Management Discussion & Analysis

ECONOMY OVERVIEW

Global Economy

FY 2026 was a defining year from a global economic perspective. The fiscal year witnessed significant developments across three critical fronts: trade, technology and geopolitics. The year began with a sharp escalation in trade policy following the U.S. Administration's announcement of 'Liberation Day' tariffs on April 2, 2025. This was followed by a period of heightened uncertainty, with tariffs on certain trading partners rising to as high as 50% and reciprocal tariffs imposed on U.S. goods by several countries. Although the U.S. Supreme Court struck down select tariffs, the overall effective U.S. tariff rate remained elevated at around 10%, signalling the end of the prolonged phase of low global tariffs.

At the same time, the year witnessed a significant acceleration in technological disruption, driven by rapid advancements in AI. While this technological advancement supported investment, particularly in AI-linked capex, it also introduced new uncertainties, with concerns emerging around labour displacement, especially on the services front.

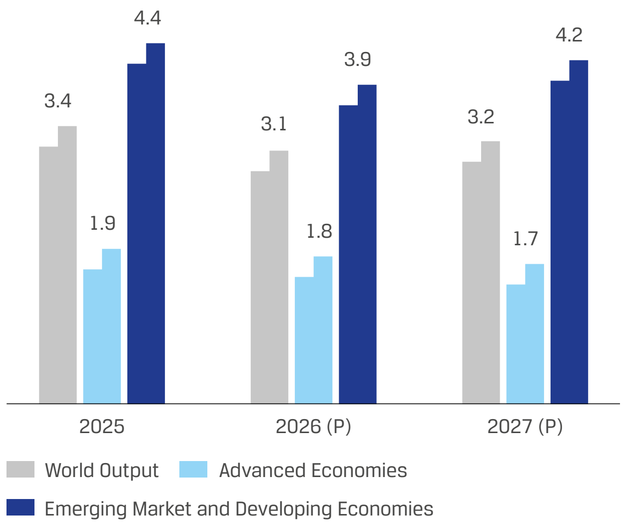
Meanwhile, the prolonged Russia-Ukraine conflict continued to weigh on global trade and economic stability. Geopolitical tensions reached a new peak in late February 2026, culminating in a direct conflict involving the US, Israel and Iran. The conflict disrupted global supply chains, including the temporary closure of the Strait of Hormuz. This drove a sharp rise in crude oil prices and shipping costs, adding to global volatility and complicating the inflation outlook.

Against this backdrop, global growth is projected at 3.1% in 2026, compared with 3.4% in 2025, before improving marginally to 3.2% in 2027, according to the International Monetary Fund (IMF) World Economic Outlook (April 2026). However, growth trends remained uneven across regions. Advanced Economies are projected to grow by 1.8% in 2026 and 1.7% in 2027, reflecting weak industrial activity, tighter financial conditions and subdued consumer demand. Emerging Market and Developing Economies are projected to grow by 3.9% in 2026 compared with 4.4% in 2025, before recovering to 4.2% in 2027, supported by domestic demand resilience and easing financial conditions in select markets.

Global headline inflation is projected to increase from 4.1% in 2025 to 4.4% in 2026, before moderating to 3.7% in 2027. Elevated energy prices, supply-chain disruptions and trade-related cost pressures contributed to the upward revision in inflation expectations during the year.

Looking ahead, some of these pressures are likely to ease as geopolitical tensions stabilise, though they may not fully subside, allowing supply-side constraints to gradually unwind. At the same time, the benefits of AI adoption are expected to increasingly translate into productivity gains, supporting medium-term growth. However, risks remain, particularly if supply shocks begin to transmit into broader demand weakness globally. In this context, the policy response, reforms and balance sheet resilience will be critical in determining the global growth trajectory.

Real GDP Growth (%)



Source: IMF; P: Projected

Indian Economy

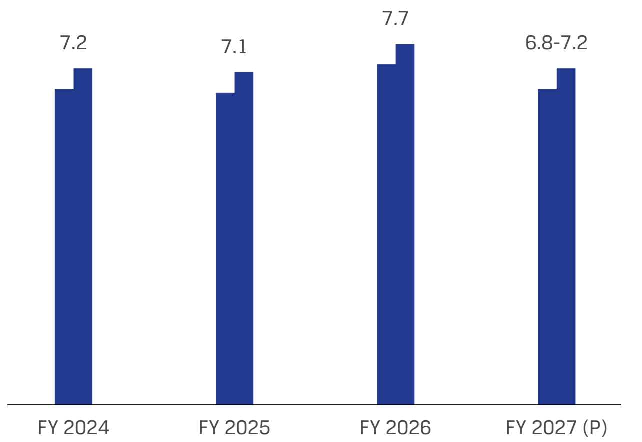
Amidst the geopolitical uncertainty and economic volatility, India retained its position as the world's fastest-growing major economy, with GDP growth rising to 7.7% in FY 2026 from 7.1% in FY 2025 (according to the Provisional Estimates (PE) of Annual Gross Domestic Product (GDP) for the Financial Year (2025-26) by MoSPI on June 5, 2026), highlighting the strength of domestic demand and the role of structural reforms in driving economic expansion. Growth momentum during FY 2026 was supported by strong domestic consumption demand, rising infrastructure investment and expanding services activity across sectors such as finance, digital services and logistics.

Inflationary pressures moderated significantly during the year, supported by easing food prices, improved supply conditions and policy measures aimed at maintaining macroeconomic stability. Average headline Consumer Price Index (CPI) inflation for April-December 2025 declined to 1.7%, while recent MoSPI data indicated 3.4% CPI inflation in March 2026. The Reserve Bank of India's Monetary Policy Committee (MPC), at its April 8, 2026 meeting, projected CPI inflation at 4.6% for FY 2027.

In response to the easing inflationary environment, the MPC cumulatively reduced the repo rate by 100 basis points during its meetings from April to December 2025. As of December 2025, the repo rate stood at 5.25%. In its latest MPC meeting on April 8, 2026, the RBI kept the repo rate unchanged and maintained a neutral stance, reflecting the balancing act required amid evolving macroeconomic conditions, particularly geopolitical uncertainties and global supply chain disruptions.

Following a year marked by structural policy measures and continued focus on economic formalisation, infrastructure development and manufacturing support, India enters FY 2026-27 with a relatively strong growth foundation. A diversified consumption base, sustained government capital expenditure, resilient services activity and continued support towards the manufacturing ecosystem are expected to support economic growth in the range of 6.8% to 7.2% during FY 2027, as projected in the Economic Survey 2025-26.

