

Directors' Report

Dear Members,

Your Directors have pleasure in presenting Company's **Thirty First Annual Report** and **Audited Financial Statements** for the year ended 31<sup>st</sup> March 2025.

1. Financial Results Standalone

Rupees in Crores		
Particulars	2024-25	2023-24
Revenue from operations	11093.18	10918.05
Other income	168.85	135.32
Profit before depreciation, finance cost & Tax and exceptional items	2146.62	2140.37
Less: Depreciation	508.31	485.90
Less: Exceptional items	(-)54.38	5.50
Less: Finance cost	449.30	436.59
Profit Before Tax	1243.39	1212.38
Tax Expense (Including deferred tax and tax adjustment of earlier years)	373.38	381.74
Profit After Tax	870.01	830.64
Add: OCI (Other Comprehensive Income)	(-)3.38	(-)1.04
Add: Retained earnings at the beginning of the year	2808.57	2281.80
Add: Transfer from Debenture Redemption Reserve	3.75	13.07
Less: Transfer to General Reserve	200.00	200.00
Less: Dividend on Equity Shares	154.54	115.90
Retained earnings at the end of the year - Balance to be carried forward	3324.41	2808.57

2. Performance of the Company

Your Company recorded revenue from operation of ₹ 11093.18 Crore during the year under review registering an increase of 1.60% as compared to the revenue of ₹ 10,918.05 Crores in the Financial Year 2023-24. Profit before Tax stood at ₹ 1243.39 in FY 2024-25 as compared to ₹ 1212.38 in Financial Year 2023-24. Profit after Tax stood at ₹ 870.01 Crores in FY 2024-25 as compared to ₹ 830.64 Crores in Financial Year 2023-24.

3. Performance of the Subsidiary Companies

The Company has at present, three wholly owned subsidiaries, two in India viz. JK Maxx Paints Ltd and Toshali Cements Pvt. Ltd and one in UAE viz JK Cement (Fujairah) FZC. During the year under report Acro Paints Ltd (step down subsidiary) stood merged with JK Maxx Paints Ltd (wholly owned subsidiary) as per Order of Regional Director, Northern Region, Ministry of Corporate Affairs, Govt. of India, New Delhi dated 3<sup>rd</sup> May 2024. The UAE subsidiary has one step down subsidiary viz. JK Cement Works (Fujairah) FZC

and such step down subsidiary has a subsidiary in Africa viz. JK White Cement (Africa) Ltd. There has been no material change in the nature of the business of subsidiaries.

Subsidiary Company

JK Cement (Fujairah) FZC (JKCF) recorded net income of AED 1.95 million (equivalent to ₹ 4.62 Crores) for the period from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025 (Previous year net income of AED 1.96 million equivalent to ₹ 4.42 Crores).

JK Cement Works (Fujairah) FZC (JKCWF) is primarily involved in the business of manufacturing and sale of white cement in Middle East and GCC markets. During 2024-25 it has reported a turnover of AED 260.20 million (equivalent to ₹ 605.75 Crores) (previous year AED 248.20 million equivalent to ₹ 559.53 Crores). It recorded a profit before tax of AED 47.16 Million (equivalent to ₹ 108.69 Crores) for the period from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025 (previous year AED (-) 4.21 million equivalent to ₹ 9 Crores).

JK White Cement (Africa) Ltd. is a second level step down subsidiary of the Company, incorporated on 4<sup>th</sup> November 2018, in the Republic of Tanzania. 99.90% stake is held by JK Cement Works (Fujairah) FZC. It is engaged in the business of manufacturing/ trading/ import/export of all types of cement, wall putty, other allied products, cement clinker, limestone, gypsum etc. During 2024-25 it has reported a turnover of TZS 29.74 Billion (equivalent to ₹ 97.72 Crores) (previous year TZS 17.93 Billion equivalent to ₹ 61.17 Crores).

JK Maxx Paints Ltd is engaged in the business of Paints and during the year 2024-25 it has recorded revenue from operations of ₹ 262.42 Crores and a net loss before other comprehensive loss of ₹ 57.21 Crores (₹ 180.07 Crores and a net loss of ₹ 32.47 Crores during the FY 2023-24).

