



Responsibility to Happiness

Colours of Togetherness

Corporate Sustainability Report

2016-2018



JK LAKSHMI 
C E M E N T L t d .

Integrated Manufacturing Unit, **Sirohi**, Rajasthan
Integrated Manufacturing Unit, **Durg**, Chhattisgarh
Grinding Unit, **Kalol**, Gujarat | Grinding Unit, **Jhajjar**, Haryana
Grinding Unit, **Surat**, Gujarat











Integrated Cement Manufacturing Unit
Durg, Chhattisgarh, India



Standalone Grinding Unit
Surat, Gujarat, India

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Bharat Hari Singhania
Chairman and Managing Director

“Sustainability for JK Lakshmi is not a finite state to achieve but rather a strategic and dynamic opportunity to respond daily and progressively, and move beyond basic responsibilities whilst balancing business, environment, and people.”

Chairman's message

*Happiness is when what you think, what you say,
and what you do are in harmony.*
M.K. Gandhi

Responsibility to Happiness

It gives me great pleasure to present the 2nd Sustainability Report of your company. This is a proactive disclosure and conforms to the Global Reporting Initiative (GRI) Standards. The theme for the said reporting years is "Responsibility to Happiness" which for me signifies delivering happiness by operating responsibly, and committing at the highest level to the society and environment. It is sustainability as a value that holds us together.

Sustainability for JK Lakshmi is not a finite state to achieve but rather a strategic and dynamic opportunity to respond daily and progressively, and move beyond basic responsibilities whilst balancing business, environment, and people.

The company strives continuously in all its business and social aspects and reaffirms that they are aligned to the United Nation's Sustainable Development Goals (SDGs) in a meaningful way.

I must speak of Climate Change that seems to be surpassing all global challenges. Climate Change is a concern and is one of the 17 SDGs—SDG 13: Climate Action. We are seriously putting our best effort to address climate change. JK Lakshmi stands among the best in terms of energy conservation and mitigating carbon emissions, through the adoption of renewable alternatives and utilizing waste heat to prevent sourcing of conventional resource-based power.

It is well known that cement industry is resource intensive, both in terms of raw materials and fuel. JK Lakshmi is responsibly conscious of this fact and in its manufacturing practices finite resources are highly valued and are utilized efficiently with help of technology and innovative skills of experienced engineers and leaders. Indian cement industry is considered to be one of the lowest energy consuming industry, when compared to the other cement industries of the world.

The unbeaten market position of JK Lakshmi today is backed by the mettle of its employees, innovation in product lines, technology and our core values—operating with integrity, including intellectual honesty, openness, fairness and trust; commitment to excellence and caring for people. The company's journey of growth has been nurtured by cultivating a progressive relationship with community and other stakeholders, through various engagement initiatives.

Health and safety of every employee is of top most priority for us. I am happy to say that we have achieved the target of ZERO FATALITY for the said reporting years.

“The company's journey of growth has been nurtured by cultivating a progressive relationship with community and other stakeholders, through various engagement initiatives.”



I am pleased with the progress made in the years 2016-2018 where capacity has scaled up with the addition of a new facility at Surat, Gujarat, to meet the demands of the market, and achieve an increased capacity utilization higher than the industrial average.

The manufacturing world is speaking of Industry 4.0 which creates, what has been called, a "smart factory" over the Internet of Things. The Indian cement industry will transform and the company will foster in-house innovations and take up automation to deliver superior quality products and add speed and efficiency to the system, while maintaining inclusive growth.

Acknowledging the wave of policy and regulatory reforms that the country is witnessing from time to time, the company will strive to sustain along. The company takes pride in contributing to physical infrastructure assets and contributes to the prosperity of people and competitive capacity of the country.

Being part of the responsible parent JK Organisation, JK Lakshmi Cement has ingrained values linked to roots of rich Indian culture that practices the cautious and colourful way of living, whether it be resources, values or conducting business. We acknowledge and abide, today and ever that the future demands a way of business that embraces ideas and innovations without dogma but with idealism and purpose. The focus will be on creating value as a successful enterprise.

Sustainability is a challenge-laden journey but a fulfilling one. We find it coherent with our core/ foundational values. It has created a new paradigm of responsible competitiveness which has made JKLCL's journey worthwhile for the company and all its stakeholders. I assure all the stakeholders once again that we will keep our practices best for people, planet, profit and create new business models and invest in technologies that deliver positive impact on sustainable development.

Bharat Hari Singhania

Chairman and Managing Director





Vinita Singhania
Vice- Chair Person and Managing Director

“Our vision for continued growth, rather I must say sustainable growth is focused on the empowerment of society and people surrounding our multiple footprints across different states. Essentially, we believe in responsible growth that encompasses our society and the environment.”

Vice-Chair Person's message

न कश्चिदपि जानाति किं कस्य श्वो भविष्यति ।
अतः श्वः करणीयानि कुर्यादद्वैव बुद्धिमान् ॥

“No one knows what will happen tomorrow. So,
wise people do today what should be done tomorrow”

The Bhagwad Gita

It is a pleasure to reach out to you all with JK Lakshmi Cement Ltd.'s 2nd Sustainability Report. Being responsible today and fulfilling it happily to the best of our abilities has been JK Lakshmi's strategy of sustainable performance and that is why we chose the theme “Responsibility to Happiness” to report our performance in the years 2016-18.

JK Lakshmi started its journey of reporting on multiple dimensions of sustainability with the previous report, with the theme “Colours of togetherness”, that signifies a long-enduring relationship the company has with its stakeholders. Being one of the fastest growing economies, India today stands at a position where growth and development are being achieved through an enormous push for innovation and agility, along with sustainability. The company's vision matches with this paradigm of the nation.

The new grinding unit at Surat, Gujarat, has started production in the year 2016-17 and is considered as one of the greenest cement grinding units of the Indian Cement Industry, considering its construction and operations. The young workforce, along with experienced leaders, have paved way for growing progressively by synchronizing interests of stakeholders, in true and transparent manner for realising our vision of sustainability.

Our vision for continued growth, rather I must say sustainable growth is focused on the empowerment of society and people surrounding our multiple footprints across different states. Essentially, we believe in responsible growth that encompasses our society and the environment.

More than 1400 women benefitted from the various skill development initiatives towards empowerment of women. We are proud of our programmes – Self Help Groups at Sirohi and Jhajjar; Mor Sangwari (मोर संगवारी) at Durg Vama Lakshmi (वामा लक्ष्मी) at Kalol and Surat, and – that are focused on providing training courses that women themselves have expressed interest for. The skill development initiatives at unit Jhajjar was recognized and awarded CSR Fame Gold Award for Livelihood Creation 2017. Our CSR intervention in Sirohi has been recognized with “CSR Excellence Award 2018” under Health category from the Government of Rajasthan.

Some of our other programmes and interventions include education, healthcare, support to needy, infrastructure development and etc. Our teams conducted more than 700 health checkup camps during the reporting years which benefitted more than 23,000 people.

Being a woman and leading the tough floor job, I am glad to say that, with our continuous efforts to work for gender diversity, we have attracted skilled women at our manufacturing plants sites. It is a delight to see them contributing, in no lesser terms than others, in hardcore operation in the process floors of our various units.



“People are one of the pillars of JK Organisation. As a core value, we believe and celebrate a healthy and long-lasting association with our employees and all our other stakeholders. It is this belongingness with people and their businesses that gives us the edge to have the strongest hold on the market.”



The government's decision, in the midst of the FY 2016-17 to implement demonetization with the objective to curb corruption, shook the ground for many. It was our duty to support government's drive in its Digital India campaign. The permanent employees from all the units came forward to raise awareness and educate workers on digital payments and transactions. I believe this is where lies the ingrained sense of sustainability in the company's DNA.

With rising concerns about Climate Change and compliance, we follow a proactive approach towards maintaining cleaner footprints through harnessing renewable energy and promoting innovations and technology infusions.

People are one of the pillars of JK Organisation. As a core value, we believe and celebrate a healthy and long-lasting association with our employees and all our other stakeholders. It is this belongingness with people and their businesses that gives us the edge to have the strongest hold on the market.

Our talented pool of workforce thrives on the aspects of learning and developing skills, through training and exposure to latest technology platforms, which further encourages the young minds and experienced leaders to innovate, integrate and motivate.

I am confident that our responsibility to nature, service to community and relationship with stakeholders, and value for employees is what brings happiness and give us a will to grow on the sustainable path of growth, today and ever, and make the nation proud.

Vinita Singhania

Vice- Chair Person and Managing Director



S.K Wali
Whole-time Director

“Man and machine make up a unit setting a work process in motion—the machine being a tool representing a sort of extension of one's own arm and thought. At JK Lakshmi, we believe in developing competencies of our workforce, by powering their ideas to be leaders in manufacturing and business world.”

Innovations to Future

The new face of the world today, is innovation! I am sure you will agree with me as it is being taken up at a fast pace and is a key enabler of tomorrow's existence. JK Lakshmi Cement Ltd. has been positioning itself ahead of the curve by espousing innovation while inculcating a sustainable approach to its business. It is a matter of great honor to present the Sustainability journey by proactively practicing both innovation and sustainability.

When I talk of innovation, it covers all forms of possibilities associated with our business prospects. "Technological Sustainability" is a key dimension to our manufacturing approach and it is achieved through kindling ideas of sparking minds. Today, the world of manufacturing has actually turned into a battlefield of innovation for advancing technology and automation, where employee-warriors are taking the lead with their ideas. Besides, competitive nature of the market has led to the need of low-cost automation, especially in the cement sector, with growth being backed by reducing production costs. For the company it is a transformation achieved through numerous in-house low-cost innovations and technology absorption projects done on the shop floors.

Man and machine make up a unit setting a work process in motion—the machine being a tool representing a sort of extension of one's own arm and thought. At JK Lakshmi, we believe in developing competencies of our workforce, by powering their ideas to be leaders in manufacturing and business world.

JK Lakshmi strives to go beyond compliance. I feel proud to share that it is the first company in the Indian Cement Industry to successfully install and commission Selective Non-reactive Catalytic Reaction (SNCR) technology at Kiln-I at our Sirohi Unit for abatement of NO_x emissions, even though it is a capital intensive and challenging project.

Our Units are excelling and delivering some of the best results in PAT Cycle and have achieved 38987 ESCerts. Further, we are committed to achieve energy efficiency through various innovative projects like installation of MFTR in Kiln I&2 to reduce dust emission; reduction in VRM fan-power consumption by installation of Aerofoil- design Louver Ring in VRM-3. Moreover, our innovative project of Hot Air Recirculation has helped us to generate 9500 Units/Day at the Sirohi Plant.

Honouring the country's commitment of nationally determined contributions (NDCs) to reduce carbon emissions under the UNFCCC Paris Agreement, the company has installed Solar Power plants (both surface and rooftop) with a capacity of 2.4 MW at Surat Grinding Unit and a total of 1.6 MW in Sirohi, Kalol and Jhajjar Units, in addition to its 6 MW Solar Power plant at Phalodi, Jodhpur. This has helped the company not only to meet a share of its electricity requirements but also reduce its carbon footprint.

Health and safety of the workforce and stakeholders is a topmost priority for JK Lakshmi. The units at Kalol and Surat have been installed with Automatic Truck Loaders and Auto Bag placers to keep away workers from dust zone areas, ensuring a healthier environment, regardless of its economic viability. At Sirohi, a mobile app integrated with IOT, for safety and health has been developed in-house towards strengthening the reporting. The Unit has won the most prestigious International safety award for two consecutive FYs 2016-17 & 2017-18, awarded by British Safety Council.

JK Lakshmi's Corporate Social Responsibility programmes may be seen as an engagement with society to make it a part of our journey of growth and development. We grow while we empower the communities we work with. This contributes to the nation's development agenda and contributes to achieving the Sustainable Development Goals (SDGs).

This Sustainability Report is a memoir of how lightly we tread on this planet in the reporting year which has been possible because of our foundational values and culture. I believe you will enjoy reading it.

S.K Wali

Whole-time Director





Shailendra Chouksey
Whole-time Director

“The company thrives by taking risks and is committed to transform them into opportunities, which come with limitless chances to learn, innovate, implement and grow. The pillars of sustainability are concerns of our business practice.”

"Happiness is a how, not a what; a talent, not an object."

Hermann Hesse

Responsibility to Happy Markets & Customers

We live in the world, that our ancestors inherited and now we have, and it is our responsibility to leave it habitable for our children and generations ahead. To abide this promise, a sound and sustainable strategy is the solution in a world that is transforming at a fast pace. At JK Lakshmi, we acknowledge that our responsibility is a commitment what we follow to elevate the Indian Cement Sector, and value the market and our customers. Our happiness lies in working towards the satisfaction of our customer and meeting demand with superior quality products. Our expanding footprints across the nation are possible by virtue of meeting expectations of markets, today and in the future.

The demand for cement in the year remained dynamic due to government's policy and tax reforms that influenced the infrastructure market and decisions of the customers. The company thrives by taking risks and is committed to transform them into opportunities, which come with limitless chances to learn, innovate, implement and grow. The pillars of sustainability are concerns of our business practices and are covering our entire value chain.

We share our vision and achievements as a reputed company with our stakeholders whom we value ever. In the financial years 2016-18, the Indian Cement industry went through struggles, pegging growth in the sector to 6%, yet JK Lakshmi has grown to a capacity utilization 15% better than industry average for FY 2017-18. Moving along with the government's plans to develop infrastructure, smart cities and housing the company has scaled up its capacity to 13.30 Mn MT including our upcoming Grinding Unit in Orissa with a capacity of 0.8 Mn MT which is expected to be commissioned in the FY 2018-19.

Our endeavor lies in reaching out to our customers in urban areas and more so to the rural ones that are undergoing a wave of development requiring much infrastructure.

The cement sector has been kept under the 28% tax slab of the Goods and Service Tax (GST), which is less than the total 31% of earlier cumulative tax. But its impact was not felt much in terms of growing demand. However, there have been other indirect benefits like reduction in time wastage at check posts and turnaround time.

Our thought process and efforts lies in gaining profitability with responsibility for an equal benefit of all our valued stakeholders with whom the Company share a growing trust and confidence, making us the first choice in the market. Our penetration into rural markets has increased and covers a large parts of the country.

We emphasize on sharing our growth journey with our customers where we educate them on our latest and environmentally efficient products, new building technologies, and masonry skills.

Our green manufacturing practices back the success of our products in markets. Our manufacturing units are creating benchmarks in Energy Efficiency, Water Stewardship, GHG and related emissions, Resource Conservation, Health and safety, Green procurement and Logistics, to name some. JK Lakshmi won Best Energy Practice Exhibitor Award for the years 2016 and 2017, given by Bureau of Energy Efficiency (BEE) for modeling some best energy conservation projects in the Industry.

We look forward to opportunities emerging in the horizons in various space of schemes and programmes launched by the government, for example, the Pradhan Mantri Awas Yojna for rural housing.

I believe this Report will justify our efforts of delivering our best to the stakeholders on our culture of sustainability and its reporting.

