

# Strength and Ambition



SOME BELIEVE THAT  
ONE MAN CAN'T  
CHANGE THE WORLD.

ONE MAN PROVED  
THEM WRONG.

A small bucket-manufacturing unit that burgeoned into a multi-billion dollar business empire. A desire to help the poor that manifested itself through schools, healthcare centres and charitable trusts. A wish to help the nation, fulfilled through the right decisions as a leader. As an industrialist, statesman and philanthropist, Shri O. P. Jindal changed the lives of millions. And proved that all it takes to change a nation's future, is the right man.

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Shri Om Prakash Jindal



7th August 1930 - 31st March 2005  
*Founder and Visionary, O. P. Jindal Group*

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# Strength and Ambition

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Strength and ambition are never mutually exclusive. In fact they complement each other as qualities expected from an organisation, and often go hand in hand in determining the future course of value creation.

At JSW Cement 2014-15 was a landmark year of growth. It reinforced our commitment to consistently enhance capacities, and position ourselves attractively amongst the premier players in the cement industry in India.

We have outlined an ambitious plan of more than tripling our current capacity of 6 MTPA to 20 MTPA. We shall do this by setting up additional Grinding Units across India. We shall follow a diversified raw material strategy of importing clinker from neighbouring countries.

Our inherent strengths provide the bedrock of our ambition. Our locational advantage, our strategic priorities and the credibility of the JSW Group all contribute to our confidence. In addition, our ability to grow consistently, and preserve value through increased profitability and scale will provide us with the necessary resources for growth.

Our strategy is the result of forward thinking and responsible execution of all our operational, financial and strategic actions & plans. As a quality-driven cement manufacturer, we at JSW Cement are looking forward to leverage our resources and opportunities, and contribute in overall nation building.

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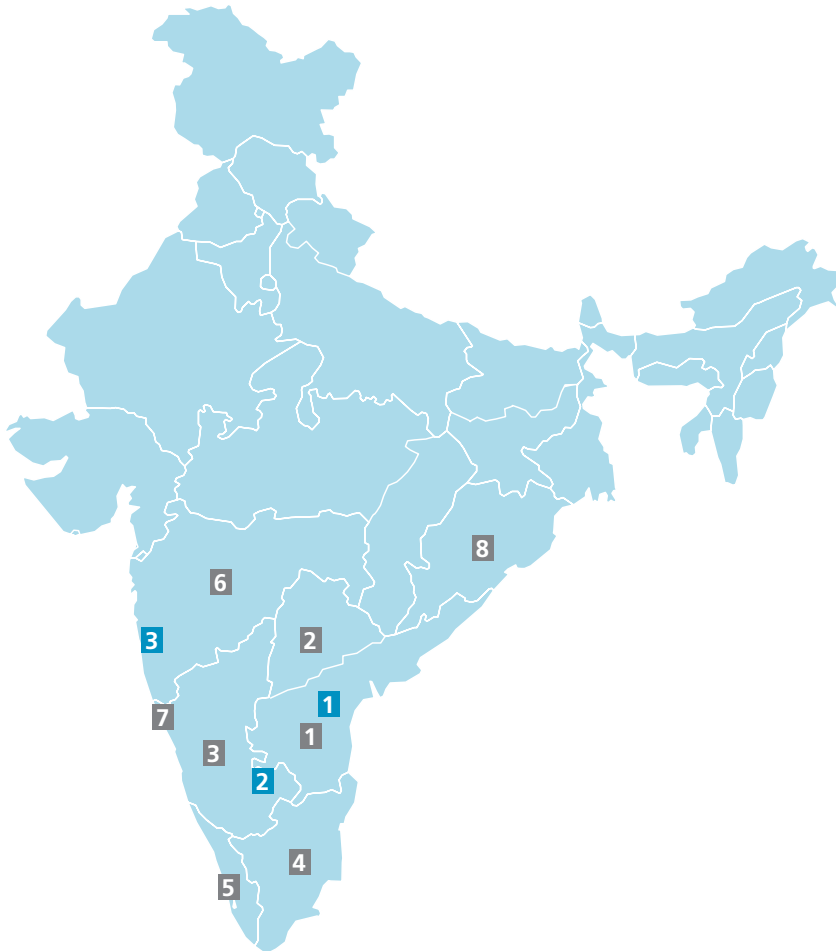


# JSW Cement at a Glance

JSW Cement which began operations in 2009 is today, India's largest manufacturer of Portland Slag Cement (PSC), a variant of blended cement which is environmentally friendly and economically viable. It also produces Ground Granulated Blast Slag (GGBS) and Ordinary Portland Cement (OPC). The Company has total manufacturing capacity of 6 mpta and has facilities

in Vijayanagar, Karnataka, Nandyal, Andhra Pradesh, and, most recently, in Dolvi, Maharashtra. JSW Cement a strong distribution network, extending across more than 2,000 dealers and more than 3,500 retailers catering to key markets in eastern, western and southern India. The Company sells PSC through its JSW Cement brand.

