangrol, has positively impacted 200 beneficiaries. This community facility serves as a hub for various social activities, fostering community engagement and contributing significantly to the overall development and well-being of the residents in the region.
- Installation of solar lights at main junctions in Gotan where adequate lighting was lacking. This initiative has enhanced road safety by minimising the risk of accidents.

SOCIAL AND RELATIONSHIP CAPITAL



Environment

At JK Cement, we actively engage to build a sustainable future and preserve the environment. Besides regular technology updation for emission reduction, effluent management, and energy efficiency, we partner with the local administration around our plants to undertake afforestation and conduct plantation drives. JK Cement is also a member of the prestigious Indian Green Building Council. Conservation, harvesting and management of water resources in the water-starved state of Rajasthan have also been our priorities.

- The pond excavation in Chainpura village, near Nimbahera using JCB equipment is poised to advantage approximately 400 residents. This endeavour not only increases the pond's capacity to hold water but also broadens the availability of water resources for farming, animal husbandry, and household needs, consequently fostering better living conditions and prosperity for the inhabitants of the area.
- 2,500 plants, including ten varieties such as Neem, Peepal, Mango, Lemon, Custard Apple, and more, were distributed across five panchayats. This initiative extended its benefits to approximately 200 residents in neighbouring villages, encompassing Arniya, Mangrol, Karunda, Phachar, and Dhanora panchayats.

These endeavours also resonate with the broader objectives of strengthening communal integrity and sustainability—a testament to JK Cement's visionary ethos. The initiative stands as a beacon of our Company's enduring commitment to propelling the educational standards and quality of life within the community, reinforcing our role as a pillar of societal support and empowerment.

STRENGTHENING RELATIONSHIP WITH CUSTOMERS

Our mission is to deliver enduring value to our customers by exceeding their expectations. We actively interact with our customers across multiple touchpoints to gain insight into their demands and expectations. Our complaint resolution framework allows

customers to voice their concerns, supplemented by an online helpline dedicated to their support. During FY 2023-24, we carried out a customer satisfaction survey where we received 1,369 complaints. It is with great

satisfaction that we can declare the successful resolution of all these complaints by the end of that financial year, showcasing our commitment to achieving complete customer contentment.

SUPPLY CHAIN SUSTAINABILITY

We value the role our suppliers play in the expansion and sustainability of our business. We actively collaborate with our supplier network to affirm their steadfastness to integrity, accountability, and adherence to established norms and standards. Our commitment to Environmental, Social, and Governance (ESG) principles is deeply rooted in our objective to generate sustainable and perpetual value for all our stakeholders. Through a persistent engagement strategy, we aim to meet immediate business needs and promote a culture of corporate responsibility and progressive environmental stewardship in partnership with our suppliers.

We enforce a stringent adherence to our Environmental, Social, and Governance (ESG) policy across our supply chain. Suppliers must fully comply with the policy's stipulations and formally acknowledge their commitment before initiating any work with our plants. In our pursuit of corporate responsibility, we maintain rigorous ethical and labour standards throughout our supplier selection and assessment processes.

To address and pre-empt potential risks, we have implemented forward-thinking strategies to pinpoint and address the most critical environmental and social issues in our value chain. This conscientious approach ensures that our suppliers are evaluated and chosen based on their ability to meet these comprehensive ESG criteria, reinforcing our dedication to sustainability and ethical business practices.

In FY 2023-24, we screened 30 new suppliers based on environmental and social parameters which have been verified by a third party. As on 31 March 2024, we have 25,530 vendors, of which 3,446 have been shortlisted by us as Tier-I suppliers based on their top spending and

potential impact on our business. Among these, we have identified 116 as critical suppliers. Our critical suppliers contribute over 80% of the total expenditure, while the remaining 3,300 are non-critical. None of the suppliers identified have any significant actual and potential negative social or environmental impacts.

We have conducted capacity-building sessions for all our critical suppliers to brief them regarding ESG risks and opportunities, the JKCL Supplier Code of Conduct, the JKCL ESG policy, and other emerging sustainability best practices.

Supplier risk assessment

We maintain an ongoing dialogue with our suppliers, which enhances our ability to identify potential risks and ensure that they comply with our Environmental, Social, and Governance (ESG) policy and supplier code of conduct. We also physically verify a sample of suppliers selected post-self-assessment to ensure the accuracy of the information provided. If we identify any risks or concerns, we take corrective actions to

20%
of our critical Tier-1 suppliers were assessed on the Supplier Code of Conduct parameters



ensure compliance with our ESG policy requirements.

We have also thoroughly assessed our critical Tier-1 suppliers through an online survey. We have scrutinised their adherence to ESG principles and policies. This mechanism ensures alignment with our values and promotes responsible business practices across our supply chain.

Dealers

Our expansive dealer network stands at the forefront of our distribution strategy, playing an invaluable role in providing us with insights into customer preferences and market expectations. This network, comprising a diverse group of distributors, painters, and contractors, is the vital link between our products and end-users.

At JK Cement, we place great importance on acknowledging and recompensing the dedication and efforts of our dealers. We have established a robust incentive programme designed to reward exemplary performance, motivating our dealers to continuously strive for excellence. This approach fosters strong business relationships and ensures we echo our commitment to superior service delivery through every touchpoint with our customers.

SOCIAL AND RELATIONSHIP CAPITAL

Case study

Project
लक्ष्म्या-2024

Project Lakshya embodies our strategic endeavour to redefine sales excellence within our organisation. By distilling the essence of our sales approach into the ABCD framework, we have forged a disciplined and dynamic pathway to meet and exceed our ambitious sales targets. At JK Cement, we are committed to equipping our salesforce with the knowledge, skills, and mindset necessary to excel.



MEMBERSHIPS AND ASSOCIATIONS

JK Cement proactively engages with various government bodies, directly and through industry associations and think tanks. We discuss different topics, including upcoming regulations, global market trends, and the macro and micro trade environments.



#KaamSeNumber1

Creating value through enhanced visibility

In a bid to drive brand visibility, we made significant investments in branding and promotional activities during the year. The campaigns emphasised our leadership position and the strength of our products.

JK Cement is redefining what it means to be the top cement brand with its new 'Naam se toh kaee Kaam se Ek hi No.1' campaign. This initiative, under the #KaamSeNumber1 banner, focused on superior performance and services through a series of four humorous commercials set in a multi-brand cement stores. Highlighting customer challenges and JK Cement's innovative solutions, the campaign promoted our unique Build Xpert Team and on-site technical services.