Shailendra Chouksey

Whole-time Director





Vision Mission and Values

Mission

Values

Vision

“ To be a profitably growing, innovative & caring company and to become a significant player in the operating market and be amongst the top 10 in the Indian Cement Market ”



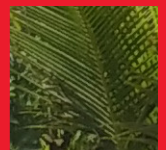
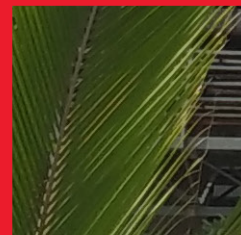
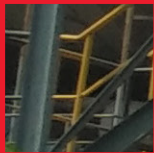
Dynamic & successful business organization



A socially valued enterprise



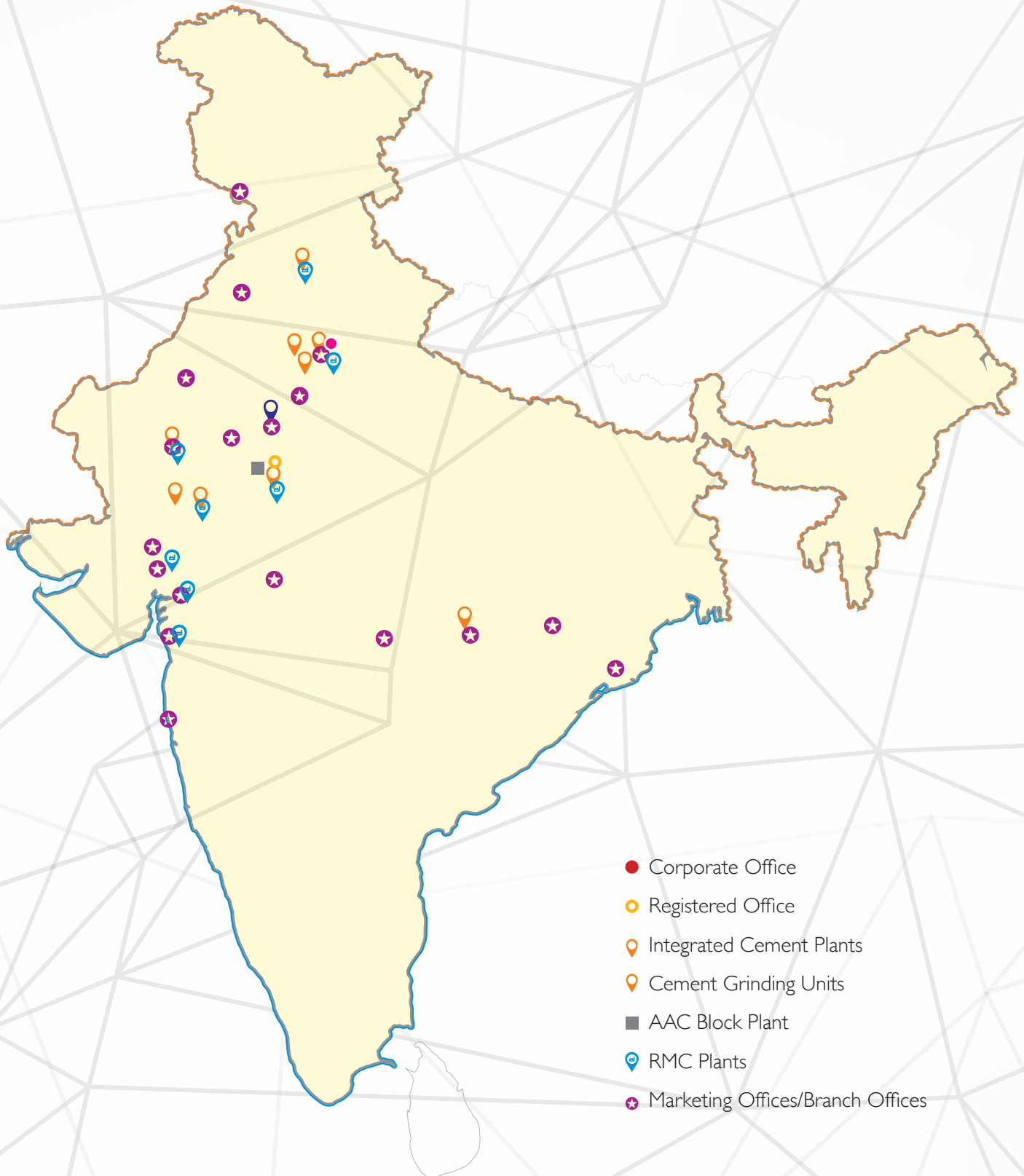
Business integrity





Colours of JK Lakshmi 

Find us here



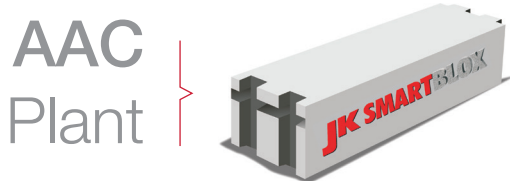
At a Glance

Grey is a timeless and practical colour and cement as a commodity brings spaces to life and represents the colour of development that has revolutionized the world since ages.

JK Lakshmi Cement Ltd. is a leading cement manufacturing Company that has come into existence in the year 1982, in Sirohi District in the state of Rajasthan in India. It all began with a cement manufacturing capacity of 0.5 Million Tonnes Per Annum (MTPA).



JK Lakshmi Cement has emerged as an eminent brand through its product quality backed by hard work and tireless efforts of its people. Today, it has an enviable position with a total installed cement manufacturing capacity of 11 million tonnes per annum which includes the recently added 1.35 million tonnes capacity through a new standalone cement grinding facility at Surat, Gujarat in the FY 2016-17. In addition to cement manufacturing, the Company has an Autoclaved Aerated Concrete Blocks (AAC) Plant with a capacity of 500 m³ within the premises of the standalone cement grinding Unit at Jhajjar, Haryana. The Company has 14 Ready Mix Concrete plants in different locations across India.



Corporate Office
4th Floor, Nehru House
4 Bahadur Shah Zafar Marg
New Delhi, I 10002

Registered Office
Jaykaypuram,
District Sirohi
Rajasthan, 307091

The Company produces and sells multiple variants of cement with different brand names that are provided to the customers in packed bags and as loose in closed bulkers. The value-added, environment-friendly product AAC block is made available under the brand name JK Lakshmi Smartblox. At present, JK Lakshmi operates in four states catering to the demand of Indian markets. Establishment of 0.8 MTPA standalone grinding unit is under progress in state of Orissa and the project is expected to be commissioned in FY 18-19. JK Lakshmi is exploring opportunities in the overseas market too. The Company caters to a large customer base mostly in North, East, West and Central regions of India.

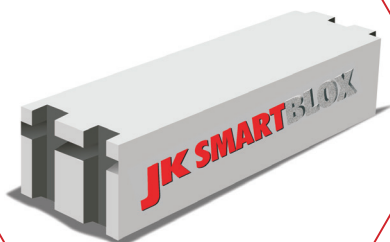
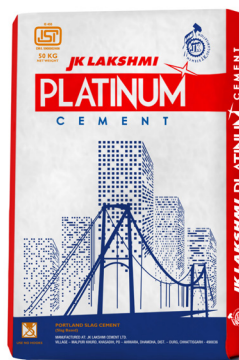
GRI 102-6

The Company strives to reach customers both in urban areas and, distant and remote villages, of the country. The Company has an employee number of more than 4000 at the operation sites, corporate and marketing offices. They are partners and form the backbone in the journey of JK Lakshmi's growth and development.

GRI 102-7



JK Lakshmi Product Profile



JK Lakshmi's growth and expansion strategy lies in contributing to nation's development significantly, for which it has marked potential locations for future establishments. There have been no changes, whatsoever, in locations for any existing operations, in the nature of business and in the supply chain. A new operational cement grinding facility was added in FY 2016-17 at Surat, Gujarat, thereby, maintaining a consistent and fruitful cycle of retaining value. (GRI102-10).

87% in FY 2016-17 and 93% in FY 2017-18 of A Class Suppliers/Vendors are local and the company holds a strong system for sound and efficient procurement of materials. More details are given on pages 87-89. (GRI102-9)

JK Lakshmi Cement Ltd. is a public limited Company listed on National Stock Exchange (NSE) & Bombay Stock Exchange (BSE) of India. As of 31st March 2018, the Company has four subsidiaries. For details please refer the Company's Annual Report for FYs 2016-17 and 2017-18. See QR code on pg. 112. (GRI102-5,45)

The Company endorses, non-bindingly, to various aspects and initiatives of sustainable development, which are adopted and formulated both nationally and internationally. Some of these include the Sustainable Development Goals (SDGs), Global Reporting Initiative (GRI) and Corporate Social Responsibility (CSR). (GRI102-12)

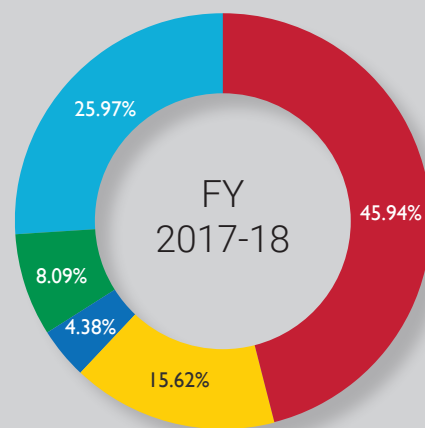
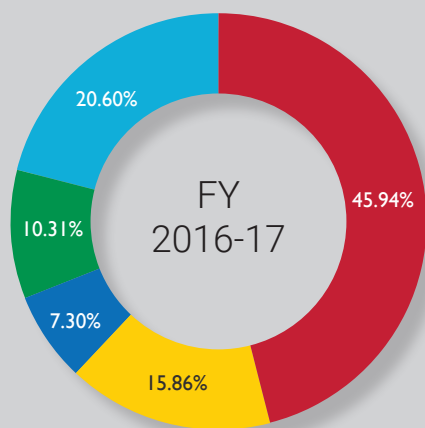
The Company holds membership of the following associations

- Cement Manufacturer Association (CMA)
- PHD Chambers of Commerce and Industry
- Rajasthan Chamber of Commerce
- Udaipur Chamber of Commerce
- Federation of Indian Mineral Industries
- Federation of Mining Association of Rajasthan.
- National Council for Cement and Building Materials (NCBM) (GRI102-13)

This enables the Company to participate and contribute in policymaking on aspects like energy efficiency, emissions, environmental standards, renewable energy, waste heat recovery and so on. The Company is neither associated with nor favours any political party, and no form of direct or indirect contributions were made to any of the parties. (GRI 415-1)

JK Lakshmi has started reporting on Business Responsibility Reporting (BRR) as required by Securities and Exchange Board of India (SEBI), and it is part of the Annual Report 2016-17 and 2017-18. The Unit at Kalol is CII-Green Co Certified for sustaining 10 diverse dimensions of sustainability and the Unit in Jhajar is CII-Green Pro Certified for the value-added product—Autoclaved Aerated Concrete (AAC) Blocks.

Shareholding Pattern



Promoters



Mutual Funds/UTI



Insurance Companies/Banks/ FI Central Govt./ State Govt.



FII



Non-Institutional Bodies, Corporation & Individuals



Recognition and Awards



Excellence in Supply Management Award 2016



Mines 5 Star Rating



Great Place to work 2018



Construction Woman of the Year Award 2016



Lakshmi Singhania-IIM Lucknow National Leadership Award



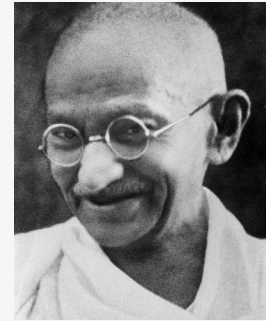
BEE Best Energy Practice Exhibitor Award 2016



Satisfaction lies in the effort,
not in the attainment,
full effort is the full victory

Mahatma Gandhi

संतोष प्रयास में है,
प्राप्ति में नहीं,
पूर्ण प्रयास पूर्ण विजय है



Being a serviceman of the company and as an Incharge to report Sustainability of JK Lakshmi Cement Ltd, when I look at myself, people and the environment around me, I feel anxious and ask myself one simple question, which according to me, all of us should ask ourselves first,

Am I Responsibly Happy?

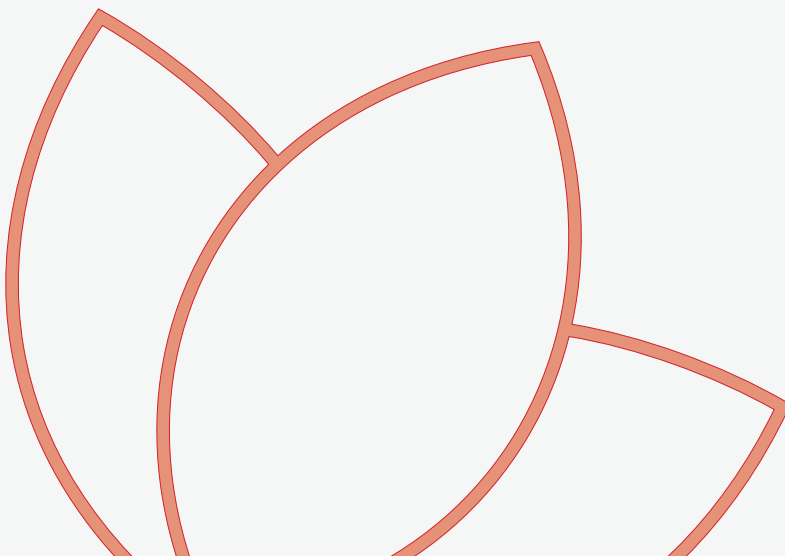
The reflection takes me to the derivative theme of our 2nd Sustainability Report—**Responsibility to Happiness**. At JK Lakshmi, we are driven towards a path of happiness gained from fulfilling our responsibility towards our Stakeholders, Environment, and most importantly, the future. As a company, we may not be the sole entity to deliver sustainable growth for the country, but we see ourselves as enablers with a strong intention and achieve it in implementation through hard work.

Our motivation is a distinct results of our constant interventions in aspects of fair governance, community welfare, technological innovation, stakeholder interaction and caring for mother nature. JK Lakshmi stands tall on its cultural ethics and practices, and has taught us to cherish responsibility wholeheartedly in a manner that whatever we do, little or big, we put all our efforts and kind consciousness into it.

We wish and believe in the sagely words of the great father of the nation Mahatma Gandhi, that “satisfaction lies in the effort, not the attainment, full effort is the full victory”. Our happiness lies in our satisfaction to the service building of the nation and the world in almost sustainable way.



Naveen Kumar Sharma
Sr.Vice-President (Works) &
Incharge Sustainability



Sustainability Philosophy

The Six Dimensions

Environmental Sustainability

Imbibing green towards a greener tomorrow

Our focus areas includes reducing specific energy consumption, increase use of renewable energy in our energy mix, managing our water footprint and water conservation efforts, waste management and circular economy, tracking and monitoring of our GHG emissions to combat climate change and effective land use. We intend to take these practices and initiatives beyond our premises and inspire our supply chain partners also to optimize their ecological footprint.

Social Sustainability

Sustaining chemistry of human relations

Our focus areas consist of Healthcare, Education, Drinking water, and Infrastructure & Skill development among others. Giving back to the community is a virtuous cycle that benefits our organization in the long term than the tangible impact we create today. In line with compliance with CSR guidelines, we are conducting need assessments and tracking the impact of our CSR activities in the vicinity of all our operations.

Business Sustainability

Endurance to follow the 3Ps of business

Ensuring our financials in this tough economic climate and predatory competitive market scenario, company's operating strategies have held strongly to ensure investor return and consistent performance. Our financial viability supports our broader vision and goals of sustainable development. A key aspect of our business sustainability can be attributed to our governance structure that propels our sustainability performance on all dimensions.