## Presence



### Facilities

Location	Capacity	Utilisation
<b>1</b> Nandyal, Andhra Pradesh	Integrated cement unit: Clinker capacity of 2.20 mtpa Cement manufacturing capacity of: 4.80 MTPA	50%
<b>2</b> Vijayanagar, Karnataka	Grinding unit with capacity of 0.60 MTPA	100%
<b>3</b> Dolvi, Maharashtra	Grinding unit with capacity of 0.60 MTPA	100%

### Marketing Presence

- 1** Andhra Pradesh
- 2** Telangana
- 3** Karnataka
- 4** Tamil Nadu
- 5** Kerala
- 6** Maharashtra
- 7** Goa
- 8** Orissa

Vision	Mission	Core Values
Global recognition for Quality and Efficiency while nurturing Nature and Society.	Supporting India's growth in core economic sectors with speed and innovation.	<ul style="list-style-type: none"> <li>• Transparency</li> <li>• Strive for Excellence</li> <li>• Dynamism</li> <li>• Passion for learning</li> </ul>

## Products

JSW Cement's focus is on producing eco-friendly cement by using industrial by-products such as slag. Its plants utilise slag from the JSW Steel plants to produce green cement. By converting industrial by-product into a useful product, it has reduced the carbon footprint of the Group.

Product	Key attributes
<b>Portland Slag Cement (PSC)</b>	Cement blended with slag produced from our Group steel manufacturing plant, conforming to IS: 12089 standards. With advantages such as high strength, low risk of cracking, improved workability and superior finish, PSC is most suitable cement for mass construction because of its low heat of hydration.
<b>Ground Granulated Blast Slag (GGBS)</b>	Obtained by quenching molten slag from a blast furnace in water or steam, to produce a glassy granular product that is then dried and ground into a fine powder. The chemical composition of GGBS contributes to the production of superior cement concrete as it ensures better durability of structures.
<b>Ordinary Portland Cement (OPC)</b>	The most common type of cement in general use, OPC utilises low cost limestone, shales and other naturally occurring materials. Concrete produced from OPC is one of the most versatile construction materials available.

	Unit	FY 2014-15		FY 2013-14	
		Production	Sales	Production	Sales
<b>PSC</b>	Mt	1.78	1.75	0.93	0.93
<b>GGBS</b>	Mt	0.78	0.77	0.41	0.42
<b>OPC</b>	Mt	0.17	0.17	0.82	0.83
<b>Total</b>		<b>2.73</b>	<b>2.69</b>	<b>2.16</b>	<b>2.18</b>