Real GDP (% Y/Y)



Source: MoSPI Economic Survey 2025-26; P: Projected

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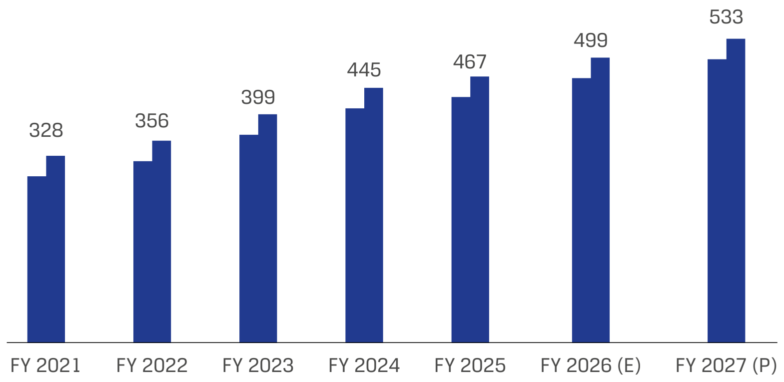
INDUSTRY OVERVIEW

Indian Cement Industry

India is the second-largest cement producer globally, accounting for approximately 8% of global installed capacity. The domestic cement sector has demonstrated healthy demand growth, at a CAGR of ~9% between FY 2021 and FY 2025, reaching 467 million tonnes in FY 2025. Domestic demand is expected to reach 499 million tonnes in FY 2026, supported by sustained growth in housing and infrastructure construction, rising urbanisation, and continued government focus on infrastructure-led development.

Cement Consumption (million tonnes)



Source: CRISIL Intelligence; E: Expected; P: Projected

Sectoral Mix of Cement Demand (%)

	FY 2021	FY 2025	FY 2030 (P)
Industrial & Commercial	11-13%	13-15%	12-14%
Infrastructure	25-27%	29-31%	31-33%
Urban Housing	23-25%	22-24%	21-23%
Rural Housing	37-39%	32-34%	32-34%

Source: Crisil Intelligence; P: Projected

Outlook

The Indian cement industry is expected to maintain healthy growth momentum in FY 2027, with volumes projected to increase by 6.5-7.5% to reach ~533 million tonnes, according to CRISIL Intelligence. Demand is expected to be supported by the government's continued focus on infrastructure-led development, including higher public capital expenditure, investments in roads, railways, metros, airports, and logistics infrastructure, as well as increased allocations under PMAY (Urban and Rural).

While the ongoing West Asia conflict and elevated energy prices may exert pressure on fuel and freight costs, the industry's demand outlook remains strong, supported by sustained construction activity, urbanisation, and housing demand.

KEY DRIVERS OF CEMENT DEMAND IN INDIA

Roads, Railways and Airports

India's road network has expanded rapidly over the past decade, becoming the world's second-largest. The national highway network has grown by about 61%, expanding from 91,287 km in 2014 to 1,46,560 km as of December 2025. Flagship initiatives such as Bharatmala Pariyojana (including the subsumed NHDP), SARDP-NE, LWE Road Development Programme (including the Vijayawada-Ranchi Road), and Externally Aided Projects (EAP) have played a key role in accelerating this transformation, significantly strengthening road connectivity and boosting domestic cement consumption.

In line with the Union Budget 2025-26, the Ministry of Road Transport and Highways identified a PPP project pipeline of 13,400 km, with an estimated investment of ₹ 8.3 lakh crore over the next three years. Additionally, a network of 35 Multimodal Logistics Parks is planned with an investment of ₹ 46,000 crore to handle approximately 700 million metric tonnes of cargo annually. The investment is expected to further drive cement demand.

Rural connectivity through the govt's flagship initiative, the Pradhan Mantri Gram Sadak Yojana (PMGSY), has also sustained the growth momentum in cement demand. Since its inception, the PMGSY has sanctioned a total of 8,25,114 km of rural roads, of which 7,87,520 km have been completed, reflecting nearly 95% physical progress as of December 2025. The Union Budget 2025-26 has allocated ₹ 19,000 crore for PMGSY to enhance the rural infrastructure, which is expected to further boost domestic cement demand.

The expansion of Indian Railways' infrastructure, including new track construction, track renewal and electrification, has significantly boosted the cement demand. During the period 2014-25, a total of 34,428 km of new track was laid at an average of 8.57 km/day. Track renewal has also intensified, with 6,851 track km renewed in FY 2025, over 7,500 km underway in FY 2026, and 7,900 km planned for FY 2027.

The Union Budget 2026-27 has allocated a record capital outlay of ₹ 2,78,000 crore for Indian Railways, reinforcing the Government's commitment to enhance last-mile connectivity. The announcement of seven new high-speed rail corridors, spanning nearly 4,000 km with an estimated investment of ₹ 16 lakh crore, signals a transformative shift in rail infrastructure. The budgetary outlay is expected to increase the cement demand over the medium to long term.

The PM GatiShakti National Master Plan (PMGS NMP), launched in 2021 and coordinated through the Network Planning Group (NPG), to provide multi-modal connectivity across key economic zones, has emerged as a key national infrastructure development enabler and is substantially enhancing cement demand growth. As of February 2026, 352 infrastructure projects, with a total estimated cost of ₹ 16.10 lakh crore, have been evaluated under the NPG mechanism. Of these, 201 projects have been sanctioned, and 167 projects are currently under implementation, reinforcing sustained infrastructure-led cement consumption.

India has emerged as the world's third-largest domestic aviation market, with the number of operational airports increasing from 74 in 2014 to 164 in 2025. Passenger traffic reached 412 million in FY 2025 and is projected to grow to 665 million by FY 2031, while air cargo volumes increased from 2.53 MMT in FY 2015 to 3.72 MMT in FY 2025. The rapid expansion in the number of airports has necessitated significant infrastructure development within and around airport premises, which is substantially increasing demand in the domestic cement market.

Metro, Maritime sector and Smart City Mission

India's metro rail sector has expanded by leaps and bounds over the past decade, both in terms of expansion of network and the number of cities covered, significantly driving cement demand. The country's operational metro network has crossed the historic 1,000-km milestone, reaching 1,095 km, reflecting the scale and speed of expansion. The number of cities with operational metro services has increased sharply, from 5 cities in 2014 to 26 cities in 2025.

India's maritime sector has also emerged as a powerful contributor to infrastructure-led cement consumption. India currently has 12 major ports and over 200 non-major ports and several investments have been approved to increase this further, including the Vadhvan deep-sea port in Maharashtra, with an estimated cost of ₹ 76,220 crore and the proposed International Container Transhipment Port at Great Nicobar Island (Galathea Bay), with an estimated investment of ₹ 43,796 crore.

The Government's flagship Sagarmala scheme is also enhancing cement demand through its scope of financial assistance for port modernisation, port connectivity, port-led industrialisation, coastal community development, and coastal shipping & inland water transport. Since its inception, 6 coastal berth construction projects worth ₹ 385 crore have been funded under the coastal shipping and inland water transport pillar. Out of these, 5 projects worth ₹ 320 crore have been completed. Further, 17 projects worth ₹ 852 crore out of 24 projects worth ₹ 1,033 crore, funded under the port modernisation pillar, have been completed.

The Smart Cities Mission (SCM), launched in 2015, was designed to transform 100 cities through technology-enabled, sustainable, and citizen-centric urban solutions. Over time, the Mission has evolved into a large-scale urban infrastructure programme encompassing roads, drainage systems, public transport integration, housing redevelopment, water management, and civic amenities. This large-scale urban transformation has significantly contributed to cement demand, given the extensive construction and redevelopment involved. According to the latest PIB report, the mission has achieved a high project completion rate of 93% of 8,063 projects and 100% completion of Integrated Command and Control Centres (ICCCs), leading to measurable improvements in urban liveability, mobility, safety, and environmental outcomes.