Toshali Cements Pvt. Ltd (Toshali), wholly owned subsidiary of the Company has two cement manufacturing units in Orissa. Toshali has recorded revenue of ₹ 94.36 Crores and a net loss of ₹ 23.24 Crores (₹ 66.05 Crores and a net profit of ₹ 17.82 Crores during the FY 2023-24). During the year, an application has been filed before National Company Law Tribunal, Allahabad seeking Amalgamation/ Merger of Toshali with the Company. Final Order is yet to be passed.

4. Consolidated Financial Statements

The statement as required under Section 129 of the Companies Act, 2013 ('the Act'), in respect of the subsidiaries of the Company viz. JK White Cement (Africa) Ltd., JK Cement (Fujairah) FZC, JK Cement Works (Fujairah) FZC, JK Maxx Paints Limited and Toshali Cements Pvt Ltd are annexed and form an integral part of this Report. The Consolidated Financial Statements prepared in accordance with relevant Accounting Standards, form part of the Annual Report.

In accordance with the fourth proviso to Section 136(1) of the Act, the annual report of the Company, containing therein its standalone and consolidated financial statements would be placed on the website of the Company at <https://www.jkcement.com/financial-reports/>. Further, as per provisions of the said section, audited annual accounts of each of the subsidiary companies would also be uploaded on the website of the Company.

Based on the financial statements for the financial year ended 31<sup>st</sup> March 2025, no subsidiary is

considered as the material subsidiary of the Company in terms of the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), for the financial year 2024-25.

In terms of the Regulation 46(2)(h) of the Listing Regulations the policy for determining material subsidiaries is placed on the website of the Company at <https://www.jkcement.com/wp-content/uploads/2025/04/For-Website-Material-subsidiary-Policy-final.pdf>

5. Dividend

The Board of Directors has recommended a payment of final dividend at a rate of ₹ 15 per equity share (150%) for the year ended 31<sup>st</sup> March 2025 in its meeting held on 24<sup>th</sup> May 2025 subject to the approval of the Members at the 31<sup>st</sup> Annual General Meeting ('AGM'). The final dividend on the equity shares, if declared as mentioned, would entail a total outflow of ₹ 115.91 Crores

In terms of the provisions of Regulation 43A of the Listing Regulations, our Company has formulated a Dividend Distribution Policy. The policy is available on our Company's website and can be accessed at [www.jkcement.com/assets/about/company-policy/Dividend\\_Distribution\\_Policy.pdf](http://www.jkcement.com/assets/about/company-policy/Dividend_Distribution_Policy.pdf)

6. Transfer to Reserves

The Board in its meeting held on 24<sup>th</sup> May 2025 proposed to transfer ₹ 3.75 Crores (Previous year ₹ 13.07 Crores) to Debenture Redemption Reserve. Besides, your Company proposed to transfer ₹ 200 Crores (previous year ₹ 200 Crores) to General Reserve during FY 2024-25.

7. Share Capital

The paid-up equity share capital as at 31<sup>st</sup> March 2025 remained at ₹ 77.27 Crores. During the period under report, your Company has not issued any shares including SWEAT Equity, Employee Stock Option Plan. No reduction of share capital was done during the financial year.

8. Finance

The Company has availed fresh disbursement of loans amounting to ₹ 1259.03 Crores during FY 2024-25 and repaid ₹ 690.80 Crores towards loans and NCDs during FY 2024-25.

## Directors' Report

### 9. Credit Rating

#### List of Credit ratings obtained by Company

##### (A) Care ratings

S.No.	Particulars	Rating Assigned
1	Commercial Papers (Standalone)	CARE AI+ (A One Plus)
2	Non-Convertible Debentures (NCDs)	CARE AA+; Stable (Double A Plus; Outlook: Stable)
3	Long Term Bank Facilities	CARE AA+; Stable (Double A Plus; Outlook: Stable)
4	Short Term Bank Facilities	CARE AI+ (A One Plus)

##### (B) India ratings

S.No.	Particulars	Rating Assigned
1	Long Term Issuer Rating	IND AA+ ; (Double A Plus; Outlook:Stable)

##### (C) Crisil ratings

S.No.	Particulars	Rating Assigned
1	Commercial Papers (Standalone)	CRISILAI+(A One Plus)

### 10. Particulars of Loans, Guarantees or Investments by Your Company

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act and Schedule V of Listing Regulations are given in the Notes to the Financial Statements.