Meanwhile, JK White Cement's #MaxXHaiNa campaign showcased the essence of its JKC MaxX brands through humour, visual content, and music. This digital-first campaign featured short ad films and introduced Mr. MaxX, a digital mascot and problem-solver for home improvement needs. Aligning with a recent rebranding initiative, this campaign united all JK White Cement brands under the 'MaxX' umbrella, reinforcing their commitment to innovation and customer centricity.

Additionally, JK Cement's WallMaxX wall putty campaign, #ArtManeScience, emphasised the science behind achieving long-lasting, beautiful walls. The TVC featured Chhutkau painter, the brand's iconic protagonist for over 12 years, collaborating with scientist Dr. Bakshi to highlight the product's superior quality. The campaign shifted from a general claim of beautiful walls to a science-based rationale, featuring an Abrasion Resistance Test to establish WallMaxX's durability. This approach reinforced JK Cement's promise of premium and enduring wall solutions.

Through these campaigns, we are enhancing the brand's visibility and creating value, ensuring our commitment to quality, innovation, and customer satisfaction.

₹102.89 Crores

Advertising and branding expenditure during the year

Awards and accolades

NIMBAHERA

- 1 GreenCo Silver Award by the CII-Sohrabji Godrej Green Business Centre
- 2 National Award for Excellence in Energy Management 2023
- 3 Industrial growth and FICCI award for Excellence in Maintenance Systems
- 4 CII has started a pilot project for Blue Rating at Nimbahera Plant, it is the first time in the cement industry (pre-assessment completed in December 2023)
- 5 Mine Environment & Mineral Conservation Week Award 2023 by Indian Bureau of Mines (IBM)



MANGROL

- 1 Excellent Energy Efficient Award and National Energy Leader at the 23rd National Award for Excellence in Energy Management
- 2 Energy conservation -Excellence award from CII
- 3 Water positivity/Water aspiring Scope-1 certified by CII

MUDDAPUR

- 1 Excellent Energy Efficient Unit for the sixth consecutive time at 24th National Award for Excellence in Energy Management conducted by CII
- 2 National Leader In energy efficiency for the fourth consecutive time at the 24th National Award for Excellence in Energy Management conducted by CII
- 3 Bagged Overall Excellence Award for Halki and Muddapur mines during the 12th Mines Environment & Mineral Conservation Week 2022-23 and (four individual awards for Halki Mines and five individual awards for Muddapur mines)



Mines Safety Week Awards Won by JK Cement Works, Muddapur & Halki Limestone Mines



GOTAN

- 1 Rajasthan State Safety Award – 2023 Gotan for High Standards of Competence and Compliance of OHS & Welfare provisions under the Factories Act 1948 and rules
- 2 Achieved IConSWM – CE Excellence Award 2023 in Co-Processing for achieving TSR in 13th International Conference on Waste Management and Circular Economy and IPLA Global Forum 2023 (November 2023)
- 3 Gotan Limestone Mine achieved the First Overall Performance prize in the "C" category
- 4 Best Employer Award -2023 from The Employers Association of Rajasthan in the large-scale industry category (Cement group)
- 5 Appreciation Award to Manufacturing Head for exemplary contribution in Co-Processing, presented in 13th International Conference on Waste Management and Circular Economy
- 6 Dhanappa Mines achieved the Second prize in the "B2" category



BALASINOR

- 1 Excellence in Maintenance System was presented by FICCI for Appreciation of Good Practices in Plant Management System
- 2 Excellence in Energy Management, presented by CII



JHARLI

- 1 Excellent Energy Efficient Unit Award, presented by CII
- 2 Best Energy Efficient Organisation

Annexure I: Sustainability scorecard

Category	Units	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24		
					Baseline (Nine plants)	Panna and Hamirpur (Two plants)	Total *(11 plants)
Production							
Cement production	MnTPA	11.00	13.11	14.57	14.97	3.30	18.27
Clinker production	MnTPA	8.11	8.97	9.77	9.88	2.39	12.27
Cementitious production	MnTPA	11.48	13.46	14.90	15.31	3.59	18.90
Environment							
Material consumption (non-renewable materials) GRI 301-1							
Limestone (for clinkerisation)	Tonnes	11984396	12787062	13720479	13967102	3422685	17389787
Clinker	Tonnes	7493389	8571132	9464823	9483579	2105610	11589189
Gypsum	Tonnes	674114	1034204	1024347	977407	327390	1304797
Captive fly ash	Tonnes	24779	32936	42550	44721	0	44721
Recycled input materials 301-2							
Slag	Tonnes	130013	142960	95127	175267	0	175267
Fly ash	Tonnes	1799967	2352512	2726419	2793386	827296	3620682
Alternative raw materials (% of total cement produced)	%				20	25	21
Energy consumption GRI 302-1							
Non-renewable sources (A)	GJ	31440248	33067765	31706787	32772431	7778898	40551330
Fossil fuel and AFR combustion (kiln+ non-kiln)	GJ	30707000	31954519	29889767	31514639	7229022	38743661
Non-renewable electricity purchased from the grid	GJ	588334	998074	1813223	1257792	549876	1807669
Electricity sold externally	GJ	144914	115172	3797	0	0	0
Renewable sources (B)	GJ	988394	1781169	2908798	2955756	258464	3214222
Biomass combustion (kiln + non-kiln)	GJ	199000	818095	1424468	1172414	0	1172414
Energy from WHRS	GJ	588334	708585	871781	956973	250307	1207281
Renewable purchased	GJ	99360	234737	581544	727479	7812	735292
Renewable (solar + wind) electricity generated and consumed	GJ	101700	19752	31005	98890	345	99235
Total energy consumption (A+B)	GJ	32428642	34848934	34615585	35728187	8037362	43765552
Other indicator							
Energy Intensity	GJ/tonnes of cementitious production	3.77	2.57	2.29	2.33	2.24	2.32
Kiln fuel	TJ	24933	27948	31031	32399	7226	39625
Non-kiln fuel	TJ	5993	4824	284	288	3	291
Solar generated	TJ	2.7	19.75	31.00	98.88	0.35	99.23
Specific thermal energy	GJ/tonne of clinker	3.07	3.12	3.17	3.28	3.02	3.23
Specific electrical energy	kWh/tonne of cement	68.3	62.5	61.8	64.3	66.0	64.38
Reduction of energy consumption GRI 302-4							
Energy saved	GJ	80802	1942187	173259	-	-	110951
GHG and other Air emissions GRI 305-1,2,3,4,5							
Scope 1 emissions (including CPP fuel usage) GRI 305-1	tCO ₂	7206969	7784307.00	7985999	8364663	1969703	10334366