HOUSING SEGMENT

The housing sector remains the largest contributor to India's cement demand, and government-led affordable housing schemes, such as Pradhan Mantri Awas Yojana Urban (PMAY-U) and Pradhan Mantri Awas Yojana Gramin (PMAY-G), have provided significant momentum to the sector, thus enhancing the cement consumption substantially.

Under the two phases of PMAY-Urban, more than 122 lakh houses have been sanctioned, of which over 96 lakh houses have been completed and delivered as of November 2025. The scale of construction under PMAY-U has accelerated cement consumption in Tier II and Tier III cities, particularly through vertical housing, redevelopment projects and affordable urban clusters. The Union Budget FY 2026-27 has further strengthened this momentum by allocating ₹ 18,625 crore for PMAY (Urban) 2.0, reinforcing the Government's commitment to expanding affordable housing supply.

PMAY-G, implemented since April 2016, aims to achieve 'Housing for All' by 2029 by providing pucca houses with basic amenities to eligible rural households. Against a target of 4.95 crore houses, 4.14 crore units have been allocated, 3.86 crore sanctioned, and 2.93 crore completed by the end of 2025. The budgetary allocation for PMAY-G has increased substantially from ₹ 15,000 crore in 2016-17 to ₹ 54,916 crore in 2026-27, reflecting heightened policy emphasis on rural infrastructure and housing development.

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Opportunities Driving the Growth of the Indian Cement Industry

- **Urbanisation and infrastructure push:** India's rapid urbanisation, driven by population growth in cities and the expansion of Tier II and Tier III urban centres, continues to underpin cement demand. Large-scale investments in roads, railways, metros, airports, ports, irrigation networks, and urban infrastructure, supported by flagship government programmes such as Bharatmala, PM Gati Shakti, Vande Bharat corridor expansion, PMGSY, and PMKSY, are accelerating infrastructure creation across the country. As a result, infrastructure-led consumption now accounts for nearly 30% of total cement demand and is expected to increase further over the medium term.

  Housing demand across urban and rural areas: Housing remains the largest demand driver, contributing over 55-57% of cement consumption, supported by low per-capita cement usage and low concretisation levels compared with global benchmarks. India's per capita cement consumption currently stands at around 290-340 kg, significantly below the global average of around 470-520 kg, indicating substantial untapped growth potential for the cement industry. Further, affordable housing initiatives, rising home ownership aspirations, redevelopment of ageing urban housing stock, and steady rural housing demand continue to sustain volumes across geographies. Government-led affordable housing programmes, particularly Pradhan Mantri Awas Yojana (Urban and Gramin), continue to drive construction activity in urban, semi-urban, and rural areas, thereby supporting cement demand.

- **Rural development and connectivity:** Increased focus on rural roads, irrigation networks, water supply and sanitation projects is expanding cement consumption beyond urban centres. Improved rural connectivity and rising agricultural incomes are translating into higher construction activity and housing demand in semi-urban and rural regions.

- **Industrial and commercial construction:** While traditional commercial real estate has moderated, demand from logistics parks, warehouses, data centres, manufacturing clusters, and EV ecosystems is rising. Policy initiatives supporting domestic manufacturing and supply-chain localisation are driving industrial construction in key states, contributing to stable cement demand from this segment.

- **Sustainability-led construction practices:** The industry's transition toward blended, low-carbon and green cement is creating new demand avenues, supported by regulatory focus on sustainability, green buildings, and infrastructure decarbonisation. Increased use of supplementary cementitious materials is also improving cost efficiency and environmental performance.

- **Technology and process innovation:** Adoption of digital technologies, automation and advanced manufacturing processes is enhancing operational efficiency, reducing costs, and improving product performance. Innovations in cement formulations and construction techniques are enabling wider application across infrastructure, housing, and industrial projects.

Challenges ahead for the Indian Cement Industry

- **Power and Fuel Costs Continue to Impact Margins:** Power and fuel costs remain a key margin risk, driven by volatility in imported coal, petcoke, and grid electricity prices. While producers are increasingly investing in waste heat recovery systems (WHRS) and captive renewable energy solutions, energy cost management continues to be a structural challenge.

- **Raw Materials Availability and Land Acquisition Remain Pain Points:** Securing limestone reserves and land for capacity expansion remains complex due to stringent environmental approvals, regulatory processes, and community engagement requirements. Delays in mining lease approvals and land acquisition have slowed project execution timelines in several states, affecting the pace of planned capacity additions.

- **Logistics and Distribution Inefficiencies:** High reliance on road transport, rising freight costs, and congestion on inter-state routes continue to elevate distribution expenses and impact delivery efficiency. Although increased use of rail and multimodal logistics under PM Gati Shakti is gaining traction, challenges related to terminal infrastructure, rake availability, and last-mile connectivity persist.

- **Stringent Environmental and Compliance Requirements:** Tightening environmental regulations related to emissions, water usage, and waste management are increasing compliance costs and capital expenditure requirements. While these norms are accelerating the transition toward greener cement and sustainable practices, they also add to operational complexity in the near to medium term.

- **Geopolitical and Supply Chain Risks:** Global geopolitical developments and trade disruptions pose risks to the availability and pricing of imported fuels, additives, and equipment, as well as to export markets. Supply chain volatility and currency fluctuations can impact input costs and project economics, particularly during periods of heightened global uncertainty.

The Union Budget for FY 2026-27 announced a series of measures across infrastructure, urban development, housing and real estate, which would boost the cement demand substantially.

Infrastructure

- Public capital expenditure increased to ₹ 12.2 lakh crore, strengthening infrastructure-led cement demand across roads, railways, ports and urban projects
- Infrastructure Risk Guarantee Fund to be established, improving private sector participation and accelerating project execution
- Purvodaya initiative and Integrated East Coast Industrial Corridor, supporting industrial, logistics, tourism and urban infrastructure development in eastern India
- Dedicated Surat–Dankuni freight corridor and 20 new national waterways, boosting transport and port-linked infrastructure

Urban Development

- Focus on Tier II and Tier III cities (population >5 lakh), expanding infrastructure and construction activity beyond metropolitan regions
- City Economic Regions (CERs) with ₹ 5,000 crore allocation per region over five years, catalysing region-specific urban and commercial development
- Seven high-speed rail corridors between major cities – Mumbai-Pune, Pune-Hyderabad, Hyderabad-Bengaluru, Hyderabad-Chennai, Chennai-Bengaluru, Delhi-Varanasi, Varanasi-Siliguri – driving large-scale cement consumption in rail infrastructure and allied urban development

Housing

Pradhan Mantri Awas Yojana-Urban has been allocated ₹ 18,625 crore in FY 2026-27, an increase of 179% over the revised estimate for FY 2025-26

Pradhan Mantri Awas Yojana-Rural has an allocation of ₹ 54,916 crore in FY 2026-27, an increase of 69% over the revised estimate of FY 2025-26

Real Estate

- Recycling of CPSE real estate assets through dedicated Real Estate Investment Trusts (REITs), unlocking capital for new commercial and urban development projects

COMPANY OVERVIEW

JSW Cement Ltd. (hereafter referred to as 'JSW Cement' or 'the Company'), a part of the reputed JSW Group, has established itself as India's leading green cement manufacturer, with sustainability embedded at the core of its business model. The Company commenced operations in 2009 with a grinding unit in Vijayanagar, Karnataka, and has since expanded its footprint across the southern, western, eastern and northern regions of India, as well as the UAE.