### 11. Operations

#### Grey Cement

During the year under report, production of grey cement has increased by 4.96% at 17.75 Million Tonne (compared to 16.91 Million Tonne last year) and sales increased by 5.60% at 17.71 Million Tonne (compared to 16.77 Million Tonne last year), driven by favourable market scenario.

#### White Cement

During the year under report, production of White Cement & Wall Putty has increased by 3.62% to 17.15 Lakh Tonne against 16.55 Lakh Tonne in the previous year. Sales increased by 3.70% to 16.24 Lakh Tonne (compared to 15.62 Lakh Tonne last year).

### 12. Projects of the Company

As on the date of this Report, the Company has

- (a) Commenced Cement Grinding capacity of 2 MnTPA at JK Cement Works, greenfield grey cement manufacturing unit at Prayagraj, UP

- (b) With this, the Grey Cement production Capacity increased to 24.34 MnTPA

Expansion in progress: -

- (c) 6 MTPA Expansion–
- New Clinker production line having capacity of 3.6 MTPA at Panna
  - Cement Grinding capacity increase of 1 MTPA each at existing locations of Panna, Hamirpur and Prayagraj (Total 3 MTPA)
  - Greenfield Cement Grinding capacity of 3 MTPA at Buxar in Bihar

With this, Cement production capacity would increase to 30 MTPA by FY 2026.

- d) Entry in Jammu & Kashmir–  
Your Company, in order to expand its footprints in Jammu & Kashmir decided to acquire 60% shareholding in Saifco Cements Pvt. Ltd. (Saifco) whereupon Saifco would become a subsidiary of your Company. The said acquisition will be completed in June/ July' 2026.

### 13. Personnel

#### 13.1 Industrial Relations and Remuneration

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

The information for FY 2024-25 required pursuant to Section 197(12) of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

S. No	Requirements	Disclosure
1	The percentage increase in remuneration of CFO and CS in the financial year	CFO- 7.9% CS -0.3%
2	The percentage increase in the median remuneration of employees in the financial year	1.12%
3	The number of permanent employees on the rolls of the Company	Staff- 4765 Workmen- 572
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	10% Last FY
5	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes
6	Median Remuneration of all the employees of the Company (₹ in Lakh)	9
7	Ratio of Remuneration of each Director and KMP to the median remuneration of all the employees of the Company for the financial year 2024-25	Provided below

Particulars about Key Managerial Personnel including Managing Director.

SN	Name	Designation	Remuneration Paid in ₹		% Increase in Remuneration from previous Year	Ratio to median Remuneration of all employees
			2024-25	2023-24		
1	Dr. Raghavpat Singhania	Managing Director (KMP)	25,14,81,286	24,60,00,000	2.22	279.42
2	Mr. Ajay Kumar Saraogi	Dy Managing Director & Chief Financial Officer (KMP)	10,43,50,081	9,67,00,000	7.91	115.94
3	Mr. Madhavkrishna Singhania	Joint Managing Director & Chief Executive Officer (KMP)	24,48,37,210	23,97,00,000	2.10	272.04
4	Mr. Shambhu Singh	Company Secretary (KMP)	1,11,89,611	1,11,54,798	0.31	12.43

\*\* ₹ 9 Lakh Median (PY 8.90 Lakh), Ratio is calculated on remuneration 2024-25

Particulars about other Non-Executive Directors.

