

CHAIRMAN'S MESSAGE

PAVING THE PATH FOR A BETTER TOMORROW

**9-11%**Growth in Cement demand in
India in FY 2023-24**US\$ 50 MILLION**Second Sustainability Linked Loan secured
by JSW Cement**Dear Stakeholders,**

The global economy has demonstrated remarkable resilience, maintaining steady growth as inflation returns to target levels. Despite numerous challenges, including supply-chain disruptions in the aftermath of the pandemic, geopolitical crises that triggered global energy and food shortages, and a significant surge in inflation followed by synchronised global monetary policy tightening, the world has managed to avoid a recession.



JSW CEMENT HAS EMERGED AS INDIA'S FASTEST-GROWING AND AMONG LEADING CEMENT PRODUCERS, COMMITTED TO SUSTAINABLE PRACTICES. OUR STRATEGICALLY-LOCATED PLANTS ACROSS INDIA AND INTEGRATED MANUFACTURING SETUP ENSURE EFFICIENT PRODUCTION AND DISTRIBUTION.



MACRO-ECONOMIC RESILIENCE

The global banking system has shown considerable strength, and major emerging markets have maintained stability. While the surge in inflation posed significant challenges, it did not lead to uncontrolled wage-price spirals. Instead, global inflation has begun to decline steadily. This trend reflects positive supply developments, the mitigation of earlier energy price shocks, and a significant rebound in labour supply. Decisive monetary policy actions and improved policy frameworks, especially in emerging markets, have played a crucial role in anchoring inflation expectations and fostering economic stability.

The Indian economy has stood as a beacon of hope amid global economic turbulence. Despite subdued global growth, India has emerged as a promising economic powerhouse. India's real GDP growth for FY 2023-24 is 8.2%, up from 7% in FY 2022-23. High-frequency indicators such as industrial production, core sector output, consumer spending and GST collections have shown positive trends, further affirming the country's economic resilience. The Reserve Bank of India forecasts a 7.2% growth rate for the current financial year 2024-25.

The cement industry in India has significantly benefited from this robust economic growth. Cement demand grew by a strong ~11% in FY 2023-24, driven by increased infrastructure spending and a pre-election boost. Construction, the most labour-intensive sector, is estimated to have grown the fastest, supported by government initiatives and revival in housing. The demand for cement is expected to continue rising, with infrastructure projects such as dedicated rail corridors, metro expansions, the UDAN scheme for airports, and ongoing NHAI and Bharatmala projects fuelling future growth. The industry's demand share from infrastructure is projected to increase from the current 27-29% to 31-33% by FY 2027-28, with cement demand growing at a CAGR of ~6%, reaching 552-557 MTPA by FY 2027-28.

A LEADER IN SUSTAINABLE GROWTH

JSW Cement has emerged as India's fastest-growing and among leading cement producers, committed to sustainable practices. Our strategically-located plants across India and integrated manufacturing setup ensure efficient production and distribution. Leveraging an extensive network, we deliver our eco-friendly cement with the lowest CO₂ intensity footprint in the industry. This leadership is further strengthened by the synergies of the JSW Group, making JSW Cement a key player in building a greener future.



WE ARE SETTING
NEW BENCHMARKS IN
SUSTAINABILITY PRACTICES,
ENSURING A FUTURE WHERE
GROWTH AND ENVIRONMENTAL
RESPONSIBILITY GO HAND-IN-
HAND.



We are at the forefront of using low-carbon cement and alternative raw materials, while optimising our fuel mix with renewable energy sources. These initiatives pave the way for a more sustainable future, not just for JSW Cement, but for the entire industry. Underlining this commitment, JSW Cement secured a second Sustainability Linked Loan of US\$ 50 million in June 2023. This green capital will fuel capacity expansion towards our ambitious target of 40 MTPA cement production in India, ensuring wider availability of our high-quality, eco-friendly building materials. As the world's No. 1 eco-friendly cement producer, we believe our operations can contribute positively to both economic progress and environmental conservation. We are setting new benchmarks in sustainability practices, ensuring a future where growth and environmental responsibility go hand-in-hand.

BUILDING CAPACITY FOR TOMORROW

We have been consistently building on our capacities. We plan to increase our capacities from 20.6 MTPA to 40.85 MTPA. This year we have expanded our grinding unit at Dolvi and Vijayanagar, built a new clinker unit in Shiva Cement, Sundargarh. We are also strategically expanding with new grinding units in high-demand regions like Punjab, Rajasthan, UP and adding clinker units at Damoh, MP and Nagaur, Rajasthan. This secures regional reach for our eco-friendly cement and further showcases our dedication to innovation, sustainability and expansion.

In conclusion, I would like to extend my heartfelt gratitude to all our stakeholders for their unwavering support and trust in us. We remain committed to expanding sustainably while fulfilling the crucial infrastructure needs of our country and people.

Warm regards,

Seshagiri Rao MVS
Chairman