JSW Cement operates across the entire building materials value chain, offering cement, GGBS, ready mix concrete, and construction chemicals. With an installed grinding capacity of 24.1 MTPA, including operations in India and a production facility in the UAE, the Company is well positioned to serve diverse regional markets.

Sustainability is a key differentiator for JSW Cement. The Company has achieved the lowest carbon dioxide emission intensity in the cement industry, both in India and globally, driven by extensive use of industrial by-products and a differentiated product portfolio. JSW Cement is recognised for having the highest utilisation of industrial by-products (such as blast furnace slag, fly ash, alumina-killed slag, argon oxygen decarburisation slag, red mud, and chemical gypsum) as raw materials in the Indian cement industry, reinforcing its leadership in circular economy practices. The Company also collaborates with leading research institutions to develop innovative, safe, and sustainable construction solutions aligned with evolving industry needs.

Product Portfolio

JSW Cement has reinforced its commitment to green practices with its eco-friendly product range, including Portland Slag Cement, Portland Pozzolona Cement, Composite Cement and GGBS. The Company has earned a strong reputation as a leader in green cement manufacturing by converting industrial waste into high-quality cement and construction materials.

- **Cement**
  The Company's Cement product portfolio includes several brands such as Portland Slag Cement (PSC), JSW Concreel HD, JSW Power Pro, JSW COMPCEM, JSW Max Super Cement, JSW CHD Jalkavach, JSW CHD Waterguard, JSW CHD Raksha and Ordinary Portland Cement (OPC). Portland Slag Cement (PSC) is a high-performance blended cement with low heat of hydration, making it ideal for large-scale projects. JSW Concreel HD features a modified pore structure, ensuring superior cohesion and durability for structural applications. JSW CHD Jalkavach and JSW CHD Waterguard are premium, water-repellent cements. JSW COMPCEM is a high-performance blend of slag and silica, specifically formulated for concrete applications. OPC meets IS 269-2015 standards and is suitable for Reinforced Cement Concrete (RCC) works and precast structures. During FY 2025-26, cement sales reached 7.73 million tonnes, registering a 9.0% year-on-year growth.

- **Ground Granulated Blast Furnace Slag (GGBS)**
  JSW Cement offers Ground Granulated Blast Furnace Slag (GGBS), an eco-friendly material that enhances concrete durability and partially replaces Ordinary Portland Cement (OPC) in Ready-Mix Concrete (RMC) and batching plants, meeting Indian Standard (IS) 16714:2018. With a strong market presence, GGBS sales reached 5.78 million tonnes in FY 2025-26, growing by 11.6% year-on-year. Its adoption is rising in major infrastructure projects, supported by pre-qualification efforts, mix design optimisation, and Microfine GGBS for high-strength applications.

- **Other Products**
  The Company offers a diverse range of construction solutions beyond cement and GGBS. The Company's product portfolio includes Ready Mix Concrete (RMC), which is manufactured by blending cement, supplementary materials such as fly ash or GGBS, aggregates, water and admixtures. JSW Cement also provides a range of Construction Chemicals such as Tile Adhesive, Grout & Cleaner, which delivers superior bonding, crack resistance, and effective stain removal. It also supplies Precision Steel Grouts & Road Insta Cure, offering high-strength, non-shrink grouts for structural applications and road repairs. The Company enhances durability with its Waterproofing Solutions, including integral compounds, latex-based coatings, and acrylic cementitious coatings. Additionally, the Company also offers Mortar Solutions, such as ready-mix plaster, floor hardeners, and block jointing mortar, ensuring strong and long-lasting finishes.

BUSINESS STRENGTHS

- **One of India's fastest growing cement manufacturers**
  JSW Cement is one of India's fastest-growing cement manufacturers, supported by a geographically diversified manufacturing footprint and a sustainability-led operating model. The Company operates nine manufacturing facilities in India, comprising two integrated units, one clinker unit, and six grinding units, strategically located across Andhra Pradesh (Nandyal), Karnataka (Vijayanagar), Tamil Nadu (Salem), Maharashtra (Dolvi), West Bengal (Salboni), Odisha (Jajpur, Sambalpur and the Shiva Cement Limited clinker unit) and Rajasthan (Nagaur). In addition, the Company operates a clinker unit in Fujairah, UAE, through its joint venture JSW Cement FZC, strengthening its international presence.

  With a current installed cement capacity of **24.1 MTPA**, the Company is on a clear expansion trajectory, with capacity expected to increase to **46.0 MTPA** in the medium term . The commissioning of the Nagaur Integrated Unit in Rajasthan in Q4 FY 2025-26, marked JSW Cement's strategic entry into the North Indian market, with 3.30 MTPA clinker capacity and initial 2.50 MTPA cement grinding capacity. As of March 31, 2026, the Company's installed clinker capacity, including the UAE operations, stood at 9.74 MTPA.

- **India's largest manufacturer of GGBS with a proven track record of scaling the business**
  JSW Cement is India's single-largest manufacturer of Ground Granulated Blast Furnace Slag (GGBS), with an all-India market share in terms of GGBS sales of approximately ~84% in Fiscal 2026. JSW Cement pioneered the GGBS business in India and has demonstrated a track record of scaling up, with a volume CAGR of ~15% between FY 2016 and FY 2026.

  GGBS is manufactured entirely from blast furnace slag, which is a by-product of the steel manufacturing process. It is primarily supplied to the Ready Mix Concrete (RMC) sector and according to CRISIL, the demand for GGBS is expected to be driven by it being one of the most effective replacements for OPC and fly ash in concrete manufacturing, and due to the increased awareness of GGBS' benefits among infrastructure companies, residential developers, RMC producers and certifying authorities. The Company's GGBS is widely used in major infrastructure, urban development and housing projects across our regions of operation.

- **Strategically located manufacturing plants that are well connected to raw material sources and key consumption centres**
  JSW Cement's manufacturing facilities are strategically located near key consumption centres and are well connected through rail and road networks, enabling efficient market servicing and cost-effective logistics. The company's integrated plants and clinker units are located in proximity to limestone mines, which ensures reliable and cost-effective sourcing of limestone. Further, the plants are either co-located with JSW Steel plants or well connected to other regional steel plants to be able to source key raw materials such as blast furnace slag.

  The Company operates six limestone mines in India across Andhra Pradesh, Odisha, Rajasthan, Madhya Pradesh, Gujarat as well as one limestone mine in Fujairah (UAE) via JSW Cement FZC, ensuring long-term raw material security. In addition, the Company has the right to operate or letters of intent in relation to seven other mines located across Rajasthan, Madhya Pradesh, Karnataka and Assam, which will underpin future expansion.