SN	Name	Designation	Remuneration Paid in ₹		% Increase in Remuneration from previous Year	Ratio to median Remuneration of all employees #
			2024-25	2023-24		
1	Mrs. Sushila Devi Singhania	Non-Executive Non Independent	34,75,000	34,75,000	NIL	3.86
2	Mr. Ashok Kumar Sharma	Non-Executive Independent	25,50,000	24,00,000	6.25	2.83
3	Mr. Sudhir Jalan*	Non-Executive Non Independent	18,75,000	19,00,000	(-) 1.31	2.08
4	Mr. Paul Heinz Hugentobler	Non-Executive Non Independent	1,46,22,876	1,43,35,640	2.00	16.25
5	Mrs. Deepa Gopalan Wadhwa	Non-Executive Independent	21,50,000	21,25,000	1.17	2.38
6	Mr. Ashok Sinha	Non-Executive Independent	21,00,000	20,75,000	1.20	2.33
7	Mr. Saurabh Chandra	Non-Executive Independent	22,50,000	22,25,000	1.12	2.5
8	Mr. Mudit Aggarwal	Non-Executive Independent	21,00,000	20,75,000	1.20	2.33
9	Dr. Nidhipati Singhania	Non-Executive Non Independent	29,25,000	29,25,000	NIL	3.25
10	Ms. Praveen Mahajan	Non-Executive Independent	21,50,000	NIL	----	2.38
11	Mr. Rakesh Sethi	Non-Executive Independent	19,75,000	NIL	----	2.19

\*Mr. Sudhir Jalan resigned from directorship wef 16.04.2025



## Directors' Report

### 13.2 Particulars of Employees

List of top 10 employees getting salary in excess of the limits as specified under the provisions of Section 197(12) of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 throughout or part of the financial year under review is annexed separately marked as **Annexure - E**. However, the particulars of employees posted and working in a country outside India, not being directors or their relatives and drawing in excess of the limits stated in the rule 5 is not circulated to the members in the Annual Report pursuant to Section 136 of the Act. Any member interested in obtaining such particulars may inspect and/or send the request to the Company at its Registered Office at Kamla Tower, 29/1, Dwarikadheesh Road, Kanpur – 208001, UP. Such details shall be made available by the Company within three days from the date of receipt of such request from shareholders. In case of request received after the date of completion of AGM, such particulars shall be made available to the shareholders within seven days from the date of receipt of such request.

None of the employees listed in the said Annexure is a relative of any Director of the Company except Dr. Raghavpat Singhania, Managing Director and Mr. Madhavkrishna Singhania Joint Managing Director & Chief Executive Officer being brothers and Dr. Nidhipati Singhania being father of Dr. Raghavpat Singhania and Mr. Madhavkrishna Singhania. None of the employees hold (by himself/herself or along with his/her spouse and dependent children) more than two percent of the equity share capital of the Company.

### 13.3 Human Resources and Industrial Relations

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

### 14. Significant and Material Order Passed by the Regulator(s) or Court(s)/ Matter of Emphasis Impacting the Going Concern Status and our Company's Operations in Future

The Competition Commission of India (CCI) vide its order dated 31.8.2016, imposed a penalty of ₹ 12,854 Lakh on the Company. The Appeal was heard whereupon National Company Law Appellate Tribunal (NCLAT) vide order dated 25.7.2018 upheld CCI's order. The Company has filed statutory appeal before the Hon'ble Supreme Court, which vide its

order dated 5.10.2018 has admitted the appeal and directed that the interim order of stay passed by the NCLAT in this matter will continue for the time being. The Company, backed by legal opinion, believes that it has a good case and accordingly no provision has been made in the Audited Annual Financial Statements for FY 2024-25.

In a separate matter, CCI imposed a penalty of ₹ 928 Lakh vide order dated 19.1.2017 for alleged contravention of provision of Competition Act, 2002 by the Company. On Company's appeal, NCLAT stayed the operation of CCI's order. The matter is pending for hearing before NCLAT. Based on Legal opinion, the Company believes that it has a good case and accordingly, no provision has been made in the Audited Annual Financial Statements for FY 2024-25.

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

### 15. Corporate Governance

A report on Corporate Governance in terms of Regulation 34(3) read with Para C of Schedule V of the Listing Regulations along with the Practicing Company Secretary's Certificate on its compliance forms an integral part of this Report.

### 16. Public Deposits

During the FY 2024-25, your Company has not invited any deposits from public/shareholders under Section 73 and 74 of the Act.