# Key Performance Indicators

**8%**

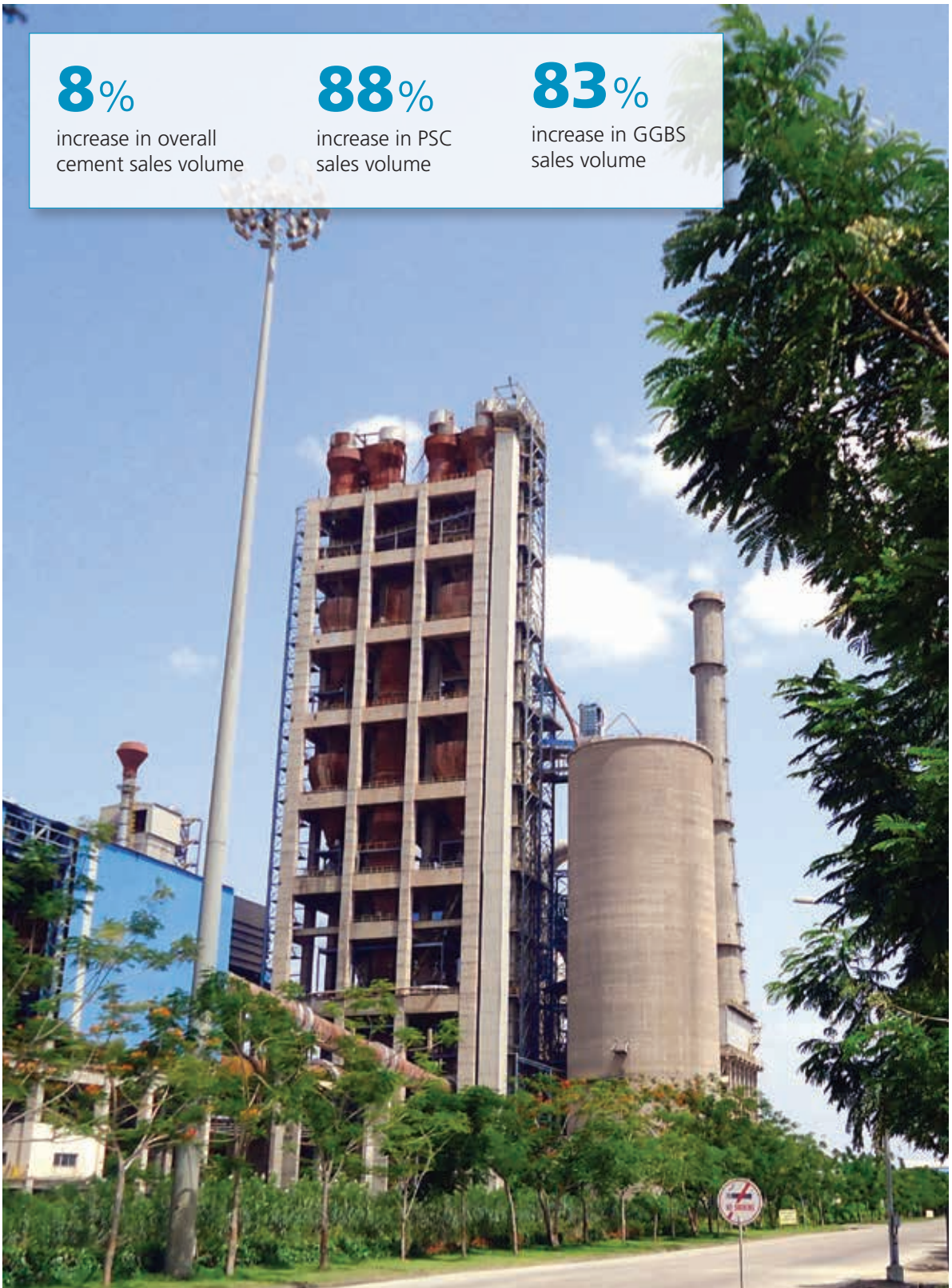
increase in overall  
cement sales volume

**88%**

increase in PSC  
sales volume

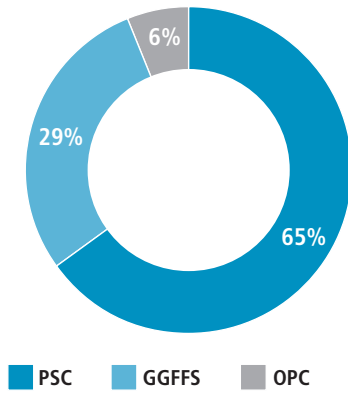
**83%**

increase in GGBS  
sales volume

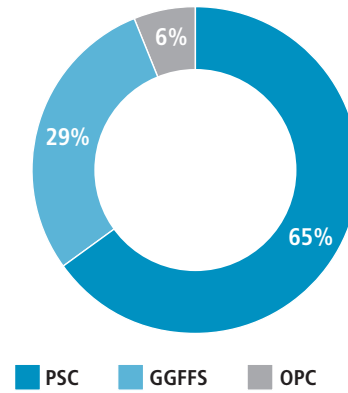


Integrated Cement Plant at Nandyal, Andhra Pradesh

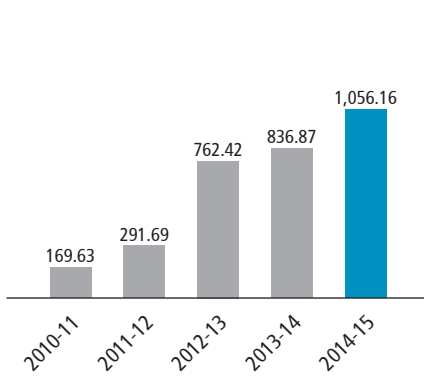
## Production (in %)



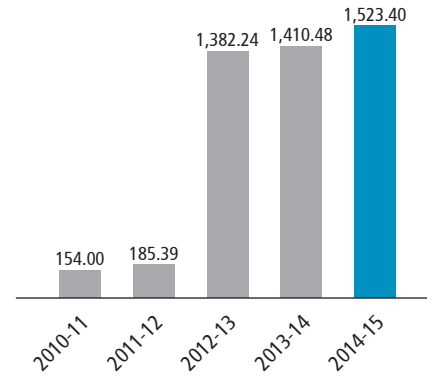
## Sales Turnover by Product (in %)