Environment

Social

Business

We believe in moving ahead with time by exploring technology and systems. We have established a cross functional team lead by Sr.Vice-President (Works) & Incharge Sustainability, to bring our sustainability philosophy to on-ground reality. The team consists of representatives from each operating units and corporate office. The core activities of the team are focused on incorporating the six dimensions of sustainability into the everyday processes of JK Lakshmi Cement Ltd. and ensuring its awareness across various plant sites.

The sustainability organisational structure also supports tracking and reporting on sustainability performance parameters to ensure that we achieve a year-on-year improvement. We are determined to create value that generates impact far beyond what compliance demands. Our passion to deliver sustainable solutions to our consumers drives us to improve our processes holistically. Our journey of sustainability is a collaborative effort that involves participation from our internal and external stakeholders.

System Sustainability

Committed delivery for today and tomorrow

Continuous operational improvements to ensure production efficiency and system stability are key parameters for innovation. We turn towards the fundamentals to re-engineer our systems while redefining the measurements of success to ensure our systems and process to deliver holistic sustained results. Ensuring the linkages across various processes are consistent and smooth so that operations can deliver desired result at expected performance levels.

Health and Safety Sustainability

Safe parents of smiling future

Ensuring health and safety and creating a safe environment for employees by ensuring 100% compliance to national norms and international standards is one of the biggest strength of the company. We want to ensure that best in class health & safety regime is followed in the workplace, so that employees can contribute their best.

Technological Sustainability

Wielding technology by implementing innovations

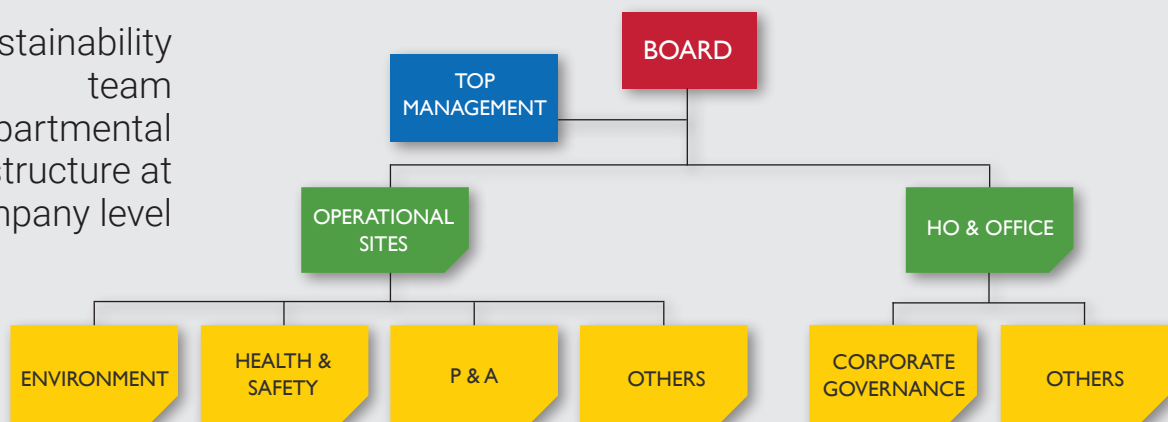
We truly believe technology can help us herald a brighter tomorrow. Our passion for constant improvements and innovation across stages of production has helped us gain product superiority and a chance to cater to our customer's needs better. In-house process automation, technological optimization, low cost innovations are some of areas where team JK Lakshmi has delivered meaningfully.

System

Health and Safety

Technology

Sustainability team
Departmental
structure at
company level






Sustainability Policy

JK Lakshmi Cement Ltd. is committed to maintain and innovate our operations and processes to remain in harmony with Nature, Society and Economy. We are focused on responsible governance that integrates various dimensions of sustainability, towards betterment of stakeholders and nurtures the legacy of future generation.

We are committed to:

- ❖ Safeguarding the values of Environmental, Social and Corporate integrity ingrained in the working practices.
- ❖ Adopting resource efficient technology, identifying processes, equipment & systems to reduce consumption of fuel, raw materials, energy, water, etc.
- ❖ Working towards Climate Change, monitoring and mitigating our Emissions through innovation and scientific acceptance.
- ❖ Promoting use of alternate fuel sources and use of Renewable energy
- ❖ Reducing water footprint through effective implementation of conservation strategies, efficient waste water management system and creating awareness within the organization and to the society.
- ❖ Adopting sustainable mining practices including quarry rehabilitation, biodiversity management and stakeholder interactions.
- ❖ Maintaining Transparency in reporting disclosures and integrity in our communications with our stakeholder.
- ❖ Implementation of a Sustainable Supply Chain Management system through innovating supply chain systems and logistics.
- ❖ Addressing social responsibility towards inclusive growth and welfare of local community through regular involvement and engagement programmes.
- ❖ Implementation of OH&S standards and guidelines through providing training, resources and education to employees, workers and visitors.
- ❖ Capacity building of our employees and stakeholders for recurring advancement in quality of products, productiveness and profitability.



Dr. S Chouksey

Whole Time Director



S K Wali

Whole Time Director



Corporate Sustainability Report 2016-18

Highlights



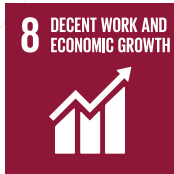
Environment Sustainability

10 MW Solar Power Generation Capacity
reducing 1,49,23,186.2 kgs of CO₂ emission annually.



Green Value Chain

Green Procurement
Innovating Logistics



Economic Sustainability

Increased turnover by 583 Cr compared to FY 2015-16.
Increase in EBITA 45% compared to FY 2015-16.



Promoting Gender Diversity

Creating Diverse Work Space
Equal benefits to all



System Sustainability

Mobile based applications
Sustainability Reporting



Technological Sustainability

10 MW Solar Power Generation Capacity



Social Sustainability

Vocational training to village women
Empowerment through Education



Biodiversity

Valuing Biodiversity
Sustainable Mining



Health and Safety Sustainability

ZERO Fatality
Safer Workplace



Fostering Industry-Academia Relationship

Innovative Projects like Bag divertors
Design and Development of Drones



The Report (FYs 2016-18)

An Overview

JK Lakshmi Cement Ltd. firmly believes in reporting on its performance under the three pillars of sustainability—Social, Environment, and Economic. The order, in particular, reflects the spirit of our endeavours. Responsibility towards people and planet for us is the best way for achieving prosperity through our business, which is the source of happiness that is well grounded.

We would like to put on record that, responsibility for us is not merely a bounden duty, but a value that makes us prudent, responsive, inclusive, and effective. Our disclosures act as an extra gear towards our continual push to improvise, improve and sustain social and environmental gains, safety systems and business prospects, and finally economic gains. We take this opportunity to underline that for JK Lakshmi reporting is a means to an end and not the end itself !

The journey of formally reporting on sustainability began by adhering to the internationally accepted Global Reporting Initiative (GRI) Framework. The first (the previous) Corporate Sustainability Report (2014-2016) with the signature theme of Colours of Togetherness was based on GRI-G4 guidelines, in Accordance with Core option.

It included data of two financial years from 1st April 2014 to 31st March 2016. With our first report, we established a structure towards reporting, through capacity building, inclusion of ideas, data collection, and team management. This has received a positive feedback from our stakeholders which gives us great happiness and motivates us to put our reporting on a progressive trajectory.



GRI102-51

Journey so far

In your hands is JK Lakshmi Cement Limited's 2nd Sustainability report for the financial year 2016-18. It is based on the Global Reporting Initiative (GRI) Standards in Accordance with Comprehensive disclosure option. It is compiled under the signature theme of "Colours of Togetherness" with the title "Responsibility to Happiness" signifying our perseverance in meeting responsibilities in the most satisfactory manner toward continued profits, while simultaneously protecting the environment and society.

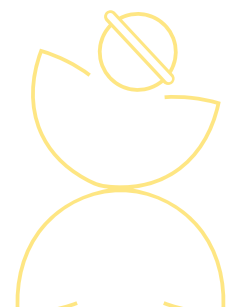
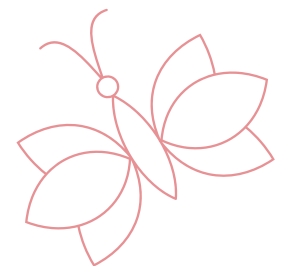
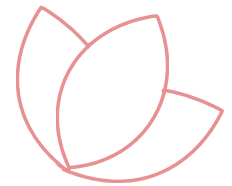
GRI102-50

GRI102-54

GRI 102-49,50

The Report consists of information based on key material aspects relevant for the Company, selected after Materiality and Stakeholder Engagement Exercise elaborated in Chapter 2 of the report.

Various internationally accepted methodologies laid by organisations like World Resource Institute (WRI), United Nations in view of SDGs and other national guidelines were also taken into consideration while



preparing the report by factoring GHG, Health & Safety, etc.

The Company wish to carry its Sustainability Reporting Performance bi-annually.

GRI 102-52

This report contains restatements of information presented in the previous Corporate Sustainability Report for the period 2014 to 2016 on pg. 105 for misprinted PM values, which have been corrected and incorporated here. However calculations of PM were based on correct figures.

GRI102-48

This voluntary report covers data from five operating units, i.e. Integrated Unit at Sirohi, Rajasthan; Integrated Unit at Durg, Chhattishgarh; Grinding Unit at Kalol, Gujarat; Grinding Unit at Jhajjar, Haryana; Grinding Unit at Surat, Gujarat and the Corporate Office at New Delhi. Some details of the value-added product facility "AAC Blox Unit" is included here while other value-added product facilities have not been brought into the scope of this report. The management's approach for each material aspect is aligned in Accordance with the Comprehensive Option for reporting. Wherever required, details and data have been taken from the Company's published Annual Report for FY 2016-17 and 2017-18. This Report has been developed in-house by the joint efforts of the Sustainability team and has been reviewed in stages by experts and finally by the Whole-time Director of the Company to ensure coverage of material and relevant aspects. GRI Content Index for the Report is provided in the Annex on pages 113.

GRI102-55

We have put our best efforts to be clear, concise, consistent, comparable and current. JK Lakshmi has got the Report assured by a third party, towards ensuring transparency in disclosure and alignment of content to reporting principles as per GRI Standards. The Company has engaged M/s. Bureau Veritas India Pvt. Ltd with whom the Company has no other relation except for Assurance of this report. Assurance statement for the report is provided in the Annex on pg. 120.

GRI102-56

Journey Ahead

JK Lakshmi is committed to advancing the goals of Sustainable Development by continuously working for improvements and involving all levels of stakeholders associated with it.

For any communication regarding the Corporate Sustainability Report for FYs 2016-18 please reach us at

S.K Wali

Whole-time Director

4th Floor, Nehru House
4 Bahadur Shah Zafar Marg
New Delhi - 110 001, India
skwali@jkm.com
sustain.jklcl@lc.jkm.com

GRI102-53



Targets, Goals, and Performance

Material Aspect

Targets and Goals for FY 2018-20



Economic Value & Business Performance

- Revenues increased by 19.4% compared to FY 2015-16.
- Aim to further increase revenues, creating value for all stakeholders.



Integrity and Transparency

- No complaints/cases of violations of Integrity and Transparency.
- Sustaining Integrity and transparency.



Compliance to Regulation

- The Company remained 100% compliant in all aspects of business.
- Remain 100% compliant in all aspects of business and work beyond compliance this for development that is long term and sustainable.



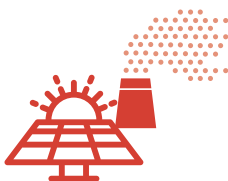
Operational Efficiency

- Company's Capital Investment is of ₹1000 to ₹1300 per ton as compared to the industry average of ₹ 2000 to ₹ 2800 per ton for Green Field project.
- Being least-cost producer by boosting operational efficiency.



Human Capital Development

- Gender diversity not only at the Corporate Offices but also at the manufacturing sites.
- Strive to increase gender diversity.



Energy and Emissions

- Installation of Waste Heat Recovery (WHR) based Power generating unit in Durg; 15 MW Plant at Sirohi; 2.4 MW Solar power generating plant at Surat, Gujarat. 500 KW capacity solar power plants each at Kalol and Jhajjar;
- Increase WHR, keep up sustainable mining practices, exploring efficient resource extraction.



Resource Conservation

- Conservation of raw materials.
- Increasing the share of waste-derived materials, cutting down the use of natural virgin raw materials.



Occupational Health and Safety

- Achieved target of Zero Fatality Year.
- Striving to sustain the same.



Water Management

- Water Positive: Harvested more than consumption.
- Improving the positive figures and sustaining the same.



Community Development

- CSR spending increased to 46% in FY 2017-18, compared to the rule of 2% of net average profit for 3 years.
- Company will continue with its "Today forward" approach, a step-by-step effort that starts with the status quo and builds incrementally from there.
- Company will keep on creating value in the society through strengthening existing initiatives, and exploring further intervention avenues.



Customer Satisfaction

- The Company has increased its reach through digital media and now provides technical services through videos published on social media.
- A robust Customer Helpline system in place.
- Strive for staying connected with the customer through all possible avenues.



Supply Chain Management

- The Company effected change by working with vendors for being environmentally compliant. Implemented the Green Procurement Guidelines.
- Promote sustainable sourcing and Green sourcing through working towards chain system.

• Performance → Targets, Goals





Standalone Grinding Unit
Jhajjar, Haryana, India



Colours of Our Family 

Stakeholder Engagement and Materiality Analysis

At JK Lakshmi, we take pride in our success which is a result of a continuous and constructive collaboration with our stakeholders. Their inputs have propelled us to excel in our processes, come up with high-end products that meet the expectations of society, and that of the country. It is a learning journey for us which has increased our accountability to a newer level. Accountability is the basis of trust and we strive to retain it by following due processes.

JK Lakshmi's business values guide its vision of seeing stakeholders as one of the most crucial elements of its growth strategy. The Company is committed to empower its stakeholders--which includes its employees, surrounding communities, suppliers, regulators, shareholders and customers--through its various engagement programmes. Such a long and enduring relationship with the stakeholders has enabled the company to develop robust practices and policies that deliver more solutions and promising engagements.

The fundamentals lie in consulting and communicating its sustainable growth initiatives and performance with its stakeholders round the year through various engagement modes.

This is JK Lakshmi's 2nd Corporate Sustainability Report, based on the Global Reporting Initiative (GRI) Standards in Accordance with Comprehensive Disclosure option.