### 17. Whistle Blower Policy/Vigil Mechanism

Pursuant to the provisions of Section 177(9) & (10) of the Act and regulation 22 of the Listing Regulations, the Company has framed a 'Whistle Blower Policy' to establish Vigil Mechanism for directors and employees to report genuine concerns.

The Whistle Blower Policy has been posted on the website of the Company [https://www.jkcement.com/wp-content/uploads/2025/04/For-Website-Whistle-Blower-Policy-\\_final.pdf](https://www.jkcement.com/wp-content/uploads/2025/04/For-Website-Whistle-Blower-Policy-_final.pdf)

### 18. Mitigation of Risk

The Company has been addressing various risks which are impacting the Company. The Board of Directors of the Company has developed and implemented a Risk Management Policy for the Company which may be accessed at [https://www.jkcement.com/wp-content/uploads/2023/10/kpmg\\_risk\\_management\\_policy\\_jk\\_cement\\_ltd\\_final6-2-21](https://www.jkcement.com/wp-content/uploads/2023/10/kpmg_risk_management_policy_jk_cement_ltd_final6-2-21). Further the constitution of risk management committee, meetings and attendance during the year and terms of reference of the same is mentioned in the Corporate Governance Report.

### 19. Commodity Price Risk/Foreign Exchange Risk and Hedging Activities:

Your Company hedges its foreign currency exposure in respect of its imports as per its laid down policies. Your Company uses forward covers, currency swaps, interest rates swaps or a mix of all. Your Company does not have material exposure to any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November 2018.

### 20. Remuneration Policy

The Board of Directors and Nomination and Remuneration Committee follows a policy on selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Policy inter-alia covers the criteria for determining qualifications, positive attributes, independence of a director and the criteria for selection and appointment of Board Members and Senior Management Personnel and their remuneration. The Policy can be accessed at <https://www.jkcement.com/wp-content/uploads/2024/04/JKCL-Nomination-and-Remuneration-Policy.pdf>.

The Remuneration Policy is stated in the Corporate Governance Report.

### 21. Related Party Transactions ('RPT')

All the related party transactions are entered on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Act and the Listing Regulations. There are no material related party transactions made by the Company which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders in accordance with Section 188 (1) of the Act and regulation 23 of the Listing Regulations.

Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Indian Accounting Standards. All related party transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. Only the members of the Audit Committee who are Independent Directors approve related party transactions. A statement of all related party transactions pursuant to omnibus approval is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms

and conditions of the transactions. The statement is supported by the certificate from the MD and the DMD & CFO. The Policy on materiality and on dealing with related party transactions as approved by the Board is uploaded on the Company's website at [https://www.jkcement.com/wp-content/uploads/2025/04/For-Website-RPT-Policy-\\_final-1.pdf](https://www.jkcement.com/wp-content/uploads/2025/04/For-Website-RPT-Policy-_final-1.pdf)

### 22. Auditors' Report

Your Company prepares its financial statements in compliance with the requirements of the Act and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on a historical cost basis (except items disclosed in significant accounting policies). The estimates and judgements relating to the financial statements are made on a prudent basis, so as to reflect a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31<sup>st</sup> March 2025. Auditors' Report to the shareholders does not contain any qualification reservation, disclaimer or adverse remarks in the standalone or in the consolidated financial statements for the year under report. However, Auditors have drawn the attention of shareholders on penalty imposed by CCI, the matter is adequately covered in Para 14 above and to be read along with notes to accounts and on audit trail facility and back up of books of accounts as mentioned in Audit Report and Note 45 of Financial Statements.

### 23. Internal Financial Controls and its Adequacy

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of Frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Audit Committee actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. It also reviews the quarterly Internal Audit Reports.

### 24. Directors and Key Managerial Personnel

#### 24.1 Appointments

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

Directors’ Report

- b. All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulation
- c. During the year under report the Shareholders re-appointed Dr. Raghavpat Singhania (DIN 02426556) as Managing Director, Mr. Madhavkrishna Singhania (DIN 07022433) as Joint Managing Director & CEO and Mr. Ajay Kumar Saraogi (DIN 00130805) as Deputy Managing Director & CFO. These three reappointments would be effective from 17<sup>th</sup> June 2025.

