

## LEADERSHIP

## Writing the next chapter of nation-building



**Madhavkrishna Singhania**

*Joint Managing Director and CEO*

### Dear Stakeholders,

This year marks two defining milestones in our journey—50 years since JK Cement began operations in Nimbahera, Rajasthan, and 40 years since we pioneered white cement in India.

From a single grey cement unit established in 1975, we have evolved into a leading enterprise with a consolidated capacity of 24.34 million tonnes per annum, powered by a seamless network of integrated plants, grinding units, and captive power assets.

These milestones are more than commemorations of the past; they are reflections of our operational resilience, foresight, and the spirit of enterprise that continues to shape our trajectory. As we honour our legacy, we remain firmly focused on the road ahead, advancing with purpose, precision, and the conviction to build the India of tomorrow.

### Strong performance in a challenging environment

FY 2024-25 was a testing year for the cement industry, with subdued demand growth and persistent margin pressures. Yet, JK Cement continued to deliver with resilience and resolve. Our standalone production volumes rose by 5% to 19.47 million tonnes. Revenue from operations grew 2% to ₹ 11,093 Crores, while net profit increased by 5% to ₹ 870 Crores.

While EBITDA moderated slightly to ₹ 1,978 Crores, our EBITDA per tonne of ₹ 1,017 remained among the best in the industry, reflecting sharp execution and disciplined cost control. We drove strong efficiencies across logistics, optimised fuel usage, and ensured that cost pressures were absorbed without compromising long-term value creation.

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### Disciplined capital management

This performance was underpinned by financial prudence and capital discipline. As of 31<sup>st</sup> March 2025, our gross debt stood at ₹ 5,101 Crores.

The financial position remains robust, with the Debt Equity ratio maintaining a healthy level of 0.97. Additionally, the Net debt-to-EBITDA ratio of 1.3 was below the anticipated threshold, indicating strong operational performance relative to our debt levels.

We continued to proactively manage cash flows, improve working capital cycles, and reduce the cost of borrowing.

This fiscal strength empowers us to invest boldly, whether in expansion, technology, or sustainability, without overextending the balance sheet.

### Accelerating digital transformation

As we step into the next phase of our journey, technology is emerging as a key enabler of productivity and foresight. We launched a suite of digital transformation initiatives this year, designed to protect, streamline, and elevate every aspect of our operations:

With regards to cybersecurity, we fortified our digital perimeter with upgraded firewalls, Privileged Access Management, and comprehensive cyber insurance covering 97% of potential risk. Awareness campaigns reduced our vulnerability to phishing attacks by an impressive 90%.

Our grey cement business underwent a platform transformation with Salesforce, unifying seven key applications, covering everything from sales and lead generation to distribution and loyalty.

For our JK ONE brand, which focuses on white cement and paints, we consolidated sales

force automation and distributor management into a single digital ecosystem, delivering sharper analytics, better cost control, and seamless distributor support.

And more importantly, staying true to our commitment to responsible growth, we digitised our ESG data collection across SAP and SuccessFactors, enabling real-time data capture from over 250 internal and 200 supply chain stakeholders.

### Crafting a brand that inspires confidence

This year, we advanced our brand journey with a bold new marketing initiative designed to strengthen emotional connect, enhance market visibility, and build deeper consumer trust. We unveiled a refreshed identity for JK Super Cement that reflects our commitment to evolving with our customers' aspirations while remaining firmly rooted in our core values of quality, innovation, and excellence.

A pivotal moment in this journey was the launch of our 'Construction ka

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### Gender diversity remains a priority for us as we work to enhance female representation from 4.2% to 5%.

#GameBadalDe' campaign, which marked the onboarding of India's premier fast bowler - Jasprit Bumrah, as the face of JK Super Cement. Bumrah's discipline, endurance, and consistency mirror the very attributes that define our brand. The campaign, which strikingly features Bumrah training against a cement wall, is a powerful metaphor for the resilience and transformation we seek to deliver across the construction ecosystem. Backed by a comprehensive 360-degree rollout across TV, digital, print, and trade platforms, the campaign significantly enhanced brand recall in Tier I and Tier II cities and created a strong emotional connect, especially with younger audiences.

### Premiumisation and customer focus

At JK Cement, we believe every home tells a story; and increasingly, that story is being shaped by choice, quality, and personalised experiences. We continue to empower Individual Home Builders through our IHB-Prarambh digital platform, with expert guidance, fostering direct engagement and unlocking the full potential of high-performance building solutions.