- **India's greenest cement company, with the lowest CO_2 emission intensity in the Indian cement industry and among top global cement manufacturing companies**
  JSW Cement has the lowest CO_2 emission intensity in the Indian industry, driven by its differentiated and sustainability-led product portfolio. The company operates with a structurally low clinker factor, reflected in a clinker-to-cement ratio of ~51% in FY 2026. The majority of volumes sold comprise green cementitious products such as blended cement and GGBS. This product mix, along with certified sustainable offerings, materially reduces the Company's carbon emission intensity versus its peers.

  JSW Cement's circular economy model is based on utilisation of alternative raw materials, thereby reducing the consumption of natural resources like limestone. The Company utilises industrial by-products such as blast furnace slag, Al-killed slag, argon oxygen decarburisation slag, fly ash, red mud and chemical gypsum, resulting in one of the highest waste utilisation ratios in the industry. In parallel, JSW Cement co-processes industrial and agricultural waste as alternate fuels, improving thermal substitution rates. This integrated approach to resource efficiency and waste utilisation is a key driver of the Company's sustainability leadership.

- **Extensive sales and distribution network**

  JSW Cement has built a robust and scalable distribution network, comprising over 12,500 channel partners and over 7,500 direct customers across our regions as of March 31, 2026. In particular, the Company is now focussing on building out its retail network across the North India region, where it has just commenced operations. Its extensive market reach spans across states in the South, West, East and North regions.

  The Company leverages the strong JSW Group brand, supported by targeted marketing initiatives, channel engagement programmes, and region-specific brand-building efforts, enhancing customer recall and market penetration across geographies.

- **Experienced leadership and execution-focussed management**

  JSW Cement, led by an experienced leadership and management team, is focussed on innovation, business growth, sustainability, and operational excellence. The Company continues to strengthen its market position by prioritising customer satisfaction and executing its growth strategy effectively.

  The management team plays a key role in driving growth, improving productivity and efficiency, and fostering a culture of innovation and accountability. JSW Cement also uses digital platforms, mobile solutions, and conversational commerce tools to enhance customer engagement, provide faster responses, and deliver a seamless customer experience.

BUSINESS STRATEGY

- **S1:** Create a pan-India footprint by setting up new plants in north and central India, supplemented by expansions in our current regions of operation.
- **S2:** Continue to deepen our presence in existing markets and grow our market share.
- **S3:** Continue to improve operational efficiency and implement cost reduction measures.
- **S4:** Continue to focus on sustainable development

Business Performance

Highlights of FY 2025-26

- Total Volume Sold 13.96 million tonne, up 10.6% YoY, Revenue increased by 12.0% YoY to ₹6,512 crore and operating EBITDA was ₹ 1,240 crore, up 43.5%
- The Company successfully completed its IPO on the NSE and BSE in August 2025
- Shiva Cement, the listed subsidiary of the Company, commissioned a 1.0 MTPA grinding unit located at Sambalpur, Odisha, thereby strengthening its market presence in eastern India
- The Company commenced commercial production at its greenfield integrated cement plant located at Nagaur, Rajasthan, its first facility in North India. This plant has a clinkerisation capacity of 3.30MTPA and an initial cement grinding capacity of 2.5MTPA. With this, the total clinkerisation capacity of the Company increases to 9.74MTPA, with grinding capacity of 24.1MTPA.

Way Forward

- In FY 2026-27, an additional 1.0 MTPA grinding unit at Nagaur, Rajasthan is expected to commence operations
- The Company plans to start expansion of the cement grinding unit at Vijayanagar, Karnataka from 6.0 MTPA to 8.0 MTPA, at Dolvi Maharashtra from 4.5 MTPA to 8.5 MTPA and at Nagaur, Rajasthan from 3.5 MTPA to 6.0 MTPA
- The Company has incorporated its 100% subsidiary JSW Cement Mideast LLC – SPC, which will be setting up a 1.65 MTPA cement grinding unit in UAE, which is expected to start commercial operation in FY 2027-28

FINANCIAL OVERVIEW

CONSOLIDATED

Highlight of FY 2025-26

₹ in crore

	FY 2025-26	FY 2024-25	Growth (%)
Revenue from operations	**6,512.46**	5,813.07	12.0
Operating EBITDA	**1,240.28**	864.18	43.5
EBITDA Margin (%)	**19.0%**	14.9%	-
Other Income	**152.40**	101.59	50.0
Depreciation & Amortisation	**322.24**	310.34	3.8
Finance Cost	**377.96**	450.15	(16.0)
Fair value loss arising from financial instruments designated as FVTPL (CCPS)	**-**	150.45	-
Profit before share of profit/(loss) from joint ventures and associate, exceptional items and tax (net)	**692.48**	54.83	1163.0
Share of profit/(loss) from joint ventures and associate (net)	**30.78**	(98.47)	-
Profit/(loss) before exceptional items and tax	**723.26**	(43.64)	-
Exceptional Items	**(1,504.48)**	-	-
Loss Before Tax	**(781.22)**	(43.64)	-
Tax Expense	**17.56**	120.12	(85.4)
Loss for the year	**(798.78)**	(163.76)	-
Other Comprehensive Loss	**(4.24)**	(1.06)	-
Total Comprehensive Loss	**(803.02)**	**(164.82)**	**-**
Adjusted Profit/(Loss) After Tax[(1)]	**667.60**	**(13.31)**	**-**

[(1)]Adjusted Profit After Tax = Profit After Tax plus Fair value expense from financial instruments (CCPS) designated as FVTPL

During FY 2025-26, the Company's revenue increased by 12.0% from ₹5,813.07 crore to ₹6,512.46 crore, mainly due to increase in volume.

The Company report an operating EBITDA of ₹ 1,240.28 crore, an increase of 43.5% YoY. EBITDA margin increased to 19.9% from 14.8% in the previous financial year. The Company registered Adjusted Profit After Tax of ₹667.60 crore.

Production and Sales

The Company has achieved a total production of 13.58 MT in FY 2025-26, recording a 9.7% YoY growth. Capacity utilisation during the year stood at 64%. During FY 2025-26, cement production increased by 8.6% to 7.79 MT, and GGBS production increased by 11.1% to 5.79 MT, while clinker production increased by 19.6% to 3.74 MT.

In FY 2025-26, the Company achieved its highest consolidated sales of 13.96 MT, an increase of 10.6% over the previous year. Cement sales stood at 7.73 MT, registering a 9.0% YoY growth, while GGBS sales stood at 5.78 MT, increasing by 11.6% YoY. Clinker sales was 0.45 MT, a growth of 25.0% YoY.