24.2 Cessations

Mr. Sudhir Jalan (DIN 00111118) a Non Executive Non Independent Director has resigned as a Director of the Company w.e.f. 16.4.25 due to old age hence reduced commitments.

24.3 Redesignation

During the year under report Mr. Madhavkrishna Singhania has been redesignated as Joint Managing Director & Chief Executive Officer without any change in the terms of appointment approved by the shareholders.

24.4 Key Managerial Personnel

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

SN	Name of the Official	Designation
1.	Dr. Raghavpat Singhania	Managing Director
2.	Mr. Madhavkrishna Singhania	Joint Managing Director & Chief Executive Officer
3.	Mr. Ajay Kumar Saraogi	Dy. Managing Director & CFO
4.	Mr. Shambhu Singh	Company Secretary

25. Meetings of the Board of Directors

During the financial year 2024-25, 6(Six) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings were within the period prescribed under the Act.

26. Board Evaluation

Pursuant to the provisions of the Act and regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its Independent Directors, Committees and the board as a whole. The Independent Directors evaluated the performance of Non – Independent Directors.

The Board of Directors expressed its satisfaction with the evaluation process. The Board of Directors also evaluated the functioning/performance of Audit Committee, Stakeholders’ Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee CSR and Sustainability Committee, Committee of Directors and expressed satisfaction with their functioning/performance.

27. Directors’ Responsibility Statement

Pursuant to Section 134(5) of the Act the Board of Directors to the best of its knowledge and ability confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) The Directors have selected such accounting policies, judgements and estimates that are reasonable and prudent and applied them consistently, so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March 2025, and of the statement of Profit and Loss and cash flow of the Company for the period ended 31<sup>st</sup> March 2025;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on an ongoing concern basis;
- (v) Proper internal financial controls to be followed by the Company has been laid down and that such internal financial controls are adequate and were operating effectively and
- (vi) Proper systems to ensure compliance with the provisions of all applicable laws has been devised and that such systems were adequate and operating effectively.

28. Statutory Auditor

Pursuant to Section 139 of the Act, M/s. S.R. Batliboi & Co. LLP., Chartered Accountants (ICAI Firm Registration No. 301003E/E300005) was appointed as Statutory Auditors by the members of the Company at the 28<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> August 2022, for a period of five years till the conclusion of the 33<sup>rd</sup> Annual General Meeting. There are no qualifications, reservation, disclaimer or adverse remarks given in the report for FY 2024-25.

29. Cost Auditor

Pursuant to section 148 of the Act, the Board of Directors on the recommendation of the Audit Committee, appointed M/s K.G. Goyal & Company, Cost Accountants Firm Registration No. 000017 as the Cost Auditors of the Company for the FY 2025-26 and has recommended its remuneration to the Shareholders for ratification at the ensuing AGM. M/s K.G. Goyal & Company have confirmed that their appointment is within the limits of the Section 141 of the Act, and have also certified that they are free from any disqualifications specified under Section 141 of the Act. The Audit Committee has also received a certificate from the Cost Auditor certifying its independence and arm’s length relationship with the Company. The Cost Audit Report for the financial year 2024-25 is being filed with the Ministry of Corporate Affairs. There have been no qualifications, reservation, disclaimer or adverse remarks given in the report for FY 2024-25.

The Company is maintaining cost records as specified by the Central Government under sub-section (1) of section 148 of the Act.

30. Secretarial Audit

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board has appointed M/s. Reena Jakhodia & Associates, Kanpur, Company Secretaries in Practice Membership No: F6435 C.P. No.: 6083 as the Secretarial Auditor for conducting Secretarial Audit of the Company for the FY ended 31<sup>st</sup> March 2025. The report of the Secretarial Auditor is attached as Annexure A. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except as detailed in MR-3 annexed to this Report. The Company is in compliance with the Secretarial Standards, specified by the Institute of Company Secretaries of India ('ICSI').

31. Reporting of Fraud

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

32. Compliance with Secretarial Standards(“SS”) on Board and Annual General Meetings

The Company has complied with Secretarial Standards issued by the ICSI viz. SS-1 on Meeting of the Board of Directors and SS-2 on General Meetings.