Category	Units	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24		
					Baseline (Nine plants)	Panna and Hamirpur (Two plants)	Total *(11 plants)
Scope 2 emissions GRI 305-2	tCO ₂	203639	238321	419203	258430	110154	368584
Scope 3 emissions GRI 305-3	tCO ₂	1022991	1365166	1469970	-	-	2529576
GHG emissions intensity- (Scope 1+scope 2) GRI 305-4	tCO ₂ /tonne of cementitious material	0.645	0.596	0.565	0.563	0.579	0.565
GHG emissions intensity- (Scope 1+scope 2+Scope 3) GRI 305-4	tCO ₂ /tonne of cementitious material	0.734	0.697	0.664	-	-	0.699
Initiatives for reduction of GHG emissions GRI 305-5							
Emissions from kiln due to use of AFR and biomass	tCO ₂	131300	213521	382712	444687	0	444687
Energy savings initiatives	tCO ₂		58309	34224	-	-	21882
Use of WHRS	tCO ₂	129107	155495	171935	188736	49366	238102
Other indicators							
Direct CO ₂ (includes CPP) Scope-1	tCO ₂	7206969	7784307	7985999	8364663	1969703	10334366
Direct gross CO ₂ (excluding CPP)	tCO ₂	6682752	7355199	7972412	8162550	1969703 ¹	10132253
Direct net CO ₂ (excludes CPP and kiln AFR and biomass)	tCO ₂	6556800	7207227	7740698	7840817	1969703 ²	9810520
Indirect CO ₂ (external power) Scope-2	tCO ₂	203639	238321	419203	258430	110154	368584
Specific direct net CO ₂ emissions	Kg CO ₂ /tonne of cementitious material	571	535	520	512	548	518
Specific indirect CO ₂ emissions	Kg CO ₂ /tonne of cementitious material	18	18	28	16	31	19

¹ CPP not installed in Panna, ICP & Hamirpur, GU.

² No AFR being used in above plants.

* Ujjain GU is not included.

KPIs other than public disclosed targets

Category	Units	FY 2020-21	FY 2021-222	FY 2022-23	FY 2023-24
Economic indicators (GRI 201-1)					
Income from operations	₹ Crores	6441.63	7821.38	9081.53	11053.4
Economic value distributed	₹ Crores	5837.44	7186.9	8515.79	10223.8
Cost of material consumed	₹ Crores	967.57	1155.39	1314.18	1718.37
Power and fuel	₹ Crores	1106.2	1571.87	2308.19	2459.72
Employee benefit and wages	₹ Crores	412.14	504.17	563.21	709.8
Finance cost	₹Crores	223.16	249.31	260.49	436.59
Tax expenses	₹Crores	389.72	332.86	237.72	381.74
Others	₹ Crore	2738.15	3373.26	3832	4517.55
Economic value retained	₹ Crore	604.19	634.48	565.74	829.6
Water withdrawal GRI 303-3					
Total freshwater (TDS </= 1000 mg/L)	ML	1704	1360	2063	2775
Total other fresh water (TDS >/= 1000 mg/L)	ML	-	435	110	123
Groundwater freshwater (TDS </= 1000 mg/L)	ML	634	403	867	1008
Other freshwater (TDS >/= 1000 mg/L)	ML	-	435	110	123
Surface water freshwater (TDS </= 1000 mg/L)	ML	1070	957	1197	1767
Surface water other water (TDS >/= 1000 mg/L)	ML	-	0	0	0
Other indicators					
Percentage surface water withdrawal	%	63	53	58	65
Percentage ground water withdrawal	%	37	47	42	35
Water discharge GRI 303-4					
Discharge quantity	ML	0	0	0	0
Water consumption GRI 303-5					
Total water consumption	ML	1704	1795	2173	2897.6
Water recycled/reused	ML	332	307	371	350
Other indicators					
Percentage water recycled/reused	%	19	17	17	13
Specific water intensity	m³/tonne of cement production	0.16	0.14	0.15	0.15
Water positivity	Times	3	4.6	4.5	4.5
Emissions from ozone depleting substances (ODS) GRI 305-6					
R22	Tonnes	0.36	0.48	0.22	0.223
R32	Tonnes	0.01	0.04	0.03	0.093
R 407-C	Tonnes	0.04	0.01	0	0.110
R 134-A	Tonnes	0.02	0.01	0	0.021
R 404	Tonnes			0.008	0.008
R 410A	Tonnes			0.016	0.005
Total	Tonnes	0.43	0.54	0.27	0.46
Air emissions GRI 305-7					
PM	Tonnes	723	753	533	692
SO ₂	Tonnes	1325	1851	278	1515
NOx	Tonnes	9638	8133	8351	9117
Mercury emissions	Tonnes		0.11	0	0.06
Waste generated GRI 306-3					
Total hazardous waste (Solid)	Tonnes	21.42	32.4	76.52	70.11
Battery	Tonnes	11.05	28.28	42.30	26.30
Biomedical waste	Tonnes	0.14	0.12	0.15	2.20
Empty Drums with oil	Tonnes	–	–	–	0.80
Used Grease	Tonnes	–	–	–	13
E-waste	Tonnes	10.23	4	34.07	27.81
Total hazardous waste (Liquid)	L	85718.3	83540	123152	96406
Used Oil	L	46637	72440	106344	68085