Revenue Analysis

(₹ in crore)

	FY 2025-26	FY 2024-25	Growth (%)
Total Manufactured Finished Goods	6,202.42	5,622.81	10.3
Traded	203.44	72.08	182.2
Other Services	0.10	0.14	(28.6)
Total Turnover	6,405.96	5,695.03	12.5
Govt. Incentive	19.76	30.08	(34.3)
Other Operating Income	86.74	87.96	(1.4)
Revenue from Operations	**6,512.46**	**5,813.07**	**12.0**

Total cement and GGBS sales volume grew by 10.1%, reaching 13.51 MT in FY 2025-26, outperforming the industry's YoY volume growth of 6% across JSW's key operating markets. Demand remained moderate during the initial part of FY 2025-26, with cement volumes registering a mid-single-digit growth. Demand momentum strengthened during Nov'25 and Dec'25 and continued through 4QFY26, driven by robust infrastructure and construction activity, resulting in industry volume growth of 7–8% during 4QFY26.

Cement demand in the southern region grew by ~6% YoY, supported by road and irrigation projects. The eastern region grew by ~4% YoY growth, while the western region recorded ~7% YoY growth, driven by urban infrastructure projects, expressways, and housing demand. The northern region is expected to grow at a CAGR of 7.0% to 8.0%, supported by infrastructure development and real estate activity across established and emerging markets.

Historically, cement prices have been influenced by demand-supply dynamics, capacity utilisation, input cost structures, and the degree of market consolidation. Pricing environment across JSW's represented markets showed marginal improvement during FY 2025-26. Southern region prices improved by 5% YoY on a lower base, while western region prices increased by 4% YoY; however, eastern region prices declined by 1% YoY.

Other Income

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Interest Income	63.86	45.41	40.6
Gain from sale/fair valuation of investments	55.85	-	-
Interest on Debentures	-	19.36	-
Others	32.69	36.82	(11.2)
Other Income	**152.40**	**101.59**	**50.0**

The other income has increased by 50.0% to ₹152.40 crore in FY 2025-26 from ₹101.59 crore in FY 2024-25, mainly due to an increase in Interest income earned on bank deposits/related party loans and one time gain from sale of investment.

Material Cost

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Cost of materials consumed, including purchase of traded goods and change in inventories	1,630.89	1,459.41	11.7

The Company's expenditure on material consumption increased by 11.7% from ₹1,459.41 crore in FY 2024-25 to ₹1,630.89 crore in FY 2025-26, primarily due to increase in scale of business

Employee Benefits Expense

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Employee remuneration	341.84	369.48	(7.5)

The employee benefits expense decreased by 7.5% from ₹369.48 crore in FY 2024-25 to ₹341.84 crore in FY 2025-26. The decrease is mainly due to reduction in the charge of ESOP expenses during the year.

Power and Fuel Cost

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Power and fuel	911.30	846.86	7.6

Power and fuel cost has increased by 7.6% from ₹846.86 crore in FY 2024-25 to ₹911.30 crore in FY 2025-26, mainly due to increase in volumes.

Freight and Handling Expenses

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Freight and handling expense	1,511.13	1,396.02	8.2

Freight and handling expenses increased by 8.2% from ₹1,396.02 crore in FY 2024-25 to ₹1,511.13 crore in FY 2025-26 mainly due to increase in volumes.

Manufacturing, Marketing, Administrative and Other Expenses

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Manufacturing & other expense	877.02	883.12	(0.7)

Manufacturing, marketing, administrative and other expenses decreased by 0.7% from ₹883.12 crore in FY 2024-25 to ₹877.02 crore in FY 2025-26. The decrease was primarily due to reduction in stores spares consumed, repair and maintenance expenses undertaken at plant locations and legal & professional fees incurred, offset by increase in job work expense due to increase in GGBS volume at Salem and increase in loss on foreign currency translation and transactions.

Finance Cost

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Finance Cost	377.96	450.15	(16.0)

Finance cost decreased by 16.0% from ₹450.15 crore in FY 2024-25 to ₹377.96 crore in FY 2025-26. The decrease is mainly due to reduction in average borrowing cost during the year and prepayment of term loans and repayment of short-term borrowings after the initial public offering of the company.

Depreciation and Amortisation Expenses

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Depreciation	322.24	310.34	3.8

Depreciation and amortisation expenses increased by 3.8% from ₹310.34 crore in FY 2024-25 to ₹322.24 crore in FY 2025-26. The increase was mainly due to the full year impact of depreciation for Vijayanagar 2 MTPA grinding unit project capitalised during previous financial year.

Exceptional Items

During 2025-26, the Company recorded Exceptional expense of ₹1,504.48 crore (FY 2024-25: Nil) on account of the following items:

- **Gratuity Expense:** The Government of India has implemented new labour codes during the financial year. As per the new labour code, the definition of wages includes basic pay and certain other allowances in the remuneration structure, resulting in an increase in gratuity for past service cost by ₹27.08 crore.

- **Expected credit loss on government securities:** The Revocation of West Bengal Incentives Schemes and Obligations in the nature of Grants and Incentives Act, 2025 (Revocation Act) which has annulled all grants sanctioned under various state incentive schemes from 1993 to 2021 which has been challenged by the Company. Based on the assessment and opinion from experts, the Company on conservative basis recognised additional charge of ₹11.02 crore for the expected delay in realisation of incentive.

- **Fair Valuation of financial instruments (CCPS) designated as FVTPL:** Pursuant to the Shareholders Agreements (SHA) between the Company and the investors of Compulsory convertible preference shares (CCPS), 160,000,000 number of CCPS have been converted into 235,662,477 number of equity shares of face value of ₹10 each at a premium of ₹132.75 per share and the resultant valuation difference of ₹1,466.38 crore between the said conversion value and its carrying value as on March 31, 2025, being significant for year ended March 31, 2026 has been disclosed as an Exceptional Item.

Tax Expense

The tax expense was ₹ 17.56 crore in FY 2025-26 compared to ₹ 120.12 crore in FY 2024-25.

Based on its assessment, the Company has decided to adopt the new tax regime from FY 2026-27. The re-measurement of deferred taxes at new tax rate of 25.17% (tax rate as per old regime is 34.94%) has resulted into reversal of deferred taxes liabilities (net) of ₹ 211.21 crore, bringing the effective tax rate for FY 2025-26 down to 2.56% (on the PBT adjusted for Fair value expense from financial instruments (CCPS))

Property, Plant and Equipment & Intangible Assets

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Tangible Assets	7,153.15	5,438.13	31.5
Capital Work-in-progress	957.53	1,024.69	(6.6)
Right of Use Assets	388.82	404.45	(3.9)
Goodwill	216.94	216.94	-
Intangible Assets	720.75	725.11	(0.6)
Intangible Assets under development	18.82	12.90	45.9
Total	**9,456.01**	**7,822.22**	**20.9**

The net block of property has increased by ₹ 1,633.79 crore primarily on account of an increase in Tangible Assets due to capitalisation of green-field integrated cement manufacturing of 2.5 MTPA cement grinding unit and 3.3 clinkerisation at Nagaur, Rajasthan and for purchase of land for Nagaur, Rajasthan and the proposed grinding unit at Punjab.

Investments

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Investments in joint ventures and associate	166.13	124.47	33.5
Other Investment (Non-Current & Current)	124.01	220.95	(43.9)
Total	**290.14**	**345.42**	**(16.0)**

The decrease in investment is mainly due to sale of investment of compulsorily convertible debentures in Algebra Endeavour Private Ltd and reduction in fair valuation on equity shares of JSW Energy Ltd.