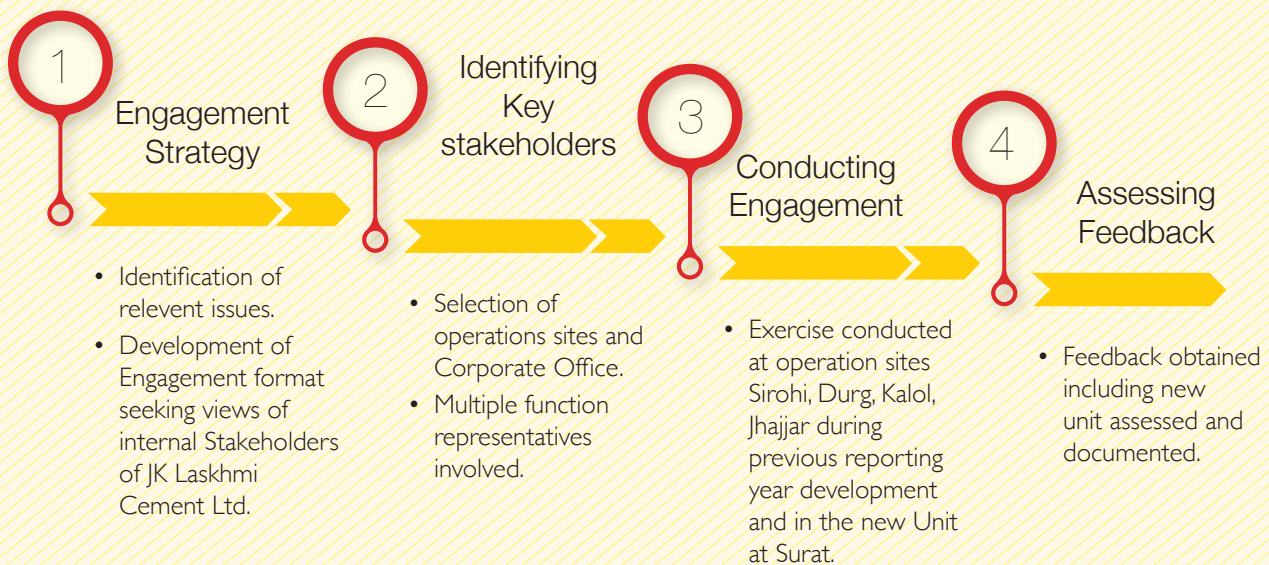
It is through **Formal Stakeholders Engagement and Materiality Exercises** conducted during the previous sustainability reporting for FYs 2014-16, that key stakeholders were identified and materiality aspects were assessed.

In this reporting year, the new Clinker Grinding Unit at Surat, Gujarat has been added to the scope of the current report, for which the company and Materiality Exercise were conducted by the internal sustainability team.

GRI102-49



Module for Stakeholder Engagement Exercise



Feedback was obtained by inviting internal stakeholders from various functions (General Management, Environment, Accounts, Energy, Supply Chain, CSR, and HR) at all the sites (including the new grinding Unit at Surat) and the Corporate Office. Identification of relevant stakeholders and their selection was done on the basis of their nature (external/ internal), the mode of engagement, key aspects and concerns related to them, and the frequency of interaction. More details are provided in table I. (GRI 102- 43)

This assessment provides a key value in identifying, understanding and analyzing the Company's engagement with the said stakeholders on important fronts like CSR, supply chain, legal and others. (GRI 102-21)

During the internal stakeholder engagement exercise, aspects like relevance of economic performance, future company plans, etc were discussed and communicated to the relevant stakeholders.

Also, around the year, the company directly or indirectly, interacts with various external stakeholders and collects their feedbacks, through, personal meetings, gatherings, technical services, marketing workshops, CSR activities and even through the digital modes like Facebook, Twitter, etc. (GRI 102-44)



Stakeholder	Mode of Engagement	Key Concerns and Expectations	Frequency of Interaction (High/Medium/Low)
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Key Stakeholders

Internal

Employees	<ul style="list-style-type: none"> Project review meetings Daily meetings Monthly meetings Emails Internal training & engagement programmes 	<ul style="list-style-type: none"> Timely completion of projects Career progression Productive work environment. Training on Health and Safety Grievance mechanisms Innovations 	High
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External

Customers	<ul style="list-style-type: none"> Annual customer satisfaction survey Customer's supplier recognition/ awards programmes Corporate website Marketing campaigns 	<ul style="list-style-type: none"> Ethical and fair marketing Protection of customers Customer communication Product quality and service 	High
Investors	<ul style="list-style-type: none"> Annual General Meetings Quarterly meetings Company website 	<ul style="list-style-type: none"> Return on Investment. Timely quarterly reports Matured governance systems 	High
Suppliers	<ul style="list-style-type: none"> Project meetings Emails & Telephone calls 	<ul style="list-style-type: none"> Technical approvals Technical concerns Fair and accountable business transactions 	High
NGO	<ul style="list-style-type: none"> CSR meetings 	<ul style="list-style-type: none"> CSR Action Plan Developing effective and strategic interventions 	High
Communities	<ul style="list-style-type: none"> CSR Interventions General meetings 	<ul style="list-style-type: none"> Execution of CSR interventions Implementation of CSR Policy Sustainable village development 	High
Regulatory Authorities	<ul style="list-style-type: none"> Annual/Half yearly Compliance/ Return submissions 	<ul style="list-style-type: none"> Compliance with relevant regulations Cooperating with national and regional policies 	High

Other Stakeholders

Contractors	<ul style="list-style-type: none"> Monthly meetings 	<ul style="list-style-type: none"> Timely development and delivery of job in hand Terms and conditions like general, safety, etc. 	High
Auditors	<ul style="list-style-type: none"> OH&S /ISO other Audit meetings 	<ul style="list-style-type: none"> Meeting regulatory compliances Identifying opportunities for improvement 	High

Table 1

(GRI 102-40,42,44)

Material Aspects

For JK Lakshmi, the stakeholder engagement—both internal and external— influences the organization’s activities, products and services. It forms the basis of everything being reported here—including the sustainability strategy of the Company. The engagement allowed us to identify and prioritize materiality aspects. The exercise helped us to draw up a plan of action, monitor progress and report the results of our efforts.

Key Material aspects were considered after conducting materiality exercise at our operation sites (Sirohi, Durg, Kalol, Jhajar and Surat) and Corporate Office in New Delhi.

The exercise conducted included internal stakeholders of the Company from various disciplines like General Administration, Operations, Power, Environment, Mines, Accounts, Purchase, Health & Safety, Corporate Social Responsibility, etc.

The materiality assessment was concluded with total 55 material issues. Out of total identified material aspects, 12 (Resource Conservation as one of the key material aspect has been added in the Financial Reporting Years 1st April, 2016 to 31st March, 2018.) have been considered to be of high concern to company’s business profile and stakeholders. (GRI102-46,50)



Stakeholder engagement and materiality exercise conducted at Surat.

Material Aspects



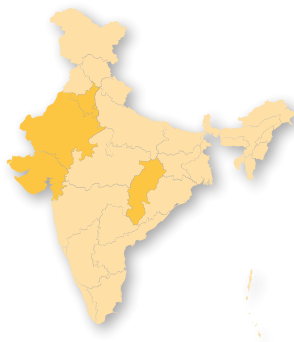
Enhancing Human Capital

A supportive culture in a business world creates an environment for people to be leaders while achieving the Company's mission and vision.

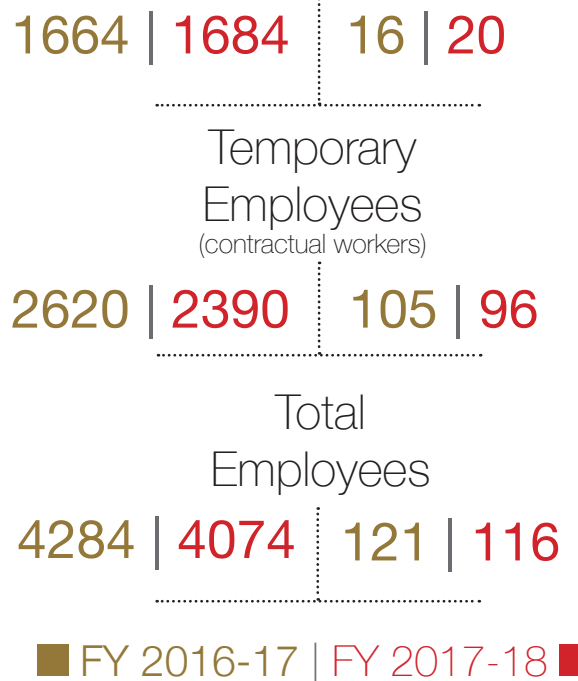
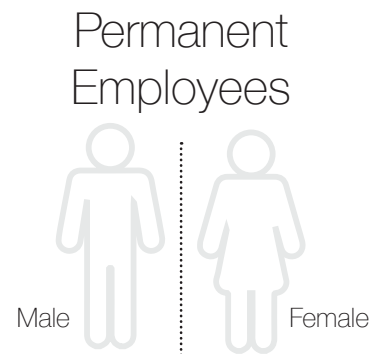
The culture and values of JK Lakshmi drive two important aspects of the business—employee engagement and customer satisfaction. We strive for building authentic and mutually beneficial relationship with the employees and customers. We recognize that performance is about providing the right conditions for employees which contributes to the whole. Their happiness is what will leverage efforts into results.

JK Lakshmi believes in creating a workplace of equal and positive opportunities. Employees are its key associates, who have invested more than just years in building a strong and valuable Company. The supportive culture created an environment for people to be leaders, achieving the Company's mission and vision. The Company believes in the philosophy of "growing its own timber" where the opportunities abound for its employees to come forward and develop skills as per their role and interest. The engagement programmes are not limited to its permanent employees, but are extended to the contractual employees. These efforts foster a spirit of equality and thereby lay the foundation for developing long lasting relationships.

In FY 2016-17 and FY 2017-18, with more than 4000 employees, JK Lakshmi thrived fostered an environment that retained both talent and minds in the Company. (GRI102-8)



	FY 2016-17	2017-18
Rajasthan	2064	1823
Gujarat	358	284
Chhattisgarh	896	933
Haryana	339	345
New Delhi	627	805



The permanent employee category includes those in full time contract with the Company while the temporary employees include contractual workforce. There are no part-time permanent employees in the Company.

Permanent female employees of the Company are entitled to the maternity leave as per the national law. In FY 2017-18 one permanent female employee has availed the maternity leave. The return to work rate was 100% as she joined back the office and is still working as an employee with the Company. (401-3)



Working with process parameters, makes me happy, gives a sense of satisfaction, allows me to put my professional engineering background to work in a real Industry.



Sneha Kant
Process Engineer

Benefits for Employees

The benefits to the employees vary according to the nature of the employment. Permanent employees are provided with Group Personal Accidental Insurance, Medclaim, Medical Allowance, Maternal Leave Mobile Scheme, Car Scheme (for managers and above), and Uniform. The Company provides all necessary and applicable benefits to contractual workforce as per laws and competitive market practices. (GRI 401-2) JK Lakshmi has always encouraged the recruitment of young enthusiastic workforce along with the experienced leaders to take the Company on its growth and development path in line with the nation's agenda of "Make in India campaign".



Age - Designation wise details

*New Employee Hired	Unit	Age - Designation wise details					
		Less than 30		Between 30-50		Above 50	
		FY 2016-17	FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17	FY 2017-18
Leader (GM and Above)	Nos	0	0	0	1	1	0
Manager (DGM to Manager)	Nos	0	2	4	7	0	0
Executive (Dy. Manager to Jr. Officer)	Nos	16	60	35	68	0	2
Non-Supervisors	Nos	20	1	11	5	0	0

*Data is for Permanent employees

For the Year 2016-17 and 2017-18, total nos. of new employees hired were 100 and 146. For year 2016-17 and 2017-18 employee turnover rate for permanent employee was 8.6 % and 9.8%. including retirement, in age group over 50 years. (GRI 401-1)

The company follows the collective bargaining agreement for the workers associated with the Unions at one of the Manufacturing Unit at Sirohi, Rajasthan. Total 14% of the total permanent employees are part of such trade unions. (GRI 102-41) The values and rights of unions are respected and are mutually understood. GRI 407-1



“ I feel sometimes that women leaders have a better and deeper understanding of issues. They are practical and approach issues with an element of compassion, which is why they probably understand the needs of their stakeholders better. ”

Vinita Singhania
Vice Chair Person & Managing Director
(VCMD)



Gender Diversity

JK Lakshmi promotes gender diversity, invites women to join the enterprise not only at corporate offices but also at manufacturing units. Being led by a women leader as company's VCMD she believes that a true and transparent business provides equal opportunity to everyone at every level. As a manufacturing Company traditionally sought after by men, the efforts have always been to consciously attract women in its operations units. As a result, women employees are looking after some major departments like Production, Information Technology, Electronics, and Corporate Social Responsibility at company's manufacturing locations. There is no discrimination, whatsoever, made on the basis of gender, colour, caste in terms of salary and remuneration at company's manufacturing sites or other office locations. As a principle, equal benefits are given at all the levels of employment. There were no cases of discrimination in the said reporting year. (GRI-405-1, 2) (GRI 406-1)



Market Presence

Being an Indian Company, JK Lakshmi believes that there is enough and more talent available in the country to lead and perform. All Senior Executives, along with the Heads of the Departments, are hired locally. Remuneration paid by the Company is better than the minimum wages as per local or statutory laws and there is no discrimination in wages on the basis of gender or location. The ratio of the standard entry level wage to the local minimum wage is 1.2. (GRI 202-1, 2)

Self-Development Scheme

JK Lakshmi believes that every individual has some or the other attribute(s) to do things differently, and it looks for such unique abilities and nourishes the potential of employees, to be leaders of tomorrow, through the Self-Development scheme. Employees are encouraged to pursue part time/distance learning programmes from recognized institutions, the expenses of which are borne by the Company. There are various other initiatives linked to this scheme such as LIFE Initiative "*Leadership Development Initiative through Fire of Experience*" is based on the Centre for Creative Leadership's research book titled "*Developing Tomorrow's Leaders Today*" authored by Meena Surie Wilson. Talented and high potential employees from middle to senior management level (General Manager) are encouraged to participate in this initiative. Participating employees take up two challenging High Impact Experiences (HIE) (see table on next page) in which the employee's immediate superior and his/her superior jointly choose the two experiences keeping in view business plans of the Company and future leadership roles of the concerned employee. Specific work-related activities are formulated by an external coach jointly with the employee, his/her superior, Head of the Department, and the Whole-time Director.





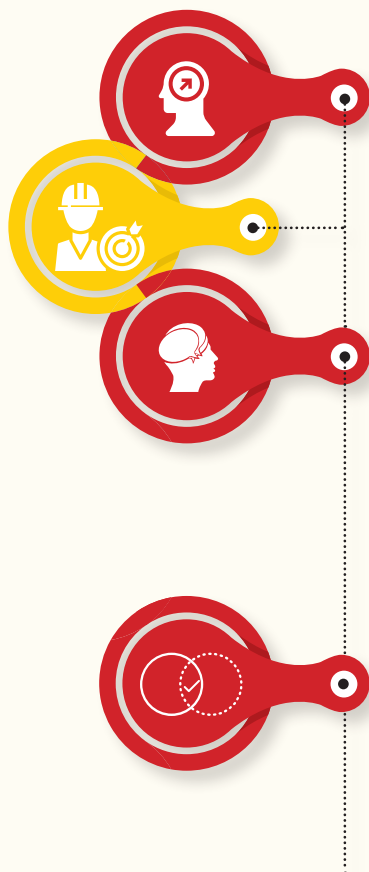
LIFE Initiative - the High Impact Experience

S.No	Seven Experiences	Description	Includes
1	Turnaround	<ol style="list-style-type: none"> 1. Fixing chronic problems / under-performing machinery / equipment / process etc. 2. Requires fixing a failing or under-performing business opportunity often by restructuring or downsizing. The goal is to improve productivity & profitability. 	<ul style="list-style-type: none"> • Change Oriented Assignments
2	New Initiative	<ol style="list-style-type: none"> 1. To substantially improve or achieve a breakthrough in existing operational processes. 2. Opportunity to develop or launch new products & services, adopt new technologies, craft a new policy or process, build a plant or unit from scratch in another region, or embark upon a new line of business. 	<ul style="list-style-type: none"> • New products, new services or a new service concept, new joint venture & collaborations, new policy development followed by legislation, new market entry, new technology applications
3	Horizontal move	<ol style="list-style-type: none"> 1. Horizontal move prepares managers to lead without authority, culminating in their ability to engage with multiple stakeholders. 	<ul style="list-style-type: none"> • Job rotations (includes inter department / function wise) • Transitions (Line to Staff / Staff to Line)
4	Cultural crossing	<ol style="list-style-type: none"> 1. Bridging cultural differences is an intricate matter and about a state of mind. This state of mind is demonstrated outwardly by managers to take interest in getting to know the views & practices of co-workers. 	<ul style="list-style-type: none"> • Different culture / region / language • Different state / region
5	Increased job scope	<ol style="list-style-type: none"> 1. Vertical rise leading to new roles with bigger budgets, more people to be managed & greater access to resources. The range of accountability expands & the pressure to perform becomes far more intense. 	<ul style="list-style-type: none"> • Increased responsibilities • Experts & seniors reporting to them • Running a function about which they know very little • Increased job scope • New areas of expertise

We-Care

Cementing Aspirations through Receptive Exchange

JK Lakshmi's engagement is purposeful and it connects, directly or indirectly, the new and old members of its family. We-Care initiative is an opportunity for a new joinee to share various experiences with the top management. New employees meet the Whole-time Director and Senior Executive (CE-Works/CE-Marketing) after completion of 6-12 months in the job, for a structured 20-minute, one-to-one interaction along with the Head of Human Resources in order to gauge the following:



How far the Company has been able to fulfill the **employee's aspirations**.