Category	Units	FY 2020-21	FY 2021-222	FY 2022-23	FY 2023-24
Contaminated Oil	L	25451	100	9872	4994
Biomedical waste Liquid	L	30.3	0	0	17.32
Waste Oil	L	13600	11000	6936	23310
Total Non-hazardous waste	Tonnes	6546	19241	9080	9885
Waste Disposed:					
Total hazardous waste (Solid)	Tonnes	21.42	32.4	98.47	66.05
Battery	Tonnes	11.05	28.28	87.31	25.59
Biomedical waste	Tonnes	0.14	0.12	0.23	2.20
Empty Drums with oil	Tonnes	-	-	-	0.80
Used Grease	Tonnes	-	-	-	11.76
E-waste	Tonnes	10.23	4	10.93	25.70
Total hazardous waste (Liquid)	L	85718.3	69690	1,06,092	98957
Used Oil	L	46637	69590	85714	69586
Contaminated Oil	L	25451	100	13442	4994
Biomedical waste liquid	L	30	0	0	17.32
Waste Oil	L	13600	0	6936	24360
Total Non-hazardous waste	Tonnes	6456	18916	8507	10611
Waste diverted from landfill (sent to recyclers and authorised vendors) GRI 306-4					
Total hazardous waste (Solid)	Tonnes	21.42	32.4	98.46	66.05
Battery	Tonnes	11.05	28.28	87.31	25.59
Used Grease	Tonnes	-	-	-	11.76
Biomedical waste	Tonnes	0.14	0.12	0.23	2.2
Empty Drums with oil	Tonnes	-	-	-	0.8
E-waste	Tonnes	10.23	4	10.93	25.7
Total hazardous waste (Liquid)	L	85718.3	69690	106092	98957
Used Oil	L	46637	69590	85714	69586
Contaminated Oil	L	25451	100	13442	4994
Biomedical waste liquid	L	30.3	0	0	17
Waste Oil	L	13600	0	6936	24360
Total Non-hazardous waste	Tonnes	6456	18916	324372	9488
Waste directed to disposal GRI 306-5					
Total hazardous waste (Solid)	Tonnes	0	0	0	0
Total hazardous waste (Liquid)	L	0	0	0	0
Total Non-hazardous waste	Tonnes	0	0	0	0
Total Non-hazardous waste	Numbers	0	0	0	0
Biodiversity GRI 304					
Total number of saplings planted	Nos.	1023238	1130137	1305924	1508635
Sapling survival rate	%	84	80	85	80-85
Percentage of quarries with high biodiversity value where biodiversity plan is implemented	%	0	0	0	0
Local Communities GRI 413-1					
Operations with local community engagement, impact assessments and development programs					
CSR:					
Total CSR beneficiaries	Nos.	728120	502013	488526	479570
Social					
Workforce indicators GRI 2-7 and 2-8 headcount					
Total permanent workforce (Male+ Female)	Nos.	3751	3941	3767	4196
Total permanent employees				3216	
Permanent workforce -Male	Nos.	3683	3847	3653	4056
Permanent workforce -Female	Nos.	68	94	114	140
Total contractual workforce (Contract+ workers) Non-permanent	Nos.	4000+	2637	3695	6588

KPIs other than public disclosed targets

Category	Units	FY 2020-21	FY 2021-222	FY 2022-23	FY 2023-24
India total headcount					
Senior management	%		2	2	2
less than 30	%		0	0	0
30-50	%		0	1	1
Over 50	%		1	1	1
Male	%		2	2	2
Female	%		0	0	0
Middle management	%		6	5	6
less than 30	%		0	0	0
30-50	%		4	4	5
Over 50	%		2	1	2
Male	%		6	5	6
Female	%		0	0	0
Junior management	%		77	76	90
less than 30	%		21	20	24
30-50	%		51	52	61
Over 50	%		5	4	4
Male	%		75	73	87
Female	%		2	3	3
Permanent workers	%		14	15	2
less than 30	%		1	0	0
30-50	%		9	7	1
Over 50	%		4	8	2
Male	%		14	15	2
Female	%		0	0	0
GET/DET	%		1	1	0
less than 30	%		1	1	0
30-50	%		0	0	0
Over 50	%		0	0	0
Male	%		1	1	0
Female	%		0	0	0
Contract Labour	%				68
less than 30	%				0
30-50	%				0
Over 50	%				0
Male	%				67
Female	%				1
Others (FT)	%				5
less than 30	%				1
30-50	%				4
Over 50	%				1
Male	%				5
Female	%				0
Apprentices	%				2
less than 30	%				2
30-50	%				0
Over 50	%				0
Male	%				2
Female	%				0
Outsourced	%				25
less than 30	%				11
30-50	%				12
Over 50	%				2
Male	%				24
Female	%				0

Category	Units	FY 2020-21	FY 2021-222	FY 2022-23	FY 2023-24
Hired GRI 401					
Senior management					
less than 30	Nos.		0	0	0
30-50	Nos.		4	1	5
Over 50	Nos.		4	8	1
Male	Nos.		8	9	5
Female	Nos.		0	0	1
Total		3	8	9	6
Middle management					
less than 30	Nos.		0	0	0
30-50	Nos.		4	1	5
Over 50	Nos.		4	8	1
Male	Nos.		8	9	5
Female	Nos.		0	0	1
Total			8	9	6
Junior Management					
less than 30	Nos.		8	0	0
30-50	Nos.	32	30	38	40
Over 50	Nos.		2	17	2
Male	Nos.		37	54	41
Female	Nos.		3	1	1
Total			40	55	42
Permanent workers					
less than 30	Nos.		401	269	661
30-50	Nos.		383	0	625
Over 50	Nos.		3	0	6
Male	Nos.		757	634	1241
Female	Nos.		34	25	51
Total		278	791	659	1292
Permanent workers					
less than 30	Nos.		0	24	0
30-50	Nos.		0	51	0
Over 50	Nos.		0	11	0
Male	Nos.		0	86	0
Female	Nos.		0	0	0
Total		11	0	86	0
GET/DET					
less than 30	Nos.		74	15	12
30-50	Nos.		0	0	0
Over 50	Nos.		0	0	0
Male	Nos.		58	11	6
Female	Nos.		16	4	6
Total		39	74	15	12
Total hired-Male	Nos.	355	860	794	1293
Total hired-Female	Nos.	8	53	30	59
Hiring rate	%	24	26	22	32
Open position filled by internal candidate	%		7	15	15
Average hiring cost/FTE	INR		43000	44000	35000
Separation GRI 401-1					
India permanent employees					
Senior management					
less than 30	Nos.		0	0	0
30-50	Nos.		0	1	0
Over 50	Nos.		5	4	12

KPIs other than public disclosed targets

Category	Units	FY 2020-21	FY 2021-222	FY 2022-23	FY 2023-24
Male	Nos.		5	5	12
Female	Nos.		0	0	0
Total		11	5	5	12
Middle management					
less than 30	Nos.		3	0	0
30-50	Nos.		22	37	33
Over 50	Nos.		15	11	11
Male	Nos.		39	47	42
Female	Nos.		1	1	2
Total		34	40	48	44
Junior management					
less than 30	Nos.		143	264	291
30-50	Nos.		261	343	498
Over 50	Nos.		42	7	29
Male	Nos.		432	591	784
Female	Nos.		18	23	34
Total		234	450	614	818
Permanent worker					
less than 30	Nos.		21	18	0
30-50	Nos.		18	16	0
Over 50	Nos.		19	17	11
Male	Nos.		58	51	11
Female	Nos.		0	0	0
Total		57	58	51	11
GET/DET					
less than 30	Nos.		21	14	12
30-50	Nos.		0	0	0
Over 50	Nos.		0	0	0
Male	Nos.		21	10	11
Female	Nos.		0	4	1
Total		46	21	14	12
Total turnover-Male	Nos.	232	555	704	860
Total turnover-Female	Nos.	150	77	28	37
Turnover rate (Permanent employees)	%	24	18	19	22
Voluntary Attrition rate	%	9	14	19	8
Work related injuries GRI 403-9					
Fatalities-Permanent employees and workers	Nos.	0	0	0	0
Fatalities-Contract workers	Nos.	0	0	1	0
High consequences work related injuries-Permanent employees and workers	Nos.	0	0	0	0
High consequences work related injuries-Contract labour	Nos.	0	0	0	2
Lost time injuries-Permanent employees and workers- GCCA	Nos.	-	-	2	0
Lost time-Contract workers- GCCA	Nos.	-	-	11	4
Number of lost time injuries - directly employed- GRI	Nos.	0	2	0	0
Number of lost time injuries: contractors and Sub-contractors- GRI	Nos.	3	3	7	4
Training GRI 404-1					
Male Senior Management	Manhours	230	457.5	352	1286
Female Senior Management	Manhours	-	0	0	34
Male Middle Management	Manhours	1267	3230.54	6592	2905
Female Middle Management	Manhours	-	9.5	176	111
Male Junior Management	Manhours	18437	32094	32552	53345
Female Junior Management	Manhours	-	415	1288	2551