Loans

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Short-term loans	212.28	297.07	(28.5)

The decrease is mainly due to repayment of loans by JSW Cement FZC.

Other Financial Assets

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Other non-current financial assets	492.01	451.98	8.9
Other current financial assets	95.33	132.27	(27.9)
Total	**587.34**	**584.25**	**0.5**

The increase in non-current financial assets is mainly due to an increase in bank deposits maintained as margin, security deposit provided, government grants receivables (net of expected credit loss of ₹ 11.02 crore).The reduction in current financial asset is mainly due to realisation of ₹ 39.59 crore towards Incentive from Andhra Pradesh government in relation to Nandyal plant during the year.

Other Assets

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Other non-current assets	1,234.35	899.45	37.2
Other current assets	609.63	560.07	8.8
Total	**1,843.98**	**1,459.52**	**26.3**

The increase is other assets is mainly due to increase in advances given for capital expenditure and GST input credits for Nagaur Project location, offset by reduction in advance given to operational vendors.

Inventories

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Raw materials	166.93	95.92	74.0
Work-in-progress	54.06	37.93	42.5
Finished goods	76.51	62.75	21.9
Traded goods	3.29	0.87	278.2
Stores and spares	185.21	179.94	2.9
Fuel	115.78	51.07	126.7
Total	**601.78**	**428.48**	**40.4**

The increase is inventories is mainly due to increase in raw material, finished goods and work-in-progress, after commencement of new manufacturing location at Nagaur, Rajasthan. The increase in fuel inventory is mainly due to coal procured towards the end of the financial year

Trade Receivables

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Total Debtors	875.95	801.52	9.3
Less Provision for Doubtful debts	22.18	19.68	12.7
Total receivables	**853.77**	**781.84**	**9.2**

As of March 31, 2026, the average collection period for debtors stood at 46 days, compared to 49 days as of March 31, 2025.

Cash and Bank Balances

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Cash and Cash Equivalent	446.95	65.05	587.1
Bank & Bank Balances	52.79	58.47	(9.7)
Total	**499.74**	**123.52**	**304.6**

During FY 2025-26, the cash and bank balance has increased by ₹ 376.22 crore mainly due to unutilised IPO proceeds maintained in deposits.

Borrowings

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Long-term Borrowings (including current maturity of long-term borrowings)	3,922.72	3,988,52	(1.7)
Compulsory convertible preference shares	-	1,897.71	-
Short-term Borrowings (excluding current maturity of long-term borrowings)	158.89	280.32	(43.3)
Total	**4,081.61**	**6,166.55**	**(33.8)**

Long-term borrowing has decreased due to prepayment of Long-term borrowings and short-term working capital loans of ₹ 520.00 crore from the proceeds of IPO and conversion of compulsorily convertible preference shares into equity, offset by fresh drawal of long-term borrowing of ₹ 747 crore for new greenfield project at Nagaur, Rajasthan

Trade Payables

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Trade payables	922.37	895.26	3.0
Acceptances	516.68	342.32	50.9
Total	**1,439.05**	**1,237.58**	**16.3**

During FY 2025-26, the Trade payable and acceptances have increased by 16.3% to 1,439.05 crore. The average payable days have increased to 92 days in FY 2025-26 compared to 90 days in the previous financial year.

Other Financial Liabilities

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Other current financial liability	1,370.09	1,125.59	21.7
Lease liabilities (current/non-current liabilities)	382.78	395.98	(3.3)
Other non-current financial liability	8.78	12.33	(28.8)
Total	**1,761.65**	**1,533.90**	**14.8**

The increase in other financial liabilities is mainly due to an increase in capital project vendors payables, Del credre finance on sales made and security deposits received from customers and transport vendors.

Provisions and other non-financial liabilities

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Provisions	101.31	96.01	5.5
Current liabilities	119.41	137.90	(13.4)
Total	**220.72**	**233.91**	**(5.6)**

The increase in provisions and other non-financial liabilities is mainly due to increase in provision for mines restoration expense and employee benefits.

Key Financial Ratios

Particulars	FY 2025-26	FY 2024-25	Growth (%)
Debtors Turnover (No. of days)	46	49	-7%
Inventory Turnover (No. of days)	52	49	6%
Interest Coverage Ratio (No. of times)	2.83	1.12	152%
Current Ratio	0.72	0.65	12%
Debt Equity Ratio	0.63	2.60	-76%
Operating EBITDA Margin (%)	19.04%	14.87%	28%
Net Profit Margin (%)	-11.98%	-2.77%	–

- Debtors Turnover (Days) is a key metric used to assess a company's efficiency in collecting outstanding receivables from its customers. It measures how effectively the company manages and utilises the credit extended to customers. The ratio is calculated by dividing the average trade receivables by the average daily revenue
- Inventory Turnover (Days) measures the average number of days a company holds inventory before it is sold. This ratio provides insight into the efficiency of inventory management. It is calculated by dividing the average inventory by the cost of goods sold per day
- The Interest Coverage Ratio measures a company's ability to meet its interest obligations using its operating earnings. It is calculated by dividing Earnings before Interest and Taxes (EBIT) by finance costs. A higher ratio indicates a stronger capacity to service debt obligations. The increase in this ratio is primarily driven by higher EBIT and a reduction in borrowings, which resulted in lower interest expenses
- The Current Ratio is a key liquidity measure that evaluates a company's ability to meet its short-term obligations and liabilities due within one year. It is calculated by dividing current assets by current liabilities
- The Debt-Equity Ratio is a key measure of a company's financial leverage and indicates the extent to which its operations are financed through debt as opposed to shareholders' funds. It is calculated by dividing total debt by shareholders' equity. The significant change in the Debt-Equity Ratio during the current year was primarily driven by capital infusion, the conversion of Compulsorily Convertible Preference Shares (CCPS) into equity, and the repayment of borrowings following the Company's listing on the stock exchange. These factors strengthened the Company's equity base while reducing its debt levels
- Operating Profit Margin (%) is a key profitability ratio that measures the percentage of revenue generated as operating profit from a company's core business activities. It is calculated by dividing Operating EBITDA by Revenue from Operations. The increase in this ratio during the year was primarily attributable to the growth in Operating EBITDA
- Net Profit Margin (%) is the net income or profit a company generates as a percentage of its revenue. It is calculated by dividing the profit for the year by the turnover. The Company's Net Profit Margin decreased by 333% primarily due to the recognition of an exceptional expense related to CCPS

Capital Employed

The Total Tangible capital employed increased by 21.7% from ₹ 7,852 crore as on March 31, 2025, to ₹ 9,559 crore as on March 31, 2026. The Company's average return on capital employed stood at 9.60% vis-à-vis 7.05% in FY 2024-25.

Own Funds

Net worth increased from ₹ 2,372.35 crore as on March 31, 2025, to ₹ 6,527.85 crore as on March 31, 2026. The book value per share was ₹ 53.64 as on March 31, 2026, as against ₹ 23.85 as on March 31, 2025.

