

CEO'S MESSAGE

CEMENTING TOMORROW WITH
STRATEGIC VISION

Dear Stakeholders,

The past year has been a transformative year for the global economy, the Indian cement sector, and JSW Cement. Geopolitical tensions disrupted supply chains and led to increased input costs. However, as we proceed into 2025, these issues are now beginning to stabilise. Central banks worldwide, including the Reserve Bank of India, adopted monetary tightening measures to combat inflation. These actions, coupled with the resolution of supply bottlenecks in developed economies, have helped control inflation but have also dampened economic growth prospects.



AT JSW CEMENT, WE HAVE A LONG-STANDING TRADITION OF CONFRONTING OBSTACLES AND FORGING AHEAD IN THE FACE OF ADVERSITY. OUR NEXT PHASE OF GROWTH IS DRIVEN BY THREE KEY PILLARS: CAPACITY EXPANSION, COST EXCELLENCE, AND SUSTAINABLE OPERATIONS.



Amidst this global backdrop, India's resilience and potential for growth stood steadfast. This was evident from a strong GDP growth of 8.2% in FY 2023-24 as well as remarkable performance across leading indicators. Government initiatives targeting infrastructure and housing development have driven demand for cement. Additionally, the stabilisation of fuel and coal prices has improved margins within the sector.

STRENGTHENING CAPACITIES. DELIVERING NATIONWIDE.

At JSW Cement, we have a long-standing tradition of confronting obstacles and forging ahead in the face of adversity. Our next phase of growth is driven by three key pillars: capacity expansion, cost excellence, and sustainable operations.

A significant milestone for us has been the successful execution of our capacity expansion plans. By the end of FY 2023-24, we achieved a capacity of 20.6 MTPA with a vision to achieve 40.85 MTPA in the coming years and have a pan India presence.

In line with our vision, we have set ambitious goals to establish clinkerisation and grinding units in key locations across northern and central India. We have also strategically acquired a 100% stake in Springway Mining from India Cements Limited to bolster our position in central zone. This acquisition provides access to 106 million tonnes of valuable limestone reserves, with a mining lease valid until 2065.

Our planned capacity additions include:

- A 3.3 MTPA clinkerisation unit and a 2.5 MTPA grinding unit in Nagaur, Rajasthan. The clinker produced here will support a new 2.75 MTPA grinding unit in Punjab.
- A 3.3 MTPA clinkerisation unit and a 1 MTPA grinding unit in Hatta, Madhya Pradesh, with an additional 5.0 MTPA grinding unit in Uttar Pradesh.
- Greenfield grinding capacity of 1 MTPA at Sambalpur, Odisha.

20.6 MTPA

Installed capacity in FY 2023-24

40.8 MTPA

Targeted capacity

- Additional grinding capacities of 4 MTPA each in Dolvi and Vijayanagar.

We also continue to explore new inorganic growth opportunities to enhance our market position.

DIGITAL TRANSFORMATION: A CATALYST FOR EFFICIENCY AND GROWTH

Our digital transformation journey is fundamentally reshaping our operations. Over the past year, we have made significant strides in sales, marketing, logistics, and operations through the implementation of user-friendly applications and a centralised logistics control systems. These initiatives have streamlined processes and increased efficiency, positioning JSW Cement as a lean and competitive player.

Focussed on enhancing customer experience, our customer-centric digital applications for dealers and sub-dealers create a comprehensive ecosystem that strengthens relationships and simplifies transactions. These apps offer features such as order placement, financial tracking, integrated payment gateways and real-time support through chatbots.

Our digital transformation initiatives have started optimising quality control processes as well, ensuring consistent product excellence. The implementation of digital packer automation at the Salboni plant has streamlined the despatch process, enhanced transparency, and significantly reduced pilferages. Similarly, the implementation of computer vision digital analytics platforms at our Vijayanagar and Dolvi plants have enhanced safety through automated monitoring and an instant alert system, underscoring our commitment to worker safety.