Category	Units	FY 2020-21	FY 2021-222	FY 2022-23	FY 2023-24
Male GET/DET	Manhours	-	732	2568	1448
Female GET/DET	Manhours	-	79	400	1608
Male Permanent Workers	Manhours	118	342	0	949
Female Permanent Workers	Manhours	-	0	0	0
Male contract workers	Manhours	2281	4609	3843	17422
Female contract workers	Manhours	-	0	0	0
Male-Others	Manhours	-	837	0	0
Female-Others	Manhours	-	10	0	0
Total hours of permanent male employees and workers	Manhours	21973	36856	42064	59933
Total hours of permanent female employees and workers	Manhours	359	504	1864	4304
Total hours of Non-permanent male workers	Manhours	2281	5446	3843	17422
Total hours of Non-permanent female workers	Manhours	-	10	0	0
Average for permanent employees and workers	Manhours	6	11	12	15.31
Average for Non-permanent workers	Manhours	-	1.8	1.04	2.64
Diversity of governance bodies and employees GRI 405-1					
Board of directors	%				
Male	%	87	86	86	79
Female		13	14	14	21
Senior Manager	%				
Male	%	98	100	100	97
Female		2	0	0	3
Middle Manager	%				
Male	%	98	97	97	97
Female		2	3	3	3
Junior Manager	%				
Male	%	97	97	96	97
Female		3	3	4	3
GET/DET	%				
Male	%	85	66	87	50
Female		15	34	13	50
Permanent workers	%				
Male	%	100	100	100	100
Female	%	0	0	0	0
Total Male	%	98.2	97.6	97	96.66
Total Female		1.8	2.4	3	3.34
Ethical performance	Nos.				
Corruption and Bribery cases	Nos.	0	0	0	0
Substantiated and anti-competitive cases	Nos.	0	0	0	0
Human rights complaints including sexual harassment	Nos.	0	0	0	0
Environmental fines	Nos.	0	0	0	0
Community stakeholders' complaints on social, water or other environmental issues		0	0	0	0

Other ESG indicators

CEO and other executive Performance metrics	
Variable pay	At the end of each Financial Year at the recommendation of Nomination and Remuneration Committee the Board of Directors approves payment of Performance Link Incentive and Commission to MD, DMD & CEO and DMD and CFO
Linkages to variable pay	
Management share ownership	The Board has not implemented ESOP scheme in the Company for any level of Official/ executive of the Company.
IT security and cybersecurity	
Board level governance	Our Risk Committee headed by Mr. Saurabh Chandra is charged with oversight and review of risk management and identification of emerging risks. These risks include cybersecurity and IT risks as well as periodic risk assessments in these aspects.
Executive Management Responsibility	
Our Chief Digital Officer, who is a part of our Executive Management Team is in charge of execution of IT security and cybersecurity across our plants and offices. We have started the Journey towards ISO 27001 certification. We also implemented VAPT (Vulnerability and Penetration Testing) for each and every deployment at JKCL Software through an external agency. We also engaged third party agency for Half Yearly Audit of our IT security systems	
Supply chain performance	
ESG screening	We sign contracts with our vendors and drivers to ensure that ESG aspects like child labour, forced labour, hazardous waste spills and biodiversity damage are prevented. We also conduct frequent audits of our suppliers to ensure all suppliers are covered in a span of three years. While we source most primary raw materials from our leased mines, the dependence on suppliers for critical raw material is low. All our vendors are expected to comply with our ESG Policy and Supplier code of conduct to ensure there is no adverse impact due to business operations.
Local sourcing	Majority of our suppliers are located within the same state as our plants. Hence we ensure that there is ample local sourcing which includes small and medium vendors as well as large establishments. 91.23% of the procurement budget used is spent on suppliers local to the operational sites.

Employee Pay Indicators	Unit	*Value PM
Executive level: Average Base salary only for Female employees	INR	NA
Executive level: Average Base salary only for Male employees	INR	715000
Executive level: Average (Base salary + other cash incentives) for Female employees	INR	NA
Executive level: Average (Base salary + other cash incentives) for Male employees	INR	715000
Management level: Average Base salary only for Female employees	INR	130000
Management level: Average Base salary only for Male employees	INR	106000
Management level: Average (Base salary + other cash incentives) for Female employees	INR	130000
Management level: Average (Base salary + other cash incentives) for Male employees	INR	106000
Non-management level : Average salary for Female employees	INR	25680
Non-management level : Average salary for Male employees	INR	26000

The ratio of the basic salary for female employees compared to their male employee stands at 1.22 for those in management positions and 0.98 for those in non-management roles.

*AVG BASIC SALARY

Approach that was followed last year:

1.

Executive Level - Top Management reporting to CEO / MD.
2.

Management Level - Manager & above
3.

Non-Management Level - Dy. Manager & below (up to Trainee level).