Dividend

The Board of Directors have recommended a dividend of ₹ 0.50 (fifty paise only) per share of ₹ 10 each for the year ended March 31, 2026 subject to approval of the members of the ensuing Annual General Meeting.

The consolidated financial statements reflect the performance of its subsidiaries, joint ventures, and associates as listed below:

Subsidiaries:

- Shiva Cement Limited
- Utkarsh Transport Private Limited
- JSW Green Cement Private Limited
- Cemterra Enterprise Private Limited
- JSW Cement Mideast LLC - SPC (with effect from March 24, 2026)

Joint Ventures:

- JSW One Platforms Limited
- JSW Cement FZC, Fujairah, UAE

Associates:

- JSW Renewable Energy (Cement) Limited

BUSINESS OUTLOOK

JSW Cement is advancing its vision to become one of India's top five cement companies through expansion of its manufacturing footprint along , with a clear focus on enhanced operational efficiency and sustainability. The Company's vision is to reach a capacity of 60 MTPA.

JSW Cement recently commenced commercial operations at its greenfield plant in Nagaur, Rajasthan, which marked its entry into the attractive markets in North India. The Company has plans to enhance the grinding capacity at Nagaur as well as develop a split grinding unit in Punjab to serve these high-demand regions more efficiently. The Company also plans to enhance the grinding capacity at its Vijayanagar and Dolvi units and set up a grinding unit in Fujairah, UAE. Going forward, JSW Cement also has plans to set up a greenfield integrated project at Hatta, Madhya Pradesh, supported by split grinding units in Uttar Pradesh.

JSW Cement is focussed on improving utilisation at its plants, while maintaining cost competitiveness through increasing use of alternative fuels. The Company is also increasing its renewable energy footprint via solar and wind power capacities across various plant locations. JSW Cement remains well-positioned to deliver long-term growth and strengthen its leadership in sustainable, low-cost cement manufacturing. The Company is committed to building a future-ready business aligned with environmental responsibility and market needs.

RISKS AND MITIGATION STRATEGIES

JSW Cement adheres to a structured and standardised Risk Management Process aligned with the JSW Group's enterprise-wide risk management practices, enabling effective identification, assessment and mitigation of risks.

The Company has a comprehensive Risk Management Policy in accordance with the Companies Act, 2013, which supports sustainable business growth and reinforces strong corporate governance. Recognising that both internal and external risks evolve with changing business and operating environment, JSW Cement has developed risk plans for all identified risks, outlining mitigation actions, target timelines and assigned responsibilities.

The Company's Risk Management Committee is responsible for monitoring and reviewing these plans to ensure their effectiveness and implementation. The Company ensures that the Committee meets every six months to assess key strategic and operational risks, identify emerging risks and evaluate the progress of mitigation measures. JSW Cement remains committed to anticipating risks, strengthening controls and embedding risk awareness across operations, thereby safeguarding business continuity and long-term value creation.

HUMAN RESOURCE

JSW Cement fosters a people-centric and performance-driven work culture, embedded with safety, inclusivity and continuous learning. The Company has a well-structured HR policy that promotes employee well-being, professional growth, and alignment of individual aspirations with organisational goals.

The Company emphasises talent acquisition and leadership development initiatives to build a future-ready workforce and nurture future leaders across functional and operational domains. A structured trainee development programme has been curated to provide on-the-job training, enabling trainees to transition into independent roles with confidence.

JSW Cement continues to strengthen workforce diversity by actively recruiting female graduate candidates and fostering an inclusive work environment. In addition, regular technical and functional training programmes are conducted at manufacturing locations to enhance employee capability, productivity and operational excellence.

Workplace safety remains a core organisational priority for JSW Cement by promoting a strong safety culture through proactive engagement, training, and recognition of employees who consistently follow best safety practices. The Company conducts daily defensive driving training for drivers through dedicated Road and Rail Safety Subcommittees across its plants, reinforcing its commitment to zero-harm operations.

Workplace safety remains a core organisational priority across all locations, with a strong emphasis on promoting a culture of safety through regular training programmes and recognition of employees who adhere to best safety practices.

Through progressive HR policies, continuous capability building, and strong employee engagement, JSW Cement drives its objectives of growth, agility and efficiency. The Company ensures ongoing alignment between employee performance and organisational priorities while maintaining harmonious employee relations across all locations, thereby strengthening its human capital and supporting sustainable long-term business performance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

JSW Cement integrates sustainability principles into its business strategy, with a strong focus on environmental stewardship, responsible operations and inclusive growth. The Company proactively invests in circular economy practices and decarbonisation initiatives to build a sustainable and environmentally conscious society.

As a member of the Global Cement and Concrete Association (GCCA), JSW Cement is committed to achieving Net Zero concrete emissions by 2050. To achieve the emission target, the Company is advancing its decarbonisation efforts through higher clinker substitution, increased use of alternative fuels and raw materials, and expansion of its clean energy portfolio, including solar power, waste heat recovery systems (WHRS) and other renewable energy sources.

Our near-term CO_2 reduction targets validated by the Science Based Targets initiative (SBTi) reinforce a science-aligned climate pathway. The Company has set a target of achieving 'No Net Loss' of biodiversity by 2030 across its operations.

JSW Cement embeds sustainability across its operations and facilities through stringent air quality management, adoption of reduce–reuse–recycle practices, responsible handling of hazardous and non-hazardous waste, and strict control to prevent wastewater discharge beyond its facilities. The Company also strengthens social sustainability by engaging its employees through initiatives such as family meets, outbound sessions, talent hunts, team gatherings, and Founder's Day celebrations.

INTERNAL CONTROLS

JSW Cement has developed a robust internal control framework commensurate with the size, complexity, and nature of its operations. The framework is designed to ensure strong and effective governance, regulatory compliance, asset protection, and reliable financial and operational reporting. The Company has implemented a robust Management Information System to facilitate accurate accounting, timely disclosures, fraud prevention and effective decision-making.

JSW Cement evaluate the internal control framework at regular intervals and enhances standard operating procedures and control mechanisms as required. The Company ensures that internal auditors assess the system's effectiveness while management strengthens controls by adopting industry best practices. Key audit findings, along with remedial measures, are placed before the Audit Committee, which provides active oversight and guidance on strengthening control effectiveness.

To maintain independence and objectivity, the internal audit function reports directly to the Chairman of the Audit Committee to ensure unbiased assessment and accountability. The Company remains committed to keeping its internal controls robust, effective and adaptable to the evolving business needs.

CAUTION STATEMENT

The narrative in this Management Discussion and Analysis contains forward-looking statements, including, but not limited to, statements relating to the implementation of strategic initiatives, future business developments and economic performance. While these forward-looking statements reflect our assessment and future expectations concerning the development of our business, numerous risks, uncertainties, and other unknown factors could cause actual results to differ materially from those expressed or implied.

These factors include, but are not limited to, general market conditions, macroeconomic developments, governmental and regulatory changes, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial condition of third parties with whom we deal, legislative developments, and other key factors that could affect our business and financial performance.

JSW Cement undertakes no obligation to publicly revise or update any forward-looking statements to reflect future or likely events or circumstances.