How far the employee has been able to meet the **Company's expectations**.

What are employee's suggestions for a **way forward**.

This initiative helps in integrating and imbibing the distinct culture of the Company resulting in a long-term and mutually beneficial association between the employee and the Company.



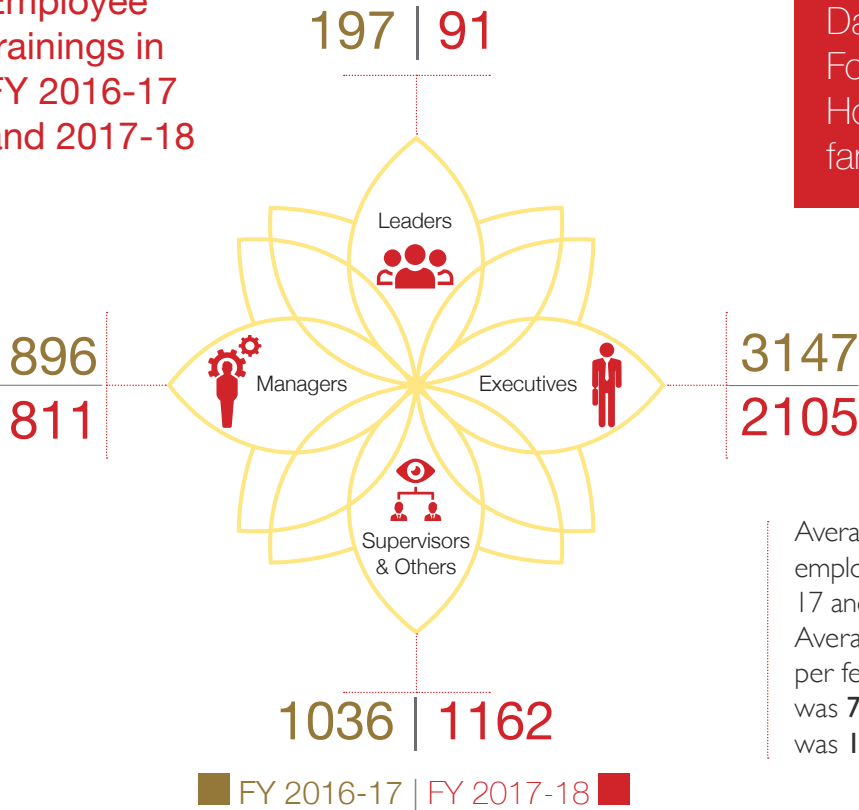
India is a land of diverse cultures and festivals. JK Lakshmi engages its employees in various engagement programmes apart from basic training and awareness sessions.

Various trainings, both external and in-house, are provided to the employees at our Units and offices.



The operation units and offices celebrate special days like the Republic Day, the Independence Day, Vishvakarma Day, Founders Day, festival of Holi, and other planned family gatherings.

Employee trainings in FY 2016-17 and 2017-18



Average hours of training per year per employee was **18 hours** for FY 2016-17 and **21 hours** for FY 2017-18. Average hours of training per year per female employee for FY 2016-17 was **7.3 hours** and for FY 2017-18 was **11.3 hours**. GRI 404-1



Employee engagement during management game session



Employees participation in Rakhi making competition

From a Suggestion to Implementation

It was a brilliant idea from a few employees to enhance the visibility of the Company as a marketing strategy by way of advertising the Company's products on its dedicated fleet of trucks ferrying raw materials and products across different states (from Rajasthan to Haryana, Gujarat, and other places). It was felt that this would have an impact on Product Branding and Marketing. The Company's top management gave a green signal to implement the proposal. The idea was brought to life by the marketing team.

In this initiative of "Suggestion scheme" employees are free to give their suggestions directly to the top management regarding any business processes. The suggestions are screened and reviewed by the top management. Suggestions can also be given directly to the top management in the quarterly communication meeting being chaired by business heads; HR personnel or be dropped in the suggestion box. Suggestions given by the employees are rewarded with token gifts and employees are acknowledged for their valuable suggestions.



MAHABHOJ

at Jaykaypuram Sirohi celebrated on 1st of January every year. Families of all the employees and workers have lunch together on this occasion.



Outbound Training

Employee outbound training programmes provide high level of ownership, immerse in team work, equip in taking responsibility and building accountability, through various field-work activities, real-time tasks and scenarios, and game plays.

“

Working with people is much more than managing human resources, it is nurturing values of our stakeholders so as to align the individual employee's goals and conduct in harmony with the responsible business ethos of the Organisation. Our drive towards engagement of our permanent and contractual employees is to deliver a sense of belongingness and wholesome development rather fulfilling merely terms of contract. We believe in enlightening the spark in the hearts and minds of our employees who are expected to lead the future, which is fulfilling, meaningful and productive in a sustainable way.



Dr. Tapomay Deb
Vice President-
Human Resource

Outbound training programme



Coffee with VCMD

Mr. Sundar Singh (Dy. Manager HR), Jaipur and Mr. Nigam B. Shah, (Dy. Manager, Technical Services), were chosen for Coffee with VCMD for the year 2016-17. Out of total 233 suggestions received, 2 of the best were selected as winners. This initiative encourages young employees (35 years or below) to come up with innovative ideas, either to address existing business issues or to drive future business domains. Employees offering their suggestions are appreciated with a token gift (early bird prizes). Suggestions are compiled by HR department and put up for review by a High-Powered Management Committee comprising of Whole-time Directors and the same are further reviewed by the VCMD. Two winners are declared based on their specificity, practicality and innovativeness. The winners, along with their families (spouse & children), are invited for a one-to-one meeting with the VCMD over a cup of coffee to discuss modalities for implementation of their suggestions.



As a reward, a specially designed Coffee Mug signed by the VCMD, a Certificate of Recognition, and a best Seller Management Book are given to the winner employees.

Going Beyond Tomorrow

360-degree Feedback and Executive Coaching Initiative

This is an initiative to extend coaching to personnel (often high performers/talented) at DGMs level and below under the nomenclature "Going Beyond Tomorrow". It includes six coaching sessions extendable to 12 months for two high impact behaviours. The coaching area and outcome are linked with tangible business results to measure the success of the initiative.

Other initiatives include Stimulating Passion in Achievers for excellence in Results & enhanced Knowledge (SPARK,) a factory level programme with an intention of building Young leaders for leadership responsibilities in the present and for the future.

The Company believes in delivering responsibility by truly valuing its employees. Our successful engagement with them is of key importance and is the prime driver of growth and success at our operational sites. For any significant changes in operations, which may substantially affect the most relevant stakeholders, there is a system to inform about the same, 60 days in advance. (GRI 402-1, GRI 404-2)



JK Lakshmi, being a reputed business house understands the value it holds for the people it is associated with. It does not employ child labour, forced or compulsory labour at any of its offices and operation sites. Also, the company tends to associate vendors/suppliers based on their practices and background for any financial, environmental and social aspects. Company encourages its suppliers to maintain good social practices in view of governance, corruption, child labour etc.

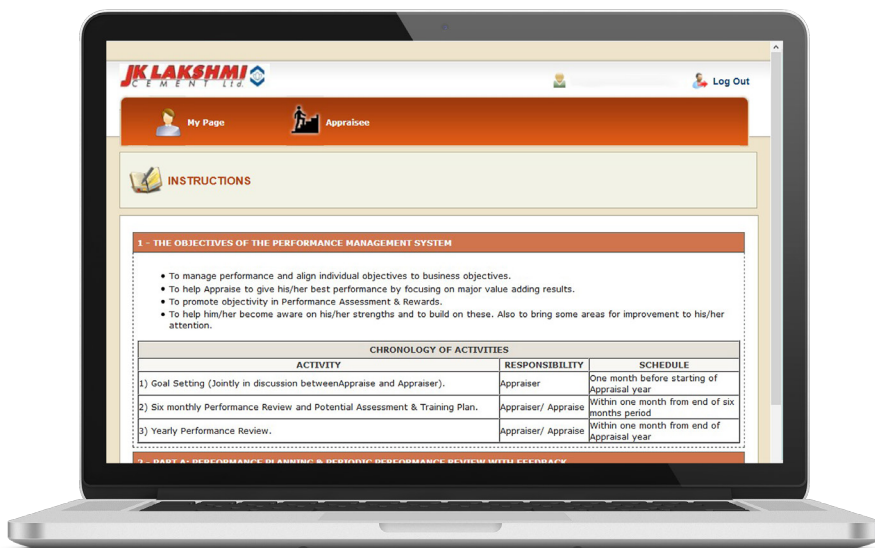
GRI 408-1
GRI 409-1

It encourages its suppliers to follow the same and this practice is aligned to internationally recognized standard i.e. United Nations (UN) Guiding Principles on Business and Human Rights. The Company has not conducted any formal assessment on human rights. However, general guidelines are being provided in various interactive platforms within sites and operations. Also, all the contractual/ vendors agreements includes clauses that are aligned to considering human rights aspects. (GRI 408-1, GRI 409-1, GRI 412-1,2,3)



JK Lakshmi has a high value for national and sub-national rules and regulations. There have been no incidents of violation registered involving rights of people in the reporting period. The personnel concerned with security in the Units are made to understand human rights as per Company provisions, this also includes the security personals provided by the contracted 3rd party for security job. (GRI 410-1)

The Company has in place an online Performance Appraisal System, for which separate login ids are provided to permanent employees. Performance is reviewed on a half-yearly basis by seniors or the department head. Online Performance Appraisal System includes a section where employees' need-based developmental programmes and trainings are offered for career growth and development. Earlier, the appraisal system was paper based, which was transformed into an easy and fast system. The system was developed in-house by the Company's R&D team at a zero third party cost.



All the permanent employees in the company received regular Performance Appraisal and career development review during the reporting periods. (GRI 404-3)



Employee Satisfaction

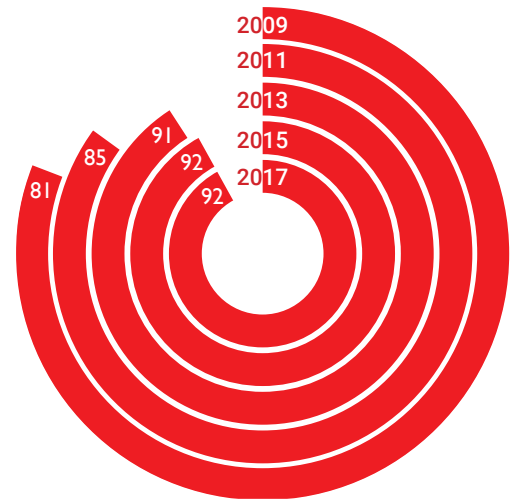
Employee Satisfaction Survey (ESS) are conducted through M/s TNS India once in every two years. The TRI*M Index of the last 2 survey years, 2015 and 2017 was significantly high at 92 which is amongst top 10% global companies. The results of employee satisfaction survey are shared in open-house communication meetings by MD/WTD/CE (Works) and uploaded on the Intranet.

Action plans are made to address major areas of improvement, after due deliberations and reviews by top management.

In the alternate years (when TNS survey is not carried out), an internal Dip Stick survey is conducted on impact of the Action plan implementation. The results are compiled, analyzed and discussed with HRM committee and MD/WTD/CE (Works) and further action is taken from improvement.

TRI*M Index is a reflection of JK Lakshmi's innovative retention strategies as enunciated primarily for an enabling work culture and practices encompassing 'Care', 'Passion' and 'Ethical Performance'.

TRI*M Score



Industry-Innovation and Academia

JK Lakshmi, apart from its core operational business, undertakes research and development activities. Under this initiative, the Company provides internship opportunity to students from engineering and management background, graduation and post-graduation courses in colleges/ institutions, for a duration of 6 months to a year, towards partial fulfillment of their degree course. The students are allotted innovative projects identified by the employees or by the students themselves potential to contribute to resource efficiency, increasing productivity, energy savings, manpower saving, and green energy generation.

The grinding Unit at Kalol, has been actively implementing the Industry-Academia engagement for quite a few years now. It is the incubation to various big and small in-house innovations. In the reporting years, the programme had total 11 students, from graduation and post-graduation engineering courses (one year) from diverse



discipline of Embedded Systems, Computer Science, Electronics and Communication, Energy Systems, Mechanical, Thermal, etc. The Unit has signed an MOU with the prestigious Nirma University located in Ahmedabad, Gujarat for a joint initiative to pave the way ahead for a strong industry and academic relationship.

Some of the major projects undertaken by the students includes:

1. Design and development of in-house low cost solar panel cleaning system.
2. Design, development and implementation of automated sensor-based bag diverter system for packing plant.
3. Development of Drone for surveillance purpose.
4. Design, development and installation of indigenous windmill to harness green power out of bag filter exhaust air.

A national conference on Cementitious Materials (NCCM) 2016 was conducted by Company at Cement, Concrete, Research & Development Centre, JK Lakshmi Jhajjar grinding Unit, Haryana. The conference focused on research and innovations in the field of cement and building materials, like Green Cements, Nanoscience of cementitious materials, geopolymers, admixtures in cement industry, and environmental aspects. Renowned speakers from institutions like IIT-New Delhi, IIT-Madras, IIT-Kanpur, NCBM, TARA-New Delhi, and IET Lucknow delivered lectures on ongoing research and technology in Indian Cement Industry.



“

Leading my dream of working with aspects of Industrial automation, I'm today a part of an organization that values scientific and technological drivers of growth and development. Here, I'm able to accomplish all social responsibilities as the organizations roots are in my local vicinity thereby enhancing flexibility with promising vendors for innovative industrial automation, that keeps me motivated.



Ankit Singh
Industrial Intern
Embedded Systems
Nirma University



Health and Safety

At JK Lakshmi safety, prevention of harm, occupational health and wellbeing of its employees, communities and its supply chain is of high priority. We have strong policies and practices that analyze and control health and safety risks, provide training, and work towards zero incidence, thereby, promoting Health and Safety Sustainability.