Today, premium products account for 15% of our total trade sales, and we aim to increase this number to 25% by FY 2029-30. This shift towards premiumisation is courtesy our growing understanding of evolving customer needs and our ability to deliver products that meet expectations and elevate them.

Our range includes JK Super Strong Concrete Special, engineered for 50% higher strength and 10% cement savings; JK Super Protect Cement, designed with superior water-resistant properties for long-term durability; and our WallMaxX Advanced and GypsoMaxX solutions that bring strength and finesse to interior finishes.

Our paints division - JK Maxx Paints - is already gaining momentum. Within just two years, it has crossed ₹ 400 crore in gross revenue, and we continue to strengthen our market position. Our campaign #SingleBrandSharmaJi, featuring actor Jimmy Shergill, continues to build brand recall with humour, charm, and an unmistakable message: performance and beauty can go hand in hand.

In line with our strategy to diversify and strengthen our product ecosystem, we are expanding into value-added segments such as tile adhesives, grouts, and paints. This portfolio, which is already gaining traction, saw us achieve an expanded geographical market presence. We are targeting to grow this segment substantially in the years ahead, reinforcing our commitment to integrated, future-ready construction solutions.

### Sustainability embedded in strategy

As we step into the next chapter of our journey, we acknowledge that sustainability is no longer an add-on but integral to how we think, plan, and operate. In the reporting year, we saw many of our environmental and social commitments translate into tangible progress. We advanced our goals around reducing emissions, expanding green power, and improving water stewardship, all while maintaining strong momentum on our diversity and people development agendas.

As one of the most energy-intensive sectors, cement accounts for nearly 7% of global CO<sub>2</sub> emissions. Yet India stands apart with one of the lowest carbon footprints per tonne of cement globally, and at JK Cement, we are determined to go even further. We aim to reduce our specific net CO<sub>2</sub> emissions from 517 kg per tonne to 465 kg per tonne. For gross

CO<sub>2</sub> emissions, which encompass both Scope 1 and Scope 2, we aim to reduce the amount from 565 kg per tonne to 532 kg per tonne. Our operations now integrate over 1 lakh tonnes of refuse-derived fuel (RDF) and a wide spectrum of alternative fuels and resources, from plastic and agricultural waste to mixed liquid and solid waste. We are also actively reducing reliance on traditional raw materials by incorporating fly ash, slag, and other industrial by-products.

In our efforts toward water sustainability, we strive to achieve a water positivity rate of 5 times, up from our current rate of 4.7 times. Additionally, we plan to significantly raise our thermal substitution rate (TSR) from 11.34% to 35%. As we look ahead, our efforts will remain focused on advancing circularity, maximising efficiency, and building a greener, more responsible future.

We are proud to have pioneered India's first Waste Heat Recovery System (WHRS) and are aligned with the GCCA low-carbon roadmap, India's Net-Zero 2070 goals and Science Based Targets initiative (SBTI).



Panna Plant

### Green power and blended cement leadership

Our green power share rose to 51%, helping us avoid 0.45 million tonnes of CO<sub>2</sub> emissions. We now have 184.14 MW of captive green power capacity, supported by WHRS and renewable sources. Ongoing projects across key locations are expected to add another ~165 MW by FY 2025-26, taking us closer to achieving a ~60% green power share in the near term and progressing steadily towards our long-term target of 75%.

In FY 2024-25, blended cement constituted an impressive 68% of our total output, which contributed to avoiding 2.4 million tonnes of CO<sub>2</sub> emissions.

Additionally, our production incorporated over 4.0 million tonnes of fly ash and slag, further enhancing our sustainability efforts.

These measures align with our circular economy model and contribute to green building certification support for our customers.



### Looking ahead

As we mark 50 years of nation-building, we are more convinced than ever that our future lies in the fusion of performance, purpose, and partnership. This journey has never been ours alone; it has been powered by the dedication of our people, the trust of our partners, and the unwavering support of our communities. As we look to the next chapter, we do so with humility and determination - committed to building a future that honours our legacy, reflects our values, and responds to the aspirations of a transforming India. Together, we will continue to shape not just structures, but stories of progress that endure.

Thank you for your continued belief in our vision.

Warm regards,

**Madhavkrishna Singhania**

Joint Managing Director and CEO