As we move forward, we have begun AI-based pilots as part of our ongoing digital initiatives. Using AI for predictive maintenance, energy monitoring/management is expected to bring significant improvements in efficiency and process optimisation. Projects like the demand-based power scheduler at the Dolvi plant, the standardised Digital Project Management Office at the Nagaur Plant, and the Smart Worker App, designed to support plant personnel with maintenance tasks and boost uptime, are expected to significantly add value to our processes. Additionally, the JSW Cement Transporter App shall bolster our supply chain by improving transparency and streamlining logistics.

COMMITMENT, COLLABORATIONS AND SUSTAINABILITY

At JSW Cement, we are dedicated to sustainability across all operations. We are a global leader in eco-friendly cement production, with 85% of our products being blended cement and cementitious materials. Our ongoing innovations aim to increase the use of alternative fuels and raw materials, and enhancing green energy portfolio from solar power, and waste heat recovery. Our average net CO₂ emission intensity of 241 kg/T (Scope 1) stands at ~41%¹ of the global average and ~45%¹ of the national average. We have also established a dedicated R&D team to develop green products using slag, a waste product from the steel industry. Our five patents received last year serve as a testament to our R&D efforts and dedication our team members.

We actively collaborate with industry leaders on climate action initiatives. As the first company in our sector to join The Climate Group's RE100, EP100, and EV100 campaigns, we are committed to renewable energy, electric mobility, and clean power. We are also signatories to various sustainability pacts and participate in industry councils to drive change.

In compliance with guidelines, we are registered as a plastic waste processor, and co-process waste like RDF at our Nandyal plant. Our goal is to be >5 times plastic negative by 2030. In FY 2023-24, we utilised a significant volume of 8.9 million tonnes of waste-derived resources, contributing to our total raw materials and reducing our environmental footprint. Our focus on alternative fuels, including industrial waste and plastics, has increased our thermal substitution rate at nandyal to 9.8%². By utilising solar energy and harvested rainwater, we have avoided substantial CO₂ emissions and conserved precious water resources.

EMPOWERING OUR PEOPLE

Our commitment to our employees is a cornerstone of JSW Cement's success. This year, we achieved a 100% employee sign-off rate on our Code of Conduct, underscoring our dedication to human rights throughout our value chain. We have made safety a priority through industry-leading practices and certifications, achieving ISO 45001 certification for all our operational plants, with certifications for the Shiva and Salboni units currently underway.

We have invested in targeted training and development programmes, delivering over ~44,000 training hours this year. Initiatives like Saksham, our flagship employee development programme, have empowered over 1,000 employees to identify their strengths and chart career paths. Our 'Unnati' initiative and 'One Team, One Family' culture foster collaboration and drive growth. We are proud of our high employee retention rates, with 91% of female employees retained in FY 2023-24, and a culture of continuous learning. We will continue to strive to provide a world-class work experience that fuels both individual and company growth.

STRENGTHENING PARTNERSHIPS

We have made focussed efforts to establish long-term relationships with our direct customers and large institutional players for the supply of cement and GGBS. Many of these customers are repeat clients, reflecting the strength of the partnerships we've built. Our products have also been a part of several marquee projects, further showcasing the trust and collaboration with our key customers.

We also recognise the crucial role that our channel partners play in expanding our market reach. Throughout the year, we have engaged with dealers through state-wise conferences and regional marketing campaigns, utilising a mix of print, radio, and local cable, as well as sponsorships like the Bongo Premier League and The Hindu newspaper ads. We have also strengthened these relationships through dealer meets and conferences, and by fostering an engaging online presence with content such as the Home Builder Guide, blogs, and social media.

Our digital engagement also includes campaigns, influencer collaborations, and educational construction videos. We have amplified brand awareness through market activations, strategic festival branding during major celebrations, and high-profile sponsorships with teams like the Haryana Steelers, Delhi Capitals, and Bengaluru FC. By prioritising these multi-faceted partnerships, we aspire to build a strong foundation for sustained growth.

GRATITUDE

I extend my profound gratitude to all our stakeholders for their unwavering trust in JSW Cement. Our commitment to excellence remains steadfast, and we will relentlessly pursue our goal to improve every single day.

Thank you,

Nilesh Narwekar
CEO

¹ Global Avg. 585 Kg/T, National Avg. 539 Kg/T (Source GCCA GNR, 2021)

² Nandyal Unit