

Message from the Managing Director

Building for the long term

Dear stakeholders,

As I reflect on FY 2025-26, I am filled with excitement about the progress we have made and the opportunities that lie ahead. Over the past five decades, JK Cement has demonstrated consistent, disciplined, and largely organic growth, a remarkable feat that speaks to the resilience of our business model, the commitment of our teams, and the trust of our stakeholders. This year, we have set new benchmark for operational and strategic performance while navigating a complex global operating environment with agility and resolve. What excites me is the pace and discipline of our execution. Over the last five years, we have more than doubled our grey cement capacity while evolving from a cement company into a comprehensive building materials player. This transformation positions us well for the next phase of our journey.

It was a defining year for JK Cement in every sense. Not merely in terms of financial and operational numbers, but in what those achievements represent: a business that is growing with greater confidence, expanding its scale with precision, and developing a clearer strategic vision for the years ahead. The confluence of disciplined execution and accelerated growth during this year captures both our journey and the philosophy with which we are building our future.

This has been a year when we have focused on the fundamentals: crossing critical capacity milestones, strengthening our balance sheet, deepening our regional presence, and building the operational and commercial infrastructure that will support the next phase of our expansion.

India's cement sector: A structural growth story

India's cement industry benefits from structural demand tailwinds that remain largely intact. The country's infrastructure creation aspirations, accelerating private capital expenditure, steady growth in housing, rural and affordable housing schemes, rapid urbanisation, and the broader long-term development priorities create a durable foundation for cement demand.

The Government's commitment to infrastructure development, coupled with rising private-sector investments in industrial capacity, data centres, and commercial real estate, underpins our conviction in the sector's enduring growth trajectory. Housing construction, whether in urban centres



Dr. Raghavpat Singhania
Managing Director

or rural areas, continues to gain momentum as incomes rise and home ownership aspirations increase. This diversity of demand sources provides confidence that the cement sector will grow at a healthy pace over the foreseeable future.

We view this structural opportunity as something we must earn through superior execution, product quality and financial discipline. This reinforces our strategy of building capacity in the right regions and deepening penetration in chosen markets.

However, we must acknowledge a significant source of near-term uncertainty: the escalating geopolitical tensions in West Asia. Rising fuel costs, particularly imported pet coke and diesel and increasing cost of cement bags have started impacting cost. The Indian Rupee's depreciation has amplified these pressures. These directly affect our margins and competitiveness. We are navigating these through operational efficiencies, energy-mix optimisation, sourcing diversification, and calibrated pricing actions to neutralise the impact. However, if geopolitical tensions persist, the cost environment may face further headwinds. Despite these uncertainties, our conviction in India's long-term growth story remains unchanged.

Milestones achieved in FY 2025-26

After a journey of half a century, we have now entered our next phase of accelerated growth. During the year, we crossed two significant milestones in that journey that reflect years of sustained execution. Our grey cement capacity surpassed the 30 million tonnes per annum mark, and our grey cement volumes crossed 20 million tonnes for the first time in a full financial year. These achievements represent the outcome of consistent organic expansion, unshakeable management commitment, disciplined market-building, and execution excellence across our organisation.

We are now among India's top five cement companies by capacity. Our goal is not simply to be larger, but to grow in a manner that builds resilience, remains relevant to customer needs, and maintains the financial strength that enables us to invest meaningfully during economic cycles.

These achievements reflect a long-term approach to growth. We have invested ahead of demand, built market readiness before capacity stabilisation, and maintained a careful balance between growth ambitions, profitability requirements, and leverage discipline. This balance sheet strength and execution capability are the foundation upon which we will build the next phase.



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20 Mnt+
Milestone grey cement volume achieved during the year

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Strategic expansion and regional presence

The year reinforced our strategy of strengthening presence in regions where we have built lasting market relevance, while selectively entering markets that enhance our long-term opportunity. Acquiring controlling stake in Safco cement, expanded our footprint in Kashmir and northern markets, while our expansion across Central, Eastern, and Southern India has improved our ability to serve key demand corridors with greater speed and responsiveness.

Our immediate capacity roadmap reflects this disciplined regional approach. New projects across Rajasthan and Northern India, along with subsequent phases at Muddapur and Panna, are designed to deepen our market position in regions where we have strategic presence. This focused strategy reduces execution risk, improves capital efficiency, and builds sustainable competitive advantages in chosen markets.