Any business or operation is never above the health and safety of its workforce. For JK Lakshmi Health and Safety of its stakeholders is of utmost priority. It is ensured by the Company's policy and strict implementation of safety measures. The Company thrives on upgrading the health and safety aspects at all places and work functions. The Company has devised a separate dimension of **"Health and Safety Sustainability"** for strict adherence and maintaining highest level of health and safety environment.

The approach to safety is driven from the top and imbibed throughout the Company, its supply chain and extends to visitors and other relevant stakeholders. The Company believes in being at the cutting edge for occupational safety and is considering integrating it with **"Internet of Things"** for a quick and immediate response. It ensures monitoring safety to realize its commitment to safe and sound environment.

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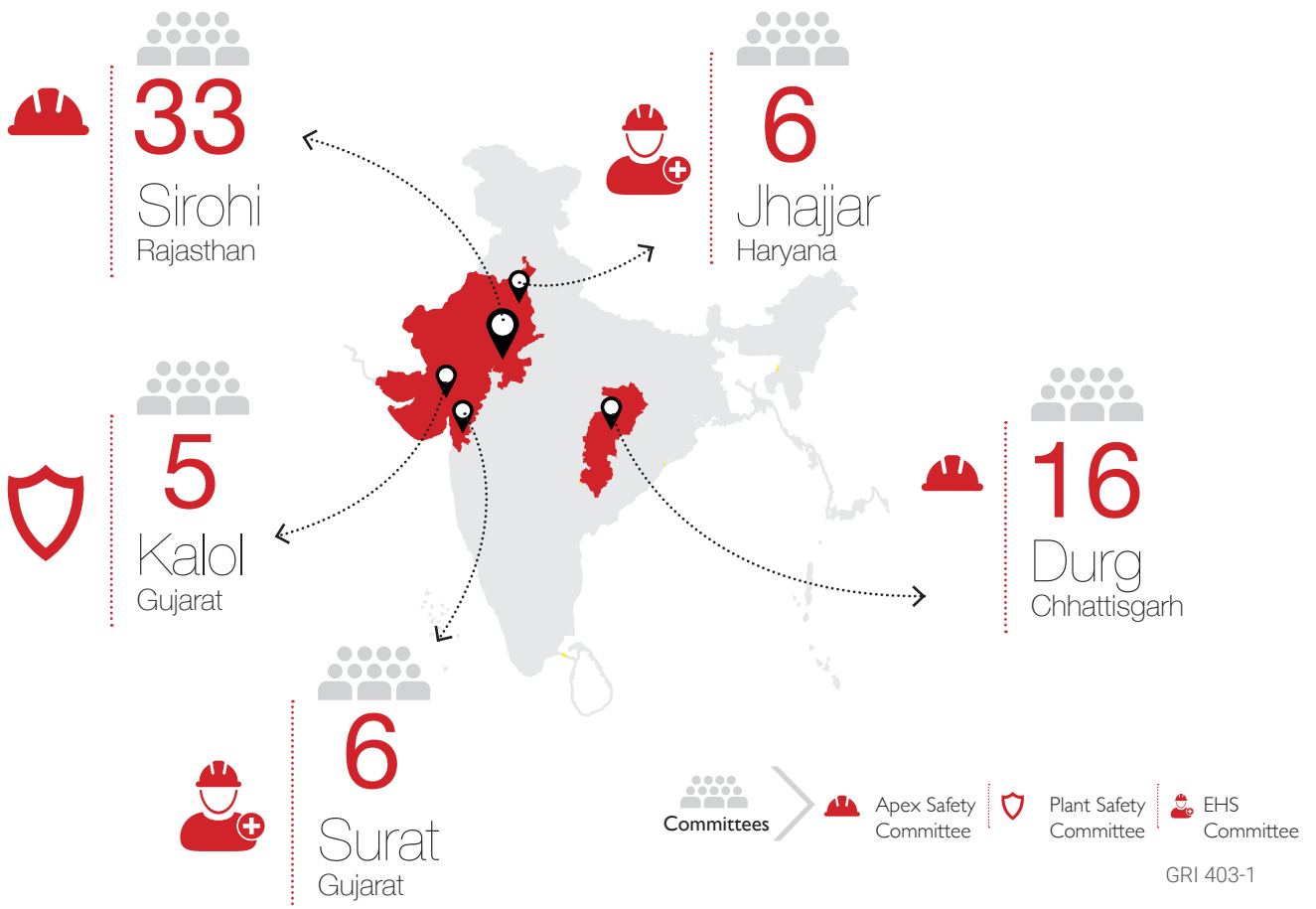
Designing the future must be infused with respect for people and caring about their safety and health. Observation and participation forms the core of behaviour-based safety. We have focused on behaviour-based safety as an important tool. Digital platforms (like BBSM module developed in SAP and Mobile Apps) for behaviour-based safety system implementation, safety inspection, safety learning, employee participation and consultation. The BBS observation analysis tool helped us implement OH&S management system in an easier, effective and transparent manner, leading to sustainable OH&S performance.



Sujeet Kumar Singh
GM Health & Safety

ZERO Harm
ZERO Fatalities

The operation and manufacturing sites of any Company have associated health and safety risks, that must be recognized and mitigated. All the manufacturing sites of JK Lakshmi are certified under international standard OHSAS 18001 / ISO 45001. There are safety committees in all Units that have a well-established system to carry out monitoring and reporting as per applicable national laws and standards. The committees have a balanced representative of management and non-management staff.



The Safety Committees meet every month and report observations, and findings to the top management and to all safety committee members. Suggestions and innovative plans to enhance safety features are sought, discussed and implemented. The top management of the Company, from members of the Board to the Directors, are in the know of Health and safety matters. A quarterly Safety Report is submitted to the Whole Time Director (WTD), who reviews it and discusses the concerns with top executives further down the line.



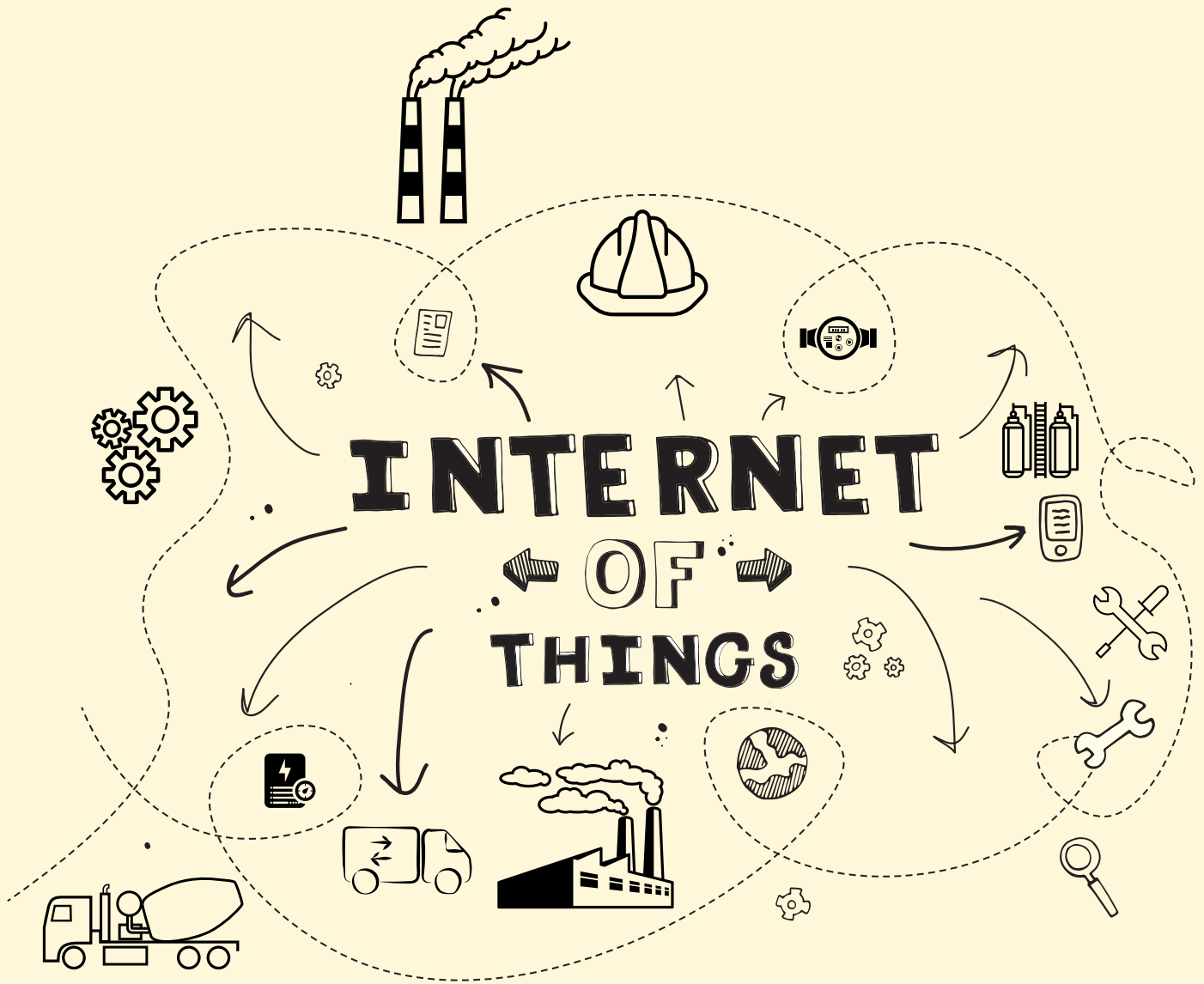
Particulars	Unit	Permanent Employees		Contractual Workers	
		FY 2016-17	FY 2017-18	FY 2016-17	FY 2017-18
Injuries					
Injury Rate (IR)	Per million man-hours worked	0	0	0	0
Occupational Disease cases					
Occupational Disease Rate (ODR)	Per million man-hours worked	0	0	0	0
Lost Days					
Lost Day Rate (LDR)	Per million manhours worked	0	0	0	0
Absenteeism					
Absenteeism Rate (AR)	%	0	0	0	0
Man Hours Worked	Hrs.	26,71,940	18,30,008	60,36,504	51,31,248
Fatalities	Nos.	0		0	

(GRI 403-2)

The Company's culture of health and safety includes imparting trainings and conducting drills for the workforce on various aspects:

1. Observance of the 1st of every month as Open Gate Safety Meeting (OSGM) at each operation site.
2. Safety Audits: Unsafe Act and Unsafe Condition Activity
3. On-job safety trainings
4. Fire audits and mock drills
5. First Aid trainings
6. Classroom trainings
7. Implementation of Lockout/Tagout (LOTO)





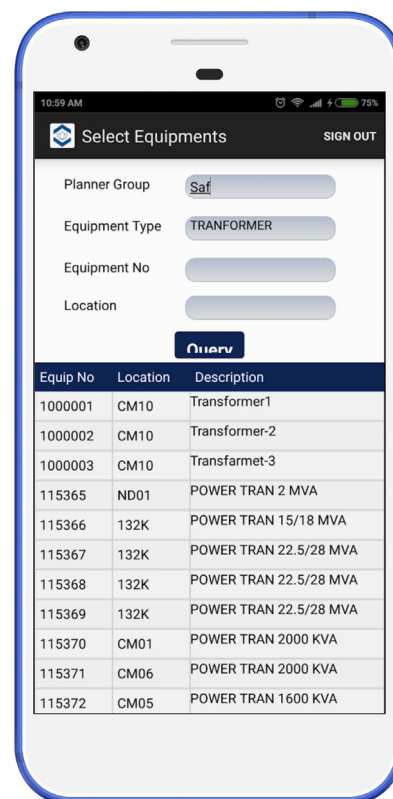
Smart Safety Mobile App

The Unit at Sirohi, Rajasthan has taken its safety system to next level. It includes integration of safety with internet technology and hand-held smart phones. The R&D team has developed in-house a "SAFETY APP" that enables designated employees to report unsafe acts or conditions, any other issues relevant to health and safety directly from their mobile phones to the concerned safety department and Unit's safety officer. The App comes with a feature that allows to take photographs of the issue for reporting it.

Monitoring the safety of equipment is ensured via inventorialisation of safety risks associated with the equipment in the plant and tagging them with specific codes. If any employee finds unsafe issue related to the equipment's health and working condition, they can directly report the same to the concerned department via Safety App, just by entering the machine/equipment number specified on that machine/equipment.



Total Health and Safety Trainings		
	Includes On-Job Safety + Classroom Training + Toolbox	
	FY 2016-17	FY 2017-18
Integrated Unit, Sirohi	25758	21160
Integrated Unit, Durg	1247	1861
Grinding Unit, Kalol	132	164
Grinding Unit, Jhajar	333	399
Grinding Unit, Surat	199	120



Work locations at company's manufacturing sites, strive to provide a safer and healthier work environment to its workers and employees. Personal protective equipment like safety helmets, safety shoes, safety goggles, ear plugs, dust masks and other items are provided to the Workers and employees in the facility as per their job location. Workers in our manufacturing locations are not involved in activities that have high incidence or high risk of specific diseases. However, workers in the packing plant section are mapped under risk of health impacts and hence provided with required personal protective equipment. (GRI 403-3).

Company at its manufacturing locations has included the necessary safety topics and procedures, including safety rules and guidelines in formal agreement to be signed with any contractual worker agency. (GRI 403-4)

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True sense of responsibility for me, is about implementing green growth strategy thereby delivering unsaid commitments to Mother Nature and society.



Dr. Satish Mishra
Dy.GM, HSE
Member- Sustainability Team

Responsibility to Safety in Community

Apart from providing training to its workforce, the Company focuses on delivering on its safety responsibility to the society around the manufacturing locations in every possible manner. The Unit's safety officers provide safety trainings to teachers of government schools around the location on various occasions like the Fire Safety week, Road Safety week and so on. This is to elicit suitable response and actions during emergency from children too. The company organizes events and competitions like poster making, role playing, slogan writing, etc. in schools to promote awareness on various health and safety aspects.



Responsibility towards Customer Health and Safety

Customers are an integral part of the JK Lakshmi family. It is equally responsible for the safety of its stakeholders. It communicates health and safety concerns to its customers, in addition to caring for employees. The Company has Safety Data Sheet (SDS) for its Products. Relevant information related to the physical and chemical aspects associated of the product are provided in the Sheet.



Community Engagement

We at JK Lakshmi consider people as our biggest assets, whether it is employees or people around the operation sites. Adhering to our practice of giving back to the community, we strive to make a positive impact. We believe in active dialogue with the community and in supporting the economic and social wellbeing through outreach, by creating environmental and social infrastructure and supporting livelihoods. We are proud to share that we hold a harmonious relationship with the communities around our operation sites and it is an opportunity for us to contribute to the Sustainable Development Goals.

Responsibility merely as task may not bring happiness in its truest sense. It requires a sense to understand the assembled and entwined values of life and society for a prosperous world. JK Lakshmi has always considered people as its biggest assets, whether it is employees or people around its operation sites with whom it shares a close association bound by trust. Adhering to its practice of giving back to the community, the Company has built a long-lasting and a harmonious relationship with the people in the vicinity of its units.

All the units of JK Lakshmi are fully involved in local community engagement—Corporate Social Responsibility—and are enthusiastic about the engagement. It is a responsibility that bestows much happiness both to the Company and the communities. JK Lakshmi has identified vulnerable sections in the society surrounding its operation sites and has been taking various steps to empower and support them. Community engagement is not new to JK Lakshmi, Since long it has been working towards empowerment of the society and its people through numerous interventions—education, health and hygiene, maternal care, drinking water supply, animal welfare, vocational training, skill development and helping the needy. The Company has mapped its social sustainability aspects with the Sustainable Development Goals (SDGs).