Annexure II: GCCA Indicators

GCCA content index	Unit	2021	2022	2023	2024
Clinker production	MnTPA	8.11	8.97	9.77	12.27
Cement production	MnTPA	11	13.11	14.57	18.28
Cementitious production	MnTPA	11.48	13.46	14.87	18.9
CO ₂ Emissions					
Total direct CO ₂ emission-Gross (With CPP and AFR)	tCO ₂	7206969	7784307	7985999	10334365
Total direct CO ₂ emission-Net (Excluding CPP and AFR)	tCO ₂	6556800	7207227	7740698	9810519
Specific direct CO ₂ emission-Gross (With CPP and AFR)	kgCO ₂ /tonne cementitious product	628	578	537	547
Specific direct CO ₂ emission-Net (Excluding CPP and AFR)	kgCO ₂ /tonne cementitious product	571	535	520	518
Emissions					
Overall coverage rate	%	100	100	100	100
Coverage rate continuous measurement	%	100	100	100	100
PM - Absolute Emissions	Tonnes	–	–	488	692
SO ₂ - Absolute Emissions	Tonnes	–	–	255	1515
NOx - Absolute Emissions	Tonnes	–	–	7653	9118
Fuels					
Kiln fuels	Tonnes	1021858	1251930	1432453	1633907
Total Energy from fuels used in clinker production	TJ	24913	27948	31031	39625
Alternative fuels	Tonnes	185895	292783	402137	496002
Energy from alternative fuels	TJ	1567	1859	2905	4106
Alternative fuel rate (kiln fuels)	%	6.30	6.7	9.4	11
Biomass fuels	Tonnes	3635	49063	108951	94616
Energy from biomass fuels	TJ	49	615	1424	1167
Biomass fuel rate (kiln fuels)	%	0.2	2.2	4.6	4
Total alternate fuel rate (kiln fuel)	%	6.5	8.9	13.95	13
Specific heat consumption for clinker production	MJ/tonne clinker	3074	3116	3178	3148.8
Raw Materials					
Total raw materials for clinker produced	MnT (million)	12.00	14.00	15.00	18.3
Total alternative raw materials for clinker produced	MnT (million)	0.12	0.14	0.21	0.19
Total Raw Materials for cement produced	MnT (million)	3.37	4.50	5.11	6.63
Total alternative raw materials for cement produced	MnT (million)	1.98	2.50	2.82	3.80
Alternative Raw Materials rate	%	19	19.8	20.3	21.48
Clinker/cement (equivalent) factor	%	68	66	65	63
Water					
Water withdrawal	m ³	1704457	1795310	2173387	2897666
Water discharge	m ³	0	0	0.00	0.0
Number of sites	Nos.	9	9	9.00	11
Number of sites with a water recycling system	Nos.	7	9	9.00	11

GCCA content index	Unit	2021	2022	2023	2024
Water Consumption	m ³	1704457	1795310	2173387	2897666
Amount of Water Consumption per unit of product	m ³ /tonne cementitious material	0.16	0.14	0.15	0.15
Health & Safety:					
Number of fatalities: directly employed	Nos.	0	0	0	0
Number of fatalities: contractors and sub-contractors	Nos.	0	0	1	0
Number of fatalities: third parties	Nos.	0	0	0	0
Number of lost time injuries - directly employed- GRI	Nos.	–	–	2	0
Number of lost time injuries: contractors and Sub-contractors- GCCA	Nos.	–	–	11	4
Lost time injuries-Permanent employees and workers- GRI	Nos.	0	2	0	0
Lost time-Contract workers- GRI	Nos.	3	3	7	4
Lost time injury frequency rate: Permanent employees and workers- GRI	Rate	0	0.56	0.00	0.00
Lost time injury frequency rate: Contract workers- GRI	Rate	0.23	0.22	0.54	0.19
Lost time injury frequency rate: directly employed- GCCA	Rate	–	–	0.53	0
Lost time injury frequency rate: contractors and Sub-contractors- GCCA	Rate	–	–	0.84	0.19
Lost days: directly employed	Nos.	0	19	13	0
Lost days: contractors and Sub-contractors	Nos.	138	90	130	190
Lost time severity rate: directly employed	Rate	12.82	5.33	3.42	0.00
Lost time severity rate: contractors and Sub-contractors	Rate	–	6.81	9.94	8.86
Biodiversity					
Percentage of quarries where rehabilitation plan is implemented	%	0	0	0	0

GRI Content Index

JK Cement Limited

Statement of Use: JKCL has reported in accordance with the GRI Standards for the period between 1 April 2023 to 31 March 2024.

GRI used: GRI 1: Foundation 2021

GRI Index			
GRI Standard	Title	Reference	Pg. no.
The organisation and its reporting practices			
2-1	Organisational details	About JK Cement	8-13
2-2	Entities included in the organisation's sustainability reporting	About the report, Reporting boundary and period	2-3
2-3	Reporting period, frequency and contact point	About the report, Reporting boundary and period	2-3
2-4	Restatements of information	None	3
2-5	External Assurance	Assurance statement	136-141
Activities and workers			
2-6	Activities, value chain and other business relationships	About JK Cement Ltd.	8-13
2-7	Employees	Sustainability Scorecard, workforce indicators	125
2-8	Workers who are not employees	Sustainability Scorecard, workforce indicators	125
Governance			
2-9	Governance structure and composition	Corporate Governance, The Board	34-39
2-10	Nomination and selection of the highest governance body	Corporate Governance, The Board	34-39
2-11	Chair of the highest governance body	Corporate Governance, The Board	36-37
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance Structure	54
2-15	Conflicts of interest	Corporate Governance, Ethics and Transparency	38,170
2-17	Collective knowledge of the highest governance body	Corporate Governance, The Board	34-35
2-18	Evaluation of the performance of the highest governance body	Corporate Governance, Our Committees	35-36
2-19	Remuneration policies	Corporate Governance, Sustainability scorecard, other ESG indicators	36-39, 130
2-20	Process to determine remuneration	Sustainability scorecard, other ESG indicators	130
Strategy, policies and practices			
2-22	Statement on sustainable development Strategy	Message from CEO	22-23
2-23	Policy commitments	Corporate Governance, Value creation with corporate governance	35,39
2-24	Embedding policy commitments	Corporate Governance, Value creation with corporate governance	35,39
2-27	Compliance with laws and regulations	Corporate Governance, Natural Capital, Human Capital	35, 82, 98
2-28	Membership associations	Memberships and associations	117
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder engagement	26-29
2-30	Collective bargaining agreements	Human Capital, Our processes of Human Rights Risk Mitigation	98
Material topics			
3-1	Process to determine material topics	Materiality Assessment	30-32
3-2	List of material topics	Materiality Assessment	32-33
GRI 201 Economic Performance 2016			
3-3	Management of material topics	Financial Capital	60,61
201-1	Direct economic value generated and distributed	Sustainability Scorecard, Economic Indicators	124
201-2	Financial implications and other risks and opportunities due to climate change	Natural Capital, Taskforce on climate related financial disclosures	82,83