100
RMC plants to be commissioned in the near term

Building beyond cement

The year also demonstrated the strategic importance of the evolution our portfolio from cement to diversified building material solutions. Our white cement, wall putty, tile adhesives, grouts, construction chemicals, and paints are helping us participate across more stages of the building lifecycle and serve customers more comprehensively.

Our value-added products portfolio is gaining strategic traction. The upcoming Nathdwara wall putty plant will improve supply efficiency and category depth, while our growing paints business, supported by a dedicated R&D facility, is opening new categories and customer segments. Our initial foray into ready-mix concrete through an asset-light model positions us to deepen our building-materials relevance and participate more directly in evolving construction practices. In the coming years, we aspire to scale this to around 100 RMC plants.

Internationally, our UAE operations are extending beyond white cement into dry-mix solutions and construction chemicals, reinforcing our overseas building materials strategy. This products-to-solutions movement enables deeper customer engagement, gives our channel partners a wider and more valuable basket and builds resilience across multiple product categories.

Resource security

Resource security remains a critical pillar of our long-term growth strategy. During the year, we obtained the LOIs of four limestone blocks across Madhya Pradesh, Rajasthan and Andhra Pradesh to support existing reserves and future growth. As part of our broader fuel security and cost optimisation agenda, we also initiated the development of captive coal assets. Progress is underway towards operationalising the Mahan and West of Shahdol coal blocks, which will enhance supply security, reduce input cost volatility and strengthen our long-term energy resilience.



Safety has evolved from compliance-led systems to embedded behavioural initiatives. Our Roko-Toko-Sudhar Karo programme empowers employees to identify and correct unsafe actions in real time, fostering accountability



People, safety, and workplace culture

Our people remain at the heart of our success. During FY 2025-26, we successfully transitioned project teams into operating roles while strengthening a comprehensive safety culture across all operations.

Safety has evolved from compliance-led systems to embedded behavioural initiatives. Our Roko-Toko-Sudhar Karo programme empowers employees to identify and correct unsafe actions in real time, fostering accountability. Chai Pe Charcha creates informal forums for open safety conversations and peer engagement.

Beyond these behavioural initiatives, we have implemented Project YATRA with competency building, zone ownership concepts, and monthly Safety Gate meetings celebrating safe practices. Initiatives span road and logistics safety through JRM protocols, fire safety audits, and process safety strengthening. Safety automation, including face recognition access systems, enhances operational security.

At our Jaisalmer greenfield project, we have engaged DSS as safety consultants. We are implementing specialised programmes address height-specific risks through acrophobia testing and height rescue training, with robust emergency preparedness protocols.

This integrated approach of combining behavioural initiatives, technology, training, and culture has created a workforce genuinely accountable for safe operations.

Community engagement and shared value

Our responsibility extends beyond our plants and operations to the communities in which we operate. During the year, our CSR initiatives continued to create meaningful impact across education, healthcare, livelihoods, water access and rural infrastructure. Education remains a key area of focus, with sustained

investments in strengthening learning infrastructure and expanding access to quality education in communities around our manufacturing locations. Today, every one of our manufacturing units is associated with a school, reflecting our long-term commitment to nurturing future generations. These initiatives are not purely philanthropic; they reflect our belief that sustainable business success requires healthy, prosperous communities. We have also set up vocational training institutes at most of our integrated cement manufacturing plants.

Looking ahead

As we look ahead, our strategic priorities are clear: sustain our position among India's top five cement companies, deepen our presence in regions of strategic choice, advance our long-term capacity roadmap of 50+ MnTPA, continue strengthening our building-materials portfolio, and maintain the financial discipline that has served us well.

The external environment will remain dynamic. However, we are well-prepared to navigate these challenges on the strength of our execution capabilities, expanded financial capacity, diversified portfolio, and the trust of our stakeholders.

I thank our shareholders, customers, dealers, employees, suppliers, logistics partners, communities, regulators, and all stakeholders for their continued trust and support. We remain committed to building JK Cement with the same values that have guided us for more than five decades: discipline, responsibility, resilience, and a commitment to creating enduring value for all our stakeholders.

Best regards,
Dr. Raghavpat Singhania
Managing Director