A Good Neighbour

JK Lakshmi understands and feels responsible for the direct or indirect impacts of its business operations on the society. It follows caution and mitigates impacts by identifying them and their possible effects on people and environment through regular interactions, meetings and by seeking feedback from community members, providing assistance, discussing impacts and outcomes of interventions, participation in programmes, celebrations and other social activities. Being in the resource-intensive business, the production sites dedicate themselves to maintain the operation systems to control emissions and disturbances to the environment and biodiversity. For more details please refer to pages 94-95 of this report. Any plan of land conversion and resettlement is not applicable to any of our operation sites.

(GRI 413-1,2)

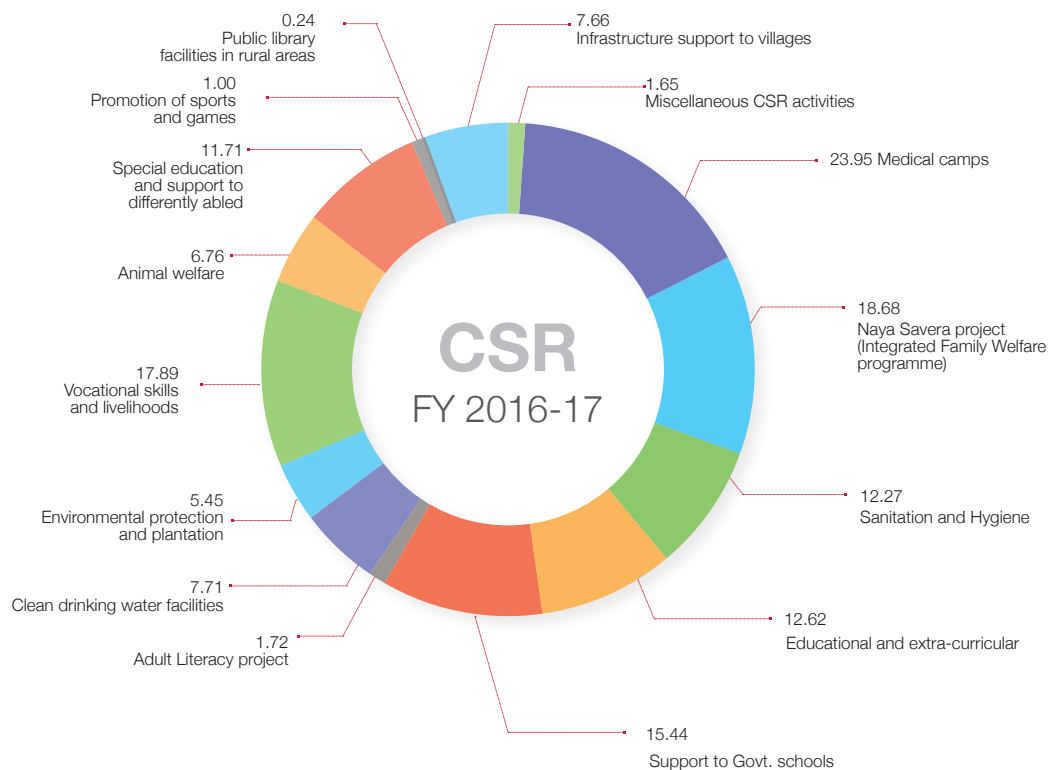
100% of our operations have implemented local community engagement programmes like welfare, developmental, etc, under Corporate Social Responsibility (CSR). Communities around the operations have been identified for various need based interventions, that includes healthy participation of local community people. GRI- 413-1

Working with and beyond compliance as per Companies Act 2013, on creating beneficial impacts through our relentless interventions, the Company has a Corporate Social Responsibility Committee (CSR), which comprises of members from the Board of Directors that review and ensure the effectiveness and implementation of CSR activities across all operation sites. For FY 2016-17 and 2017-18, the Company has spent ₹144.75 lakhs and ₹130.78 lakhs, based on the average net profit of the Company for the last 3 financial years. There were no grievances/ incidents recorded in FYs 2016-18 with the Company in relation to any social related aspect or violation of rights of indigenous people. (GRI 411-1)

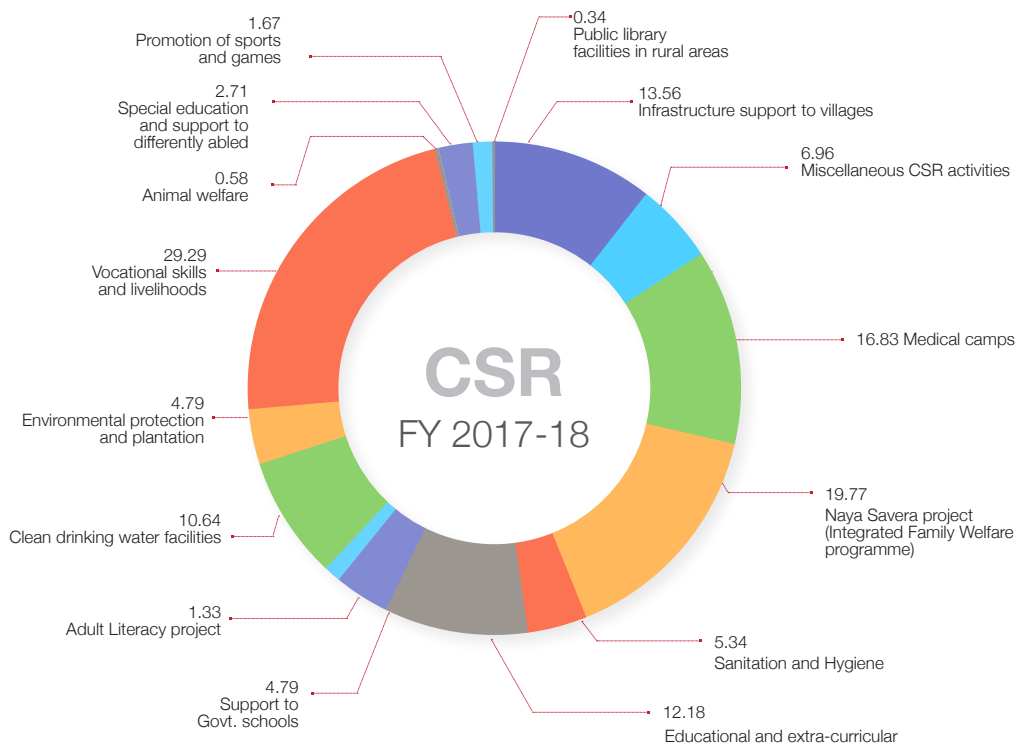
The Various areas of company's CSR intervention includes Health, Education, Skill development, Sanitation, Livestock and Agriculture Development, Infrastructure development, etc. Company helps the society by undertaking infrastructure development works mostly directly like, repairing of community water tank, constructing rooms for schools, providing sheds, developing pucca roads in villages, etc.

--GRI 203-1

CSR Interventions and Expenditure



CSR Interventions and Expenditure



Understanding Need

The operational footprints of the Company are mostly spread in village areas of the country, where there is a true need for growth and development in socio-economic terms. Empowering people with education, employment, healthcare, and sanitation are some of the interventional areas. These initiatives are based on the present needs of the community and planned with future in mind. All interventions are aligned with the government's plans and initiatives to add to the momentum of development in the country. At JK Lakshmi interventions are based on the philosophy of doing its bit in addressing equality, enabling sustainability and finally realizing relevant agenda of Sustainable Development Goals (SDG).



Our interventions of responsibility towards the community as humans is what drives our social values into practical work in the ground. Our interventions in relation to empowerment, education, health, sanitation, skill development, and vocational trainings are the building blocks for a long-lasting relationship with people and communities. Our emphasis has always been on working beyond what is mandated and in improving the social aspect of sustainability, for today and tomorrow.



R.K Gupta
Head CSR



Empowering through Livelihood

A proverb goes, "if you give a man a fish, he is hungry again in an hour. If you teach him to catch fish, you do him a good turn." Empowering through livelihoods is one the core areas of the Company's interventions to support the village communities, especially women.



During the reporting years, a total of 10 initiatives reaching out to more than 700 women in skill development activities was achieved. These efforts are directly contributing to the women's earnings.



CASE STUDY

Shashakt Naari, Desh ki Shakti Vama Lakshmi

The Grinding Unit at Kalol, under one of its initiative of empowering women from the village, organized a six-month long tailoring and beautician courses offered by experienced trainers. Most of these women are in the age group between 17-35 years. Many include housewives who did not get a chance to realize their creative potential because of social and economic challenges. With the Company's support, women now undergo tailoring classes during their free time. Eligible candidates are enrolled in NIOS Certified Courses.

The women who have availed the benefits of such trainings are school dropouts, who could not complete their elementary or basic education due to social and economic barriers. The Kalol Unit extended its support by organizing distance education programmes through NIOS and BAOU. Interested women were encouraged to be enrolled in the course to complete their Secondary (10th), Higher Secondary (12th) and under graduate studies. During FY 2016-17, a total of 32 women enrolled in the training courses.



To support the learners in all ways the Unit makes efforts towards marketing and selling their products, which includes cotton bags, lady's cloth purses, and decorative items in Company celebrations, national day events marking the Republic Day and during festivals like Navratri and Diwali at the plant site and at various other outside platforms.

Healthcare

Promoting awareness towards Health and Sanitation in the communities has been one of the Company's important intervention areas since long. **Naya Savera** is an integrated family welfare programme that was started in the year 2004 at the Unit Sirohi, Rajasthan. It is effective in 35 villages and 55 hamlets covering a population about 80,000.

The Kalol Unit organized Eye check-up camps in government primary school covering of more than 4800 students of from eleven different schools in 10 km radius of the Unit in the year 2016-17.

Other units have taken initiatives to create awareness towards the health of women from the villages, who are at high risk of serious health problem and diseases due to Indoor Air Pollution (IAP) due to the practice of using traditional wood-based cookstoves. The Units have provided smokeless cookstoves to cut down the health risk of women.

Naya Savera

80,000
people

55  hamlets

35  villages



Smokeless Cookstove demonstration session for village women.



Sirohi, Durg & Jhajjar



700+
Health Camps



20,000+
Outreach



Kalol

Expert recommended
balanced diet to

20

MDR TB Patients
Initiative Since 2012



HIV/Aids
Awareness

30
workshop

800+
person



Marketing



Medical Health
Checkup camps

61

Camps with
an Outreach



3800

masons and
their spouses

Sanitation

JK Lakshmi is committed to work continuously to improve both personal and societal sanitation and hygiene. Working in tune with the government's sanitation movement of "Swachh Bharat Abhiyaan", the Company has taken steps to improve cleanliness and sanitation in the nearby communities. All the Units have installed sanitary napkin machines in surrounding villages for easy access by women and girls. These are being run by SHGs. Awareness camps and group discussions are organized to communicate the importance of personal hygiene. The Durg Unit has provided garbage trippers in the nearby village for collecting garbage at the doorstep of the villagers. Contributing to sustainable waste management.



Education

A swift progress of the nation is possible when everyone is educated. Through a dedicated and strategized approach, JK Lakshmi has reached out to the people in the communities surrounding the Unit to support and fulfill their educational aspirations. The Units in Durg and Jhajjar have facilitated education to school children through digital modes. In order to create joyful learning opportunities, the units have provided library facilities to government schools so that students enjoy learning.

The Unit in Sirohi in FY 2016-17 and FY 2017-18 assisted 87 and 45 dropouts, who dropped out due to economic and other challenges, to get back into schools. The Company intervention also promotes games and sports for the school students, an area that requires much support, by equipping schools with sports kits; organizing sports like archery; carrom-board and other competitions.

An innovative concept of a jhola library is on at the Kalol Unit, under which books from school library are being delivered at the doorstep of the villagers by the students so as to reach out to women at home and seniors who wish to read and write.

Adult Literacy Centres

@ Sirohi, Durg, Jhajjar

29  Beneficiaries

600  villagers 



Libraries
in government
schools
Kalol, Durg



Women enrolled under adult literacy programmes



Livestock and Agriculture Development

The World Economic Forum estimates that by 2050, a global population of 9.7 billion will raise the food demand by 70%. Feeding such a huge population will require not only an increased agricultural production by multiple folds but also making it sustainable. Agriculture sector constitute about 17.31 % of total GDP share of India (Ministry of Statistics and Programme Implementation), which is supported by small farmers and their livestock. JK Lakshmi believes in supporting the farmers through initiatives that have multiple benefits--direct and indirect.

In collaboration with JK Trust, integrated livestock development centres for cattle breed improvement have been set up in Sirohi and Jhajjar to support 35 villages. In addition, the activities include quarterly veterinary camps; fodder development; provision of quality horticulture seeds; In the reporting years 2016-17 and 2017-18, 118 and 527 calves were born through the artificial insemination facility for cattle breed improvement.



CASE STUDY

Supporting Animal Welfare for secure Livelihoods

Units in Sirohi and Durg, in an initiative to develop livelihood interventions for the villagers, have installed Integrated Livestock Development (ILD) centres in the nearby villages that include:



Cattle breed Improvement using Artificial Insemination technology.



Conducting awareness programme for livestock owners in Animal Health Care.



Fodder development and feeding balanced compound feed.



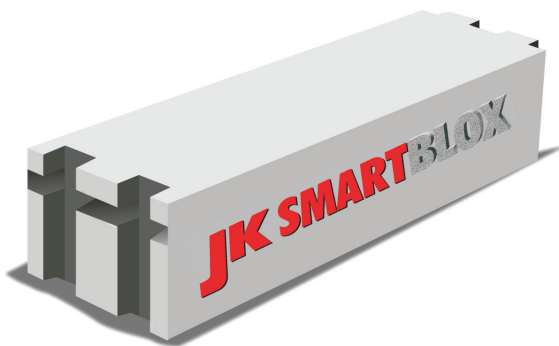
Organizing cattle health camps for undertaking veterinary First Aid, vaccination, deworming and infertility treatment.

Commitment to Customers

At JK Lakshmi, our ideology informs us that commitment to our customers is the cornerstone of the enterprise. We are accessible to our customers and it cements the relationship and builds trust. We seek feedback, as it shows customer satisfaction and allows us to meet their current and future needs. We strive to exceed customer expectation and continually improve the quality of our products and services.

The thriving of a product related business is crucially dependent on its customers. They are the key drivers behind the need to create new, efficient and valued products which determine the growth trajectory of the Company. JK Lakshmi strives for the satisfaction and happiness of its customers and that is what it focuses on and in pursuit supports its responsibility towards providing superior quality products.

As a reputed cement brand, the company knows that the best business understands its customers and their needs and meets it with the right product of choice. We understand that consumer is aware of the impacts on environment, society, and economy with any lifecycle chain of a product, therefore we believe in educating our consumers at every point of time on our efficient products and other product usage guidelines.



JK Lakshmi has had the pleasure of working with many prestigious organizations and individuals. It believes in building long lasting ties with its ever-growing clientele by providing world-class products, with high level of quality and consistency, in conjunction with unmatched service. A dedicated "Key Customer Cell" is in place to realize this aspiration of the Company. There is a call to continuously explore new horizons and strive to provide the very best to the users.

JK Lakshmi's institutional clients range from Government to some of the country's largest corporations.