GRI Index			
GRI Standard	Title	Reference	Pg. no.
GRI 203: Indirect Economic Impacts 2016			
3-3	Management of material topics	Social and Relationship Capital	108
203-1	Infrastructure investments and services supported	Social and Relationship Capital, Rural transformation	113
203-2	Significant indirect economic impacts	Social and Relationship Capital, CSR initiatives	110-113
GRI 204: Procurement Practices 2016			
3-3	Management of material topics	Social and relationship capital, Supply Chain Sustainability	115
204-1	Proportion of spending on local supplier	Sustainability scorecard, other ESG indicators	130
Environmental Performance			
GRI 301	Materials		
3-3	Management of material topics	Natural Capital	76
301-1	Materials used by weight or volume	Sustainability scorecard, Material consumption	122
301-2	Recycled input materials used	Sustainability Scorecard, Recycled input materials	122
GRI 302	Energy		
3-3	Management of material topics	Natural Capital	77
302-1	Energy consumption within the organisation	Sustainability Scorecard, Energy consumption	122
302-2	Energy consumption outside the organisation	Sustainability scorecard, Scope 3 emissions	122
302-3	Energy intensity	Sustainability Scorecard, Energy consumption	122
302-4	Reduction of energy consumption		80, 81
GRI 303	Water and Effluents 2018		
3-3	Management of material topics	Natural Capital, Water management	88
303-3	Water withdrawal	Sustainability Scorecard, water withdrawal	124
303-4	Water discharge	Sustainability Scorecard, water discharge	124
303-5	Water consumption	Sustainability Scorecard, water consumption	124
GRI 304	Biodiversity		
3-3	Management of material topics	Natural Capital, Biodiversity Management	87
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Sustainability Scorecard, Biodiversity	125
GRI 305	Emissions		
3-3	Management of material topics	Natural Capital, Energy and Climate Change	77
305-1	Direct (Scope 1) GHG emissions	Sustainability Scorecard, GHG and other air emissions	122
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Scorecard, GHG and other air emissions	122
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Scorecard, GHG and other air emissions	122
305-4	GHG emissions intensity	Sustainability Scorecard, GHG and other air emissions	122,123
305-5	Reduction of GHG emissions	Sustainability Scorecard, GHG and other air emissions	123
305-6	Emissions of ozone-depleting substances (ODS)	Sustainability Scorecard, GHG and other air emissions	124
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Sustainability Scorecard, GHG and other air emissions	124
GRI 306	Waste 2020		
3-3	Management of material topics	Natural Capital, Waste Management	86
306-3	Waste generated	Sustainability Scorecard, Waste generated	124
306-4	Waste diverted from disposal	Sustainability Scorecard, Waste diverted from disposal	125
306-5	Waste directed to disposal	Sustainability Scorecard, Waste disposed	125
Social Performance			
GRI 401	Employment		
3-3	Management of material topics	Human Capital, Employee engagement	93
401-1	New employee hires and employee turnover	Sustainability Scorecard, Hired and Separation	127, 128
GRI 402	Labour/Management Relations 2016		
402-1			

GRI Index			
GRI Standard	Title	Reference	Pg. no.
GRI 403	Occupational Health and Safety		
3-3	Management of material topics	Human Capital, Occupational Health and Safety	99-103
401-1	Occupational health and safety management system	Human Capital, Occupational Health and Safety	99-102
403-2	Hazard identification, risk assessment, and incident investigation	Human Capital, Occupational Health and Safety	48
403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital, Occupational Health and Safety	100,101
403-5	Worker training on occupational health and safety	Human Capital, Occupational Health and Safety	100,101
403-8	Workers covered by an occupational health and safety management system	Human Capital, Occupational Health and Safety BRSR	175
403-9	Work-related injuries	Sustainability Scorecard, Work-related injuries	128
GRI 404	Training and Education		
3-3	Management of material topics	Human Capital, Learning and Development	94
404-1	Average hours of training per year per employee	Sustainability Scorecard, Training	128,129
GRI 405	Diversity and Equal Opportunity		
3-3	Management of material topics	Human Capital, Diversity & Inclusion	97
405-1	Diversity of governance bodies and employees	Sustainability Scorecard, Diversity of governance bodies and employees	129
GRI 406	Non-Discrimination 2016		
3-3	Management of material topics	Human Capital, Human Rights & Posh	98
406-1	Incidents of discrimination and corrective actions taken	Human capital, Human rights risk mitigation	98
GRI 407	Freedom of Association and Collective Bargaining 2016		
3-3	Management of material topics	Human Capital, Human Rights & Posh	98
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human capital, Human rights risk mitigation	98
GRI 408: Child Labour 2016			
3-3	Management of material topics	Human Capital, Human Rights & Posh	98
408-1	Operations and suppliers at significant risk for incidents of child labor	Human capital, Human rights risk mitigation	98
GRI 409: Forced or Compulsory Labour 2016			
3-3	Management of material topics	Human Capital, Human Rights & Posh	98
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human capital, Human rights risk mitigation	98
GRI 413	Local communities		
3-3	Management of material topics	Social and relationship capital, Our focus areas	108-111
413-1	Operations with local community engagement, impact assessments, and development programs	Sustainability Scorecard, Local Communities	125
GRI 415: Public Policy 2016			
3-3	Management of material topics	Corporate Governance, Ethics and Transparency	38
415-1	Political contributions	Sustainability scorecard, other ESG indicators	292



INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited (‘DNV’), has been commissioned by J.K. Cement Limited (Corporate Identity Number L17229UP1994PLC017199, hereafter referred to as ‘JKCL’ or ‘the Company’) to undertake an independent assurance of the Company’s sustainability/non-financial disclosures in its Integrated Report (hereafter referred as ‘Report’). The disclosures have been prepared by JKCL:

- “in accordance” to requirements of Global Reporting Initiative (GRI) sustainability reporting standards 2021
- Integrated Reporting (<IR>) framework of the International Integrated Reporting Council (IIRC)
- United Nations Sustainable Development Goals (SDGs)
- GCCA, The Cement CO₂ and Energy Protocol, Version 3 (previously identified as WBCSD CSI V3.1 protocol)
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

DNV carried out assurance engagement in accordance with DNV’s VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits*. DNV’s Verisustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV’s VeriSustain™ protocol, DNV team has also followed ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements*; ISO 14046 - *Environmental management - Water footprint - Principles, requirements, and guidelines* and GCCA, The Cement CO₂ and Energy Protocol, Version 3 to evaluate indicators wrt. Greenhouse gases and water disclosures respectively.

The intended user of this assurance statement is the Management of J.K. Cement Limited (‘the Management’).

As per agreed scope of work, DNV performed limited level of assurance of GRI disclosure in IR. Details of Scope are mentioned in the section ‘Scope, Boundary and Limitations’. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company’s website for the current reporting period.

