Letter from the CEO

Building a Sustainable Future

AT JSW CEMENT, OUR LONG-TERM GROWTH IS ANCHORED IN A CLEAR STRATEGY: EXPAND CAPACITIES, OPTIMISE COSTS, AND DRIVE SUSTAINABLE OPERATIONS. IN PURSUIT OF THIS, WE CONTINUED TO MAKE STEADY PROGRESS IN FY 2024-25 ACROSS OUR MULTI-LOCATION EXPANSION PROGRAMME, BUILDING ON THE ROBUST GROUNDWORK LAID IN THE PREVIOUS FISCAL.

Dear Stakeholders,

The global economy experienced steady growth during calendar year 2024, with some uncertainty arising from trade-related developments in early CY 2025. In response, central banks around the world adopted a more accommodative monetary stance to address concerns around slowing growth and easing inflation. However, recent market volatility indicates that the path forward will vary across regions depending on their individual macroeconomic conditions.

Despite global headwinds, India remained relatively resilient. In line with broader trends, India registered a growth rate of 6.5% in FY 2024-25, maintaining its position as the fastest-growing large economy in recent years. The Reserve Bank of India's efforts to manage inflation and support growth through timely rate cuts have been complemented by the government's continued focus on infrastructure, including housing development across both rural and urban areas. These structural enablers support long-term prospects for the cement sector, even as FY 2024-25 saw a moderation in growth.

CONSOLIDATING PROGRESS. ADVANCING TOWARDS SCALE

At JSW Cement, our long-term growth is anchored in a clear strategy: expand capacities, optimise costs, and drive sustainable operations. In pursuit of this, we continued to make steady progress in FY 2024-25 across our multi-location expansion programme, building on the robust groundwork laid in the previous fiscal.

By the end of FY 2023-24, our installed capacity stood at 20.6 MTPA, with a roadmap to more than double it to 41.85 MTPA over the coming years. During the year under review, we advanced several ongoing projects across key growth markets in northern, central, eastern, and western India, many of which had been initiated in the previous year.

At Nagaur in Rajasthan, work progressed significantly on a 3.3 MTPA clinker unit and a 3.5 MTPA grinding unit, designed to also support a planned 2.75 MTPA grinding unit in Punjab. These units are now in advanced stages of execution and are targeted for commissioning in FY 2025–26.

Similarly, at Hatta in Madhya Pradesh, land acquisition activities were actively pursued for the proposed 3.3 MTPA clinker unit and 1.0 MTPA grinding unit, which will anchor our presence in the central region. The clinker from Hatta is expected to support a planned grinding capacity of 5.0 MTPA in Uttar Pradesh, aimed at tapping into a high-demand market.

In Odisha, construction advanced on our 1.0 MTPA greenfield grinding unit at Sambalpur, with commissioning also scheduled for FY 2025-26. Meanwhile, we initiated feasibility studies and engineering assessments for expansions of 4.0 MTPA grinding capacities each at Dolvi (Maharashtra) and Vijayanagar (Karnataka), which are critical to scaling our footprint in western and southern markets.

While FY 2024-25 did not see the commissioning of new capacity, it marked a year of consolidation and execution, as our project teams focussed on keeping site work aligned with planned timelines. With several units entering the final stages of construction and critical pre-operational milestones being met, we are well-positioned to deliver the next leg of our capacity build-out in FY 2025-26.

DRIVING EFFICIENCY THROUGH DIGITAL TRANSFORMATION

As part of our continued evolution into a digital-first organisation, we have accelerated the adoption of digital solutions across our operations, sales, and logistics ecosystems. These efforts are helping us strengthen dealer partnerships, enhance supply chain efficiency, and foster better coordination across the value chain.

Our Saathi App continues to get evolved and gets strengthened with nuanced features focussed on improving customer satisfaction and engagement.

Across our logistics operations, we continue to leverage a real-time intelligence platform to monitor vehicle movement, apply route optimisation algorithms, and enable smarter freight planning. This helps bring greater transparency and control over logistics costs and service levels.

We have also initiated integration of OT (operational technology) and IT data streams into a unified analytics platform, enhancing visibility and enabling data-driven decision-making across production, energy, and quality functions.

At our Nandyal unit, the Model Digital Plant continues to mature with new AI-led capabilities for raw mix optimisation, predictive maintenance, energy analytics, and robotics-assisted laboratory operations —

WE ACHIEVED A THERMAL SUBSTITUTION RATE (TSR) OF 16.5%, RESULTING IN REDUCTION OF NEARLY 1,20,000 TONNES OF CO_2 EMISSIONS AND A MEANINGFUL SHIFT AWAY FROM FOSSIL FUELS.

strengthening our push toward cost efficiency and consistent product quality.

We have also strengthened workplace safety through AI-based PPE detection, predictive safety analytics, and IoT-enabled compliance monitoring, reaffirming our commitment to a zero-harm environment.

At the heart of all these efforts lies our belief that technology can be a multiplier for sustainable and inclusive growth.

LEADING THE GREEN TRANSITION WITH PURPOSE AND ACTION

At JSW Cement, sustainability is not an adjunct to our strategy — it is core to how we operate and grow. Over 80% of our product portfolio today comprises low-carbon alternatives, positioning us among India's leading green cement manufacturers and underscoring our long-term commitment to climate-positive growth.