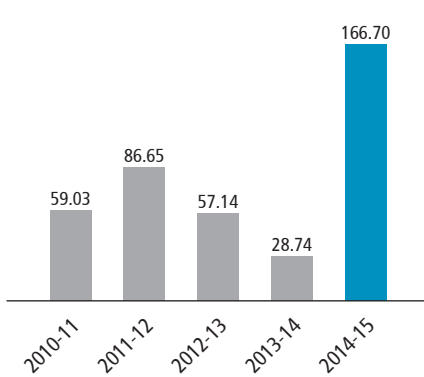
## Gross Turnover (₹ in crore)



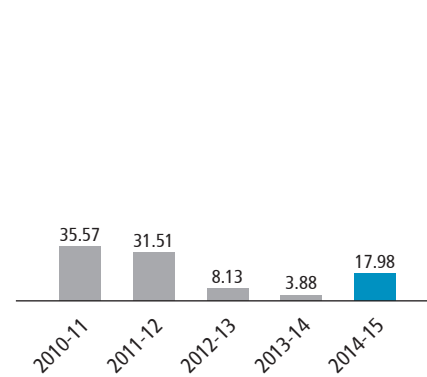
## Gross Block (₹ in crore)



## EBITDA\* (₹ in crore)



## EBITDA Margin (%)



# Chairman's Message



## Dear Shareholders,

The formation of a stable government has led to a definite improvement in the market sentiment. It has helped the country re-establish its financial stability and helped make efforts to narrow current account deficits and fiscal imbalances. It has also provided a window for foreign investments to flow in. The government has undertaken positive steps to ease monetary policies and introduce structural reforms. A number of infrastructural reforms have also been undertaken. Together, these are foreseen to have a significant impact on the growth of the economy.

As a result, we have witnessed a steady uptick in industrial, real estate and construction activity and, subsequently, in the demand for cement. It is pertinent to highlight here that India has one of the lowest per capita consumption of cement, underscoring the significant headroom for growth for the sector. The cement industry is today poised to become an attractive segment for international investment.

At JSW Cement, we intend to make most of the opportunities available as we endeavour to reach a goal of 20 mtpa in capacity, catapulting us among the top five players in the sector. To this end, we acquired the cement division of JSW Steel, Dolvi, Maharashtra in February 2015. With this acquisition, we have reached a cumulative capacity of 6 mtpa across three locations. We continue towards our commitment to work towards creating sustainable products. We leverage Group synergies and use slag produced by JSW Steel to produce Portland Slag Cement (PSC) and Ground Granulated Blast Slag (GGBS). These help us reduce carbon emission levels while preserving natural resources like limestone.

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In India, we are one of the largest manufacturer of PSC in the western and southern parts of the country and a market leader in the production of GGBS.

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PSC also helps conserve energy while offering a superior product, extending the lifespan of construction, than Ordinary Portland Cement (OPC). PSC has gained wide acceptance in countries abroad as it assures better concrete durability.

In India, we are one of the largest manufacturer of PSC in the western and southern parts of the country and a market leader in the production of GGBS. We are addressing the low consumption of PSC by rolling out a detailed plan to enhance awareness and highlight multiple benefits it provides compared to OPC. These endeavours will enable us to play a key role in conserving the country's natural resources. Going forward, we will continue to drive our growth ambitions by enhancing existing capacities in Vijayanagar and Dolvi while looking for relevant inorganic opportunities.

I invite you to be a part of this exciting journey of growth and contribution to the nation and its economy that we have traversed on. I would also like to express my gratitude in helping us create a forward-looking, environmentally conscious organisation that centres its spirit of enterprise on sustainable practices.

Best Wishes,

A stylized, dark ink signature of Nirmal Kumar Jain, consisting of several loops and a long horizontal stroke.

**Nirmal Kumar Jain**

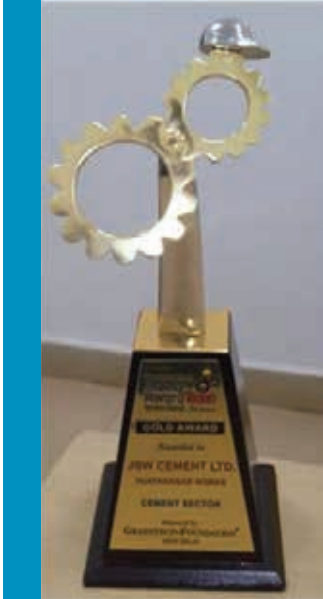
Chairman





Integrated Cement Plant at Nandyal, Andhra Pradesh

# Awards



Gold Award for the Nandyal facility at the 13th Annual Greentech Safety Awards 2014




Gold Award at the 4th Annual Greentech HR & Corporate Governance Conference and Awards 2014



Gold Award for the Vijayanagar facility at the 13th Annual Greentech Safety Awards 2014



 **JSW Cement Limited**

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