Responsibilities of the Management of JKCL and of the Assurance Provider

The Management of JKCL has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. JKCL is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website. In performing this assurance work, DNV’s responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The agreed scope of work included information on non- financial performance which were disclosed in the Report prepared by JKCL based on GRI General disclosures and Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 01/04/2023 to 31/03/2024. The reported topic boundaries of non-financial performance is based on the internal and external materiality assessment covering Company’s operations as brought out in the section ‘Reporting boundary and period’ of the report.

While the scope of work as agreed is Limited assurance of the GRI disclosures indicators in the IR report, a reasonable level of assurance was carried out for the indicators of GRI 302: Energy 2016 – 302-1, 302-3; GRI 303: Water and Effluents 2018 – 303-3, 303-4, 303-5; GRI 305: Emissions 2016 – 305-1, 305-2, 305-4; GRI 306: Waste 2020 – 306-3; 306-4; 306-5 disclosures as a part of the BRSR Core assessment while Limited Level of assurance of assurance was done for rest GRI disclosures as mentioned in Annexure I.

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Høvik, Norway. Tel: +47 67 57 99 00. www.dnv.com

DNV Business Assurance India Pvt. Ltd.

DNV-2024-ASR-699474



Page 2 of 6

Boundary covers the performance of JKCL operations in India that fall under the direct operational control of the Company’s Legal structure. Based on the agreed scope with the Company, the boundary covers the operations of JKCL across all locations in India (12 manufacturing plants and 51 offices). The boundary for GHG footprint, water footprint, energy footprint, air emissions and waste management related disclosures is limited to the 11 manufacturing units (6 integrated cement plants and 5 grinding units) located in India.

Inherent Limitation(s):

DNV’s assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on financial disclosures relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company’s statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company’s strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of JKCL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company’s business and its key stakeholders. We carried out the following activities:

1. Reviewed the disclosures in the report. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework.
2. Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.
3. Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
4. Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
5. Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected GRI disclosures.
6. DNV audit team conducted on-site audits for corporate offices and sites (mentioned in Annexure II). Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
7. Reviewed the process of reporting as defined in the assessment criteria.

Conclusion

Limited Level of Assurance

On the basis of the assessment undertaken, for GRI disclosures as mentioned in Annexure I, nothing has come to our attention to suggest that the disclosures are not fairly stated and are not prepared, in all material aspects, in accordance with the reporting criteria.

DNV Business Assurance India Pvt. Ltd.

DNV-2024-ASR-699474



1. Materiality
The process of determining the issues that are most relevant to an organization and its stakeholders.
The Report explains out the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, and inputs from peers and the industry, as well as issues of relevance in terms of impact for JKCL's business. The list of topics has been prioritized, reviewed and validated, and the Company has indicated that there is no significant change in material topics from the previous reporting period.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

2. Responsiveness
The extent to which an organization responds to stakeholder issues.
The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.
Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

3. Reliability/Accuracy
The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.
The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with JKCL's management teams and process owners at the Corporate Office and sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.
Nothing has come to our attention to believe that the Report does not meet the principle of Reliability and Accuracy.

4. Completeness
How much of all the information that has been identified as material to the organization and its stakeholders is reported?
The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.
Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

5. Neutrality/Balance
The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.
The Report brings out the disclosures related to JKCL's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence
DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - *Conformity assessment - General principles are requirements for validation and verification bodies*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



We have complied with the DNV Code of Conduct¹ during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of J.K. Cement Limited.

Purpose and Restriction on Distribution and Use
This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV Business Assurance India Private Limited	
<div>Parab, Ankita</div> <div>Digitally signed by Parab, Ankita Date: 2024.06.14 18:36:19 +05'30'</div>	<div>Kakaraparthi Venkata Raman</div> <div>Digitally signed by Kakaraparthi, Venkata Raman Date: 2024.06.15 08:12:07 +05'30'</div>
Ankita Parab Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.	Kakaraparthi Venkata Raman Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.
Assurance Team: Anjana Sharma, Himanshu Babbar, Varsha Bohiya	
14/06/2024, Mumbai, India.	

DNV Business Assurance India Private Limited is part of DNV - Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



Annex I

GRI disclosures assured for Reasonable level of assurance as a part of the BRSR Core assessment:

- GRI 302: Energy 2016 – 302-1, 302-3;
- GRI 303: Water and Effluents 2018 – 303-3, 303-4, 303-5;
- GRI 305: Emissions 2016* – 305-1, 305-2;
- GRI 306: Waste 2020 – 306-3; 306-4; 306-5

GRI disclosures assured for Limited level of assurance:

- GRI 2: General Disclosures 2021 – 2-7, 2-8
- GRI 203: Indirect economic impact 2016 – 203-1, 203-2;
- GRI 205: Anti-corruption 2016 – 205-1, 205-2, 205-3;
- GRI 206: Anti-competitive Behavior 2016 – 206-1;
- GRI 204: Procurement Practices 2016- 204-1;
- GRI 301: Materials 2016 – 301-1, 301-2, 301-3;
- GRI 302: Energy 2016 – 302-4, 302-5;
- GRI 305: Emissions 2016 –305-3**, 305-4, 305-5, 305-6, 305-7;
- GRI 306: Waste 2020 – 306-1, 306-2;
- GRI 401: Employment 2016 – 401-1;
- GRI 402: Labor/Management Relations 2016 – 402-1;
- GRI 403: Occupational Health & Safety 2018 – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9
- GRI 404: Training and Education 2016 – 404-1, 404-2, 404-3;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1, 405-2;
- GRI 406: Non-discrimination 2016 – 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016 – 407-1;
- GRI 408: Child Labor 2016 - 408-1;
- GRI 409: Forced or Compulsory Labor 2016 - 409-1;
- GRI 413: Local Communities 2016 – 413-1, 413-2;
- GRI 414: Supplier Social Assessment 2016- 414-1, 414-2.

* GHG emissions are calculated as per GCCA, The Cement CO2 and Energy Protocol, Version 3 (previously identified as WBCSD CSI V3.1 protocol)

** In Scope 3 GHG emissions is calculated for Category 1, 2, 3, 4, 5, 6, 7 and 9 as per GHG Protocol



Annex II

Sites selected for On-site audits

Sr. no.	Site	Location
1.	Corporate office	Gurugram, Haryana
2.	Manufacturing plants- on-site	Grinding Unit, Aligarh, Uttar Pradesh Grinding Unit, Jharli, Haryana Integrated Cement Plant, Mangrol Integrated Cement Plant, Nimbahera