FY 2024-25 was a year of strong momentum across key sustainability pillars. One of our most impactful interventions was the co-processing of nearly 1,57,000 tonnes of Refuse Derived Fuel (RDF) at our Nandyal and Shiva plants. This helped us achieve a Thermal Substitution Rate (TSR) of 16.5%, resulting in reduction of nearly 1,20,000 tonnes of CO_2 emissions and a meaningful shift away from fossil fuels.

We made further strides in emissions management. Our Scope 1 net CO_2 intensity stood at 230 kg per tonne and Scope 2 at 28 kg per tonne, contributing to our specific net emissions total of 258 kg per tonne — a 2% reduction from the FY 2020-21 baseline. Importantly, the Science Based Targets initiative (SBTi) validated our near-term targets of reducing Scope 1 and 2 emission intensity by 32.9% per tonne of cementitious materials by FY 2034-35, from a FY 2023-24 base. This external validation lends credibility to our roadmap toward net-zero concrete by 2050.

Our innovation engine remained central to our sustainability and growth agenda. We accelerated the development of low-carbon products such as Geopolymer and LC3 cement, while also introducing 30 new offerings. A majority of these were from our expanding range of construction chemicals, reinforcing our commitment to greener and more advanced building solutions.

Water stewardship remained another focus area. We reduced our freshwater intensity to 45 litres per tonne. Over a quarter of our water usage now comes from harvested rainwater — an encouraging indicator of our shift toward circular water management.

Our energy mix continues to become greener with WHRS & renewables now accounting for 22% of our total energy consumption — bringing us measurably closer to our net-zero ambition.

Beyond the factory gates, we strengthened our sustainability efforts across the value chain through ESG assessments of 50 critical suppliers and continued our transition to LNG and EV vehicles for more sustainable logistics. Our governance practices remained robust, grounded in strong anti-bribery, ethical conduct, and transparency frameworks.

Our sustained efforts earned global recognition as we were featured for the first time in the S&P Sustainability Yearbook 2025 with a commendable score of 70/100. Being ranked among the top three Indian companies in our sector stands as a strong endorsement of our integrated approach and growing leadership in sustainability.

Looking ahead, our journey will be guided by the same belief that has brought us this far: that scale must be responsible, innovation must be inclusive, and growth must be future-ready.

BUILDING MEANINGFUL PARTNERSHIPS

During the year, we engaged in impactful collaborations to support innovation and sustainability. We contributed to the development of the GCCA India Decarbonisation Roadmap with TERI, aligning with our long-term vision

of achieving net-zero emissions. We are also active members of global coalitions such as RE100, EV100, and Xynteo's Build Ahead, UNGC and continued to invest in forums like GCCA and CMA to support industry-wide learning.

Our partnerships with academic institutions are helping us explore new frontiers such as geopolymer concrete and 3D printing, reinforcing our belief in a collaborative approach to long-term transformation.

As a result of our collaborative efforts with premier institutions such as IIT Kanpur, CSIR-IIP, IIT Tirupati, and IISc, we are pleased to share that two of our Carbon Capture and Utilisation (CCU) pilot proposals have been approved by the Department of Science and Technology, GoI. This marks a significant step forward in advancing climate innovation and accelerating our transition toward low-carbon manufacturing.

INVESTING IN PEOPLE, BUILDING FOR THE FUTURE

In FY 2024-25, we continued to invest in strengthening our people practices through key initiatives like Project Unnati and Saksham. Unnati remained focussed on reinforcing a high-performance culture, with structured workshops on goal setting and performance conversations conducted across the organisation, including dedicated sessions for over 220 managers and leaders. Project Saksham identified top talent across levels — approximately 10% of our workforce — and engaged them in customised development plans. This has contributed to a 22% reduction in regrettable attrition over the previous year. In parallel, we continued to invest in our "Solid Citizens", delivering targeted learning interventions during the year. These initiatives have contributed to a steady increase in our average employee tenure, now at 5.6 years, and helped reduce regrettable exits by 22% over the previous year.

As a reflection of our sustained efforts, we were certified as a "Great Place to Work". Notably, a large majority of our employees affirmed their belief that JSW Cement is a great place to work — reinforcing the trust and pride they associate with the organisation.

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STRENGTHENING COMMUNITIES, CREATING IMPACT

At JSW Cement, we believe our growth is deeply connected to the well-being of the communities we serve. Guided by the vision of a self-reliant India, we continue to invest in long-term, impactful social initiatives that uplift vulnerable and underserved populations.

In FY 2024-25, our efforts in livelihoods, education, rural development, health, and sanitation reached over 4.21 lakh individuals across our plant locations. We enabled more than 20,500 people — particularly women, marginal farmers, and youth — with sustainable livelihood opportunities, and supported over 73,500 students through targeted educational interventions.

These initiatives reflect our belief that real progress comes from inclusive development. As we move forward, we remain committed to driving meaningful change and building a more empowered and equitable society.

IN CLOSING

I thank all our stakeholders — employees, partners, customers, investors, and communities — for their continued trust and support. While the external environment remains dynamic, our commitment to responsible growth, operational excellence, and sustainability remains unwavering. We look forward to building on this foundation and contributing meaningfully to India's progress in the years ahead.

Warm regards,

Nilesh Narwekar

Chief Executive Officer