33. Corporate Social Responsibility (CSR)

Corporate Social Responsibility is an integral part of the Company’s ethos and the Company is pursuing its CSR Policy on a sustained basis. The Company assists in running of schools at its Cement Plants, ITIs and Sir Padampat Singhania University, Udaipur imparting specialised value based education to students. Also, the Company played a constructive role in the infrastructural development of surrounding areas. During the period under report, the Company undertook various activities e.g. Art, Culture, Community Welfare, Drinking Water, Sanitation, Education, Health, Rural Development, Eradicating Hunger/Poverty, Medical Education. The Annual Report on CSR activities is annexed herewith as Annexure B.

34. Statutory Information

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

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

34.2 Annual Return

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

34.3 Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report for the year ended 31<sup>st</sup> March 2025 as stipulated under regulation 34 of the Listing Regulations is annexed as Annexure D and forms part of the Annual Report.

34.4 Management Discussion & Analysis (MDA) Statement

The MDA as required under Reg 34 read with schedule V of the Listing Regulations is annexed hereto and forms an integral part of this Report

35. Transfer to Investor Education and Protection Fund

During the financial year 2024-25, the Company has transferred a sum of ₹ 30,39,224 (previous year ₹ 14,52,724 /-) which represents unclaimed dividend



Directors' Report

and 13,072 Equity Shares (held by Shareholders) after the close of previous financial year to the Investor Education and Protection Fund in compliance with provisions of the Act.

36. Disclosures Under the Act and Listing Regulations

36.1 Policy on Sexual Harassment of Women at Workplace:

The Company has zero tolerance towards sexual harassment at the workplace and towards this, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. All employees (permanent contractual, temporary, trainees) are covered under the said policy. Internal Complaints Committees have also been set up at various locations to redress complaints received on sexual harassment. During the financial year 2024-25, the Company has not received any complaint of sexual harassment from any of the women employees of the Company and/or no incident of sexual harassment has been reported at the premises of the Company.

36.2 Independent Directors

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of finance, people management, strategy, auditing, tax and risk advisory services, infrastructure, banking, insurance, financial services, investments, mining & mineral industries and E-marketing; and they hold highest standards of integrity. All Independent Directors possesses certificates issued by Institute of Corporate Affairs, Manesar ('IICA').

37. Familiarisation Programme for Independent Directors

The familiarisation programme aims to provide Independent Directors with the cement industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarisation programme also seeks

to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. Further, the details of the training and familiarisation program are provided in the Corporate Governance Report forming part of the Annual Report of the Company. Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The format of the letter of appointment is available on Company's website at <https://www.jkcement.com/board-of-directors/>

38. Equal Opportunity by Employer

The Company has always provided a congenial atmosphere for work to all employees that is free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all irrespective of their caste, religion, color, marital status and sex.

39. Cautionary Statement

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

40. Other Disclosure

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

- Details relating to deposits that are covered under Chapter V of the Act
- The issue of equity shares with differential rights as to dividend, voting or otherwise
- The issue of shares to the employees of the Company under any scheme (sweat equity or stock options)
- There is no change in the Share Capital / Debt Structure during the year under review
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefits of employees

- Managing Director, Joint Managing Director & CEO and Dy. Managing Director & CFO has not received any remuneration or commission from any of its subsidiaries
- There was no revision in the financial statements
- There was no change in the nature of business
- There were no material changes and commitments affecting financial position of the Company between the end of the financial year and the date of this report
- No proceeding is filed and/or pending against your Company under the Insolvency and Bankruptcy Code, 2016 as on 31<sup>st</sup> March 2025.
- Details of difference between the amount of valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks and Financial Institutions along with the reasons thereof is not applicable.

41. Acknowledgements

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

Place: Gurugram  
Date: 24<sup>th</sup> May 2025

For J.K. Cement Ltd.  
**Dr. Raghavpat Singhania**  
Managing Director  
DIN: 02426556

**Madhavkrishna Singhania**  
Joint Managing Director & CEO  
DIN: 07022433