Infrastructure



Ready Mix Concrete



Other Key Clients



Government



Real Estate



Delivering innovation to customers

JK Lakshmi Cement brings for the first time in India—JK Lakshmi Smart Serv cement for its consumers. It is smart packaging of JK Lakshmi Cement for bulk usage. It's a unique concept that promises to fulfill, new-age construction needs. It is premium service offered at no extra cost, equipped with latest technology-enabled features like GPS tracker, Quantity Check Sensor, Anti-theft Lock and many more benefits. It is a funnel shaped silo for storage and distribution of up to 5-7 tonnes of cement. It prevents consumption and related handling of cement bags. The smart packaging comes with various benefits, which includes supply of warm and fresh material to the construction site preventing fugitive dust emissions which is at once environment friendly.



JK LAKSHMI
SMART Serv
CEMENT

- 1 Smart Packaging
- 2 No Extra Cost
- 3 GPS Tracker
- 4 Quantity Check Sensor
- 5 Anti-theft Lock



JK Lakshmi is a formidable name in cement industry and to a large extent the credit goes to the 4000 vendors and business associates spread out across the country. It is their unrelenting effort that makes the Company value the special bond, sharing Colours of Togetherness. The business associates come together for various appreciation events, programmes and tours. "Holi Milan" is one such engagement programme for business associates that connects business minds with colours of happiness. Annual appreciation meet is another such programme focused on bonding its relation with promoters.

Taking Customer Along



JK Lakshmi believes that the more aware a customer is the more it will help the Company in choosing the right manufacturing and distributing path and thereby growing sustainable. It is also the Company's duty and responsibility to make the customer aware of newer and more efficient products and to collect their feedback and inform them of the changes happening in the construction world.

Keeping with this spirit, the Company has taken various steps towards educating its customers—civil engineers, masons, architects, interior designers, builders—through Knowledge Sharing Sessions that touch aspects of technology, quality, efficient construction designs, green construction technology and concrete technology.

JK Lakshmi provides a wide range of technical services. Its dedicated expert engineers visit sites to identify, understand and implement effective ways to create more value for the customers.



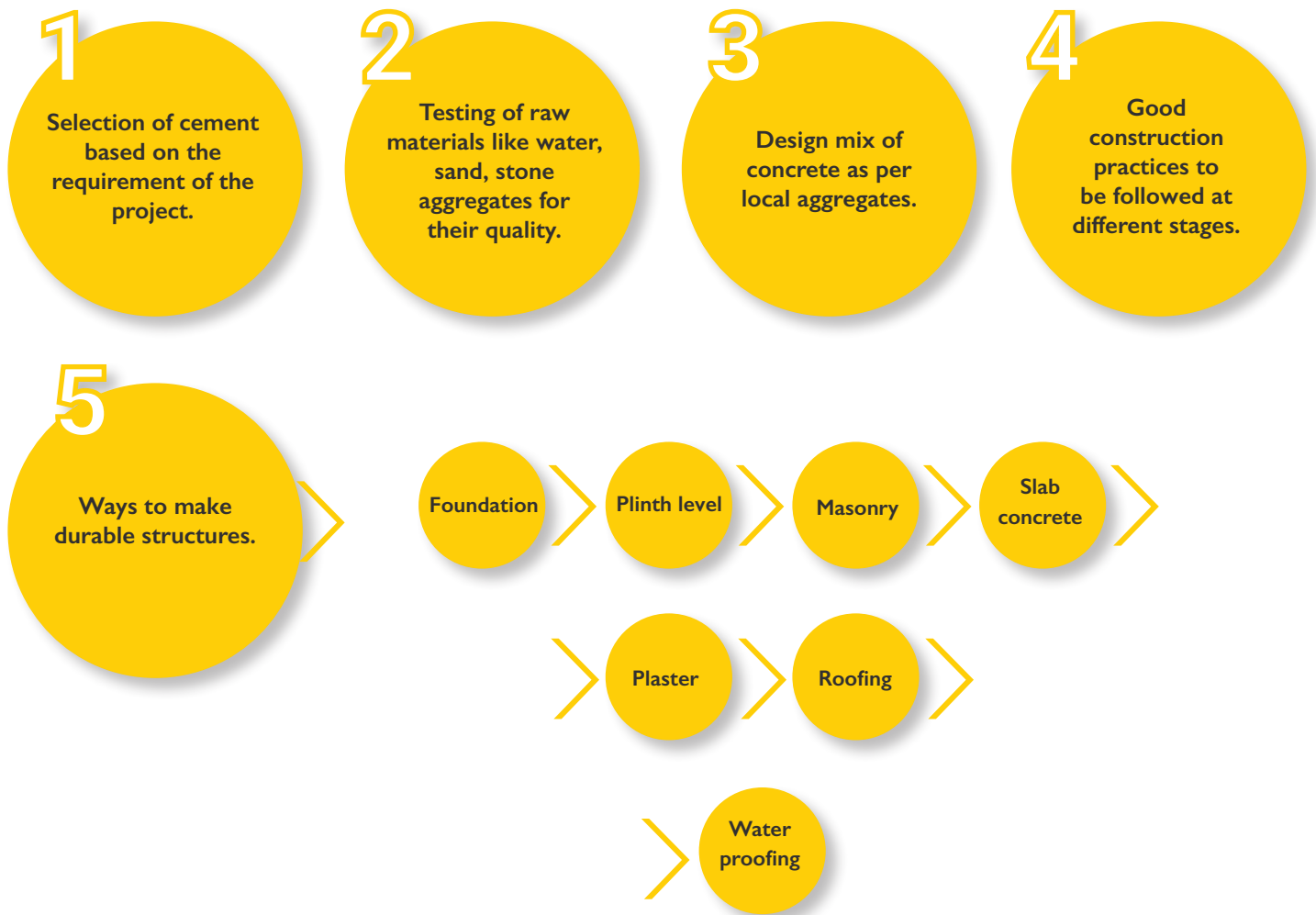
**For Technical
Service Assistance,
Call Toll Free No.**

1800-102-5097



JK Lakshmi expert engineers assist in following way:

Towards a Sustainable Design



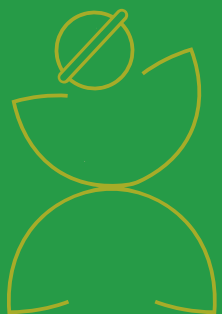
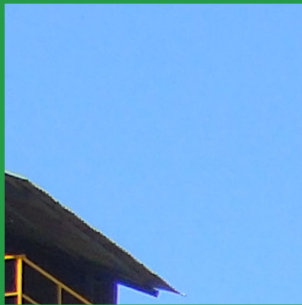
The expert engineers are well equipped with modern mobile testing facilities. They conduct training and skill upgradation programmes for different segments of users like masons, contractors, and engineers.

It has always been a principle to adhere to fair and responsible marketing practices that includes a belief that customers and end-users must be provided with adequate information about both positive or negative environmental or health-related effects of the product.

All requisite information as per applicable local or national laws are provided to the customers, on product packaging and the Company website. (GRI 417-1)

The Company has a Safety Data Sheet (SDS) for its customers that contain informations on physical and chemical features of all the types of cement variants (OPC, PPC & PSC). It includes guidance on safe and smart usage of products so as to reduce the risk of harm to humans or environment. For the reporting year, there were no incidents of any form regarding non-compliance concerning the health and safety impacts of products and services with regulations and or/voluntary codes concerning, marketing communications (includes advertising, promotion, and sponsorship), product or service information and labeling. (GRI 416-1) (GRI 417-2,3)

The Company respects its customers in every aspect valuing their privacy. There have been no incidents or complaints regarding breaches of customer privacy in the reporting years. (GRI 418-1)



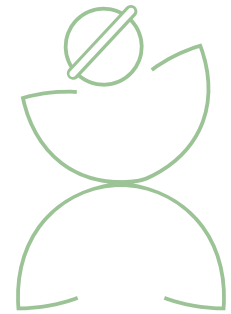
Standalone Grinding Unit
Kalol, Gujar, India



Colours of Our Operations 

Corporate Governance

At JK Lakshmi, our leadership comes with rich governing experience and strong societal values that provides a balanced guidance. It is the foundational element that strengthens risk management, compliance with regulations, long term perspective on shareholders values, management accountability, trust of the community and customers, responsible decision-making, agility and, finally realise our mission.



Governance for JK Lakshmi is a valued heritage that is built over time, nurtured with understanding and belief in action, all to think and act responsibly. The structure of governance based on the foundation of the Core Values include:

- Commitment to excellence and customer satisfaction
- Maximizing long-term shareholders value
- Socially valued enterprise and
- Caring for people

“

Fair and transparent governance structure based on integrity and accountability is what, we at JK Lakshmi believe is a key for a tomorrow's success. We believe in careful watch and thoughtful decision making processes, through robust policy and programmes complying to all applicable laws and standards. We strive to promote and sustain a successful structure of governance, commanding green and sustainable strategy for our present and for many more future generations to come.



B.K Daga
Company Secretary

Managing a challenging business environment and enhancing long-term value for its stakeholders ethically, is what is imbibed in its everyday business practices. The Company follows a documented set of ethics and a code of conduct which ensures that employees from top of the line to the bottom, share Company's commitment to perform duty with integrity and transparency. The same are available on the corporate website www.jklakshmicement.com

The Company puts its foot down against corruption or such activities. The business ethics and code of conduct are made explicitly known and informed to all. These ethics and codes are applicable to all the operations and office establishments. The Board of Directors, Management, Staff are communicated and made aware of the code during their induction programme and their compliance with the code is affirmed. The Company has an existing policy on whistle-blowing mechanism for the Directors and employees to report genuine concerns or grievances relating to actual or suspected fraud, acts of corruption, unethical behaviour, and violation of Company's code of conduct or its ethics policy and any other event that would adversely affect the interests of the business of the Company.

Whistle blowers may send their concerns/complaints in a sealed envelope to maintain confidentiality, for appropriate action. The Company further plans to strengthen the awareness through trainings to the employees. In the reporting year 2016-18 no cases in regard to violation of above said code of conduct on aspects of corruption were brought against the employees or the organisation. (GRI 205-3)

Governance Structure

JK Lakshmi Cement Ltd. is a business house that is driven by the leadership of its Board of Directors. As of 31st March 2018, the Board led by Bharat Hari Singhania, included five Independent Directors, four Executive Directors, and one Non-Executive Director that is in accordance with the provisions of the Companies Act, 2013. The Company is on its way to progressive growth and development under the able leadership of its woman Vice Chairman and Managing Director, who is one of the members of the Board of Directors. During the years 2016-17 & 2017-18 the board met 4 times a year, with 85% and 92.5 % attendance. The Company has a repute of having Directors with rich governing experience and sound competencies relating to environment, social and economic aspects that empowers the board to make balanced decisions. (GRI 102-18,23,27)



Board of Directors



Shri Bharat Hari Singhania
Chairman and Managing Director
Executive 5 years*



Vinita Singhania
Vice-Chairman and Managing Director
Executive 5 year*



BV Bhargava
Independent Director
5 years*



Dr. Raghupati Singhania
Non-Executive Director
1 years*



NG Khaitan
Independent Director
5 years*



Ravi Jhunjunwala
Independent Director
5 years*



KN Memami
Independent Director
5 years*



Pradeep Dinodia
Independent Director
5 years*



Dr. S. Chouksey
Whole-time Director
Executive 3 years*



S.K. Wali
Whole-time Director
Executive 3 years*

*Tenure in the board is from the date of appointment



In compliance to SEBI Act and regulations, a formal annual evaluation is carried out for the Board's performance by seeking inputs from all the Directors on the compositional framework, effectiveness and its functioning. For more, refer Company's Annual Report FY 2016-17 and FY 2017-18. See QR code on pg. 112.

GRI102-28

Selection of the Directors, key managerial persons and other employees are done as per the Nomination and Remuneration Policy in accordance with the provisions of the Companies Act 2013 that further has stretched out some crucial criteria for recommending the Director of the Company to the Board for appointment. The crucial criteria include relevant qualifications and experience, respect for the Company's core values, professional integrity, and strategic capability with business vision.

GRI 102-24

Responsibility for the direction and to overlook sustainable growth and development is undertaken by the top management regularly through various modes, reviewing all three dimensions of sustainability, i.e. Environmental, Social and Economic. Experienced and able leaders from executive levels are responsible for taking ahead the Company's growth in most sustainable and responsible manner.

(102-20,26)

The Company has a separate "Sustainability Team" which is directly headed by Member of Board of Directors (Whole-time Director), through Sr.Vice President, Works. The team includes area experts from all our operating units and corporate office in divisions of Environment, Health & Safety, Social Responsibility, and Management. The team looks into aspects related to sustainability of the Company and reports any present and futuristic critical/general concerns/risks/opportunities, like target setting, new environmental regulations, emission and energy compliances, tax and economic reforms, and social interventions to the top management (Board/Board members) following proper channels.

(102-16,17,19,32)

In the years 2016-18 some major concerns included—new notifications, orders and amendments of applicable regulations like environmental emission standards, mining, tax reforms by local and central regulatory bodies. The same were reported, assessed and are worked upon.

GRI 102-33,34



Committees of the Board



Audit Committee

The Company has an Audit Committee of Directors since 1987. The Committee composition and functioning (Terms of Reference) are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Stakeholder Relationship Committee

The Company has a board-level "Stakeholder Relationship Committee" that consists of 3 directors, out of which two are Non-Executive Directors and one is Independent.

Nomination and Remuneration Committee

The Company has put in place the Nomination and Remuneration Policy for Directors, key managerial persons and other employees for various attributes like qualification and experience. The Committee periodically reviews the compensation of Directors and proposes changes, if any, which are subject to the approval of the Board. Appointment to key managerial positions is done on the basis of qualifications and experience. The compensation structure of the employees is linked to the appropriate performance benchmarks that are evaluated periodically. (GRI 102-35,36,37)

CSR Committee

The Company has a CSR committee and policy as per provisions of section 135 of Company's Act 2013. The CSR committee comprises a total of four members from the Board of Directors. During the financial years 2016-17 and 2017-18, two meetings of the CSR committee were held with 100 % attendance of members. More details are given on pg 58 of this report.

Risk Management Committee

The Company has a well-established risk management system to inform the Board about impact, opportunities, and Risks associated with various economic, environmental and social aspects. The Risk Management Committee is headed by the Whole-time Director and meets on a quarterly basis. For more details on above committees please refer pages 78-81 of this report. (GRI 102-22)

In accordance with an implementation of the code of conduct of the Company, there were no cases of cross-shareholding with suppliers and other stakeholders. There were no incidence cases of conflict of interest in the said reporting years. (GRI 102-25)

More information on the above mentioned committees, refer to Company's Annual Report FY 2016-17 and FY 2017-18. See QR code on pg. 112.

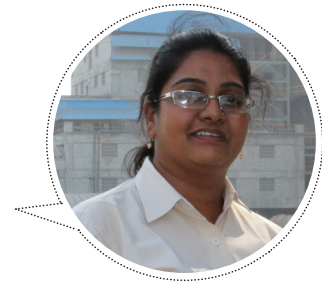


Prevention of Sexual Harassment of Women at Workplace

The Company is sensitive to aspects related to women in the workplace. As required under the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment. It has set up Internal Complaints Committee (ICC) at its workplace(s) to redress the complaints of women employees. There were no complaints in this regard in the said reporting year.

“

My desire to innovate and implement new things came to reality, here at JK Lakshmi Cement Ltd. I enjoy the freedom to think, explore, implement and even fail, but fail to learn. I believe the company holds a deep sense of understanding with the employees and their whereabouts.



Preeti Mathur
Sr. Engineer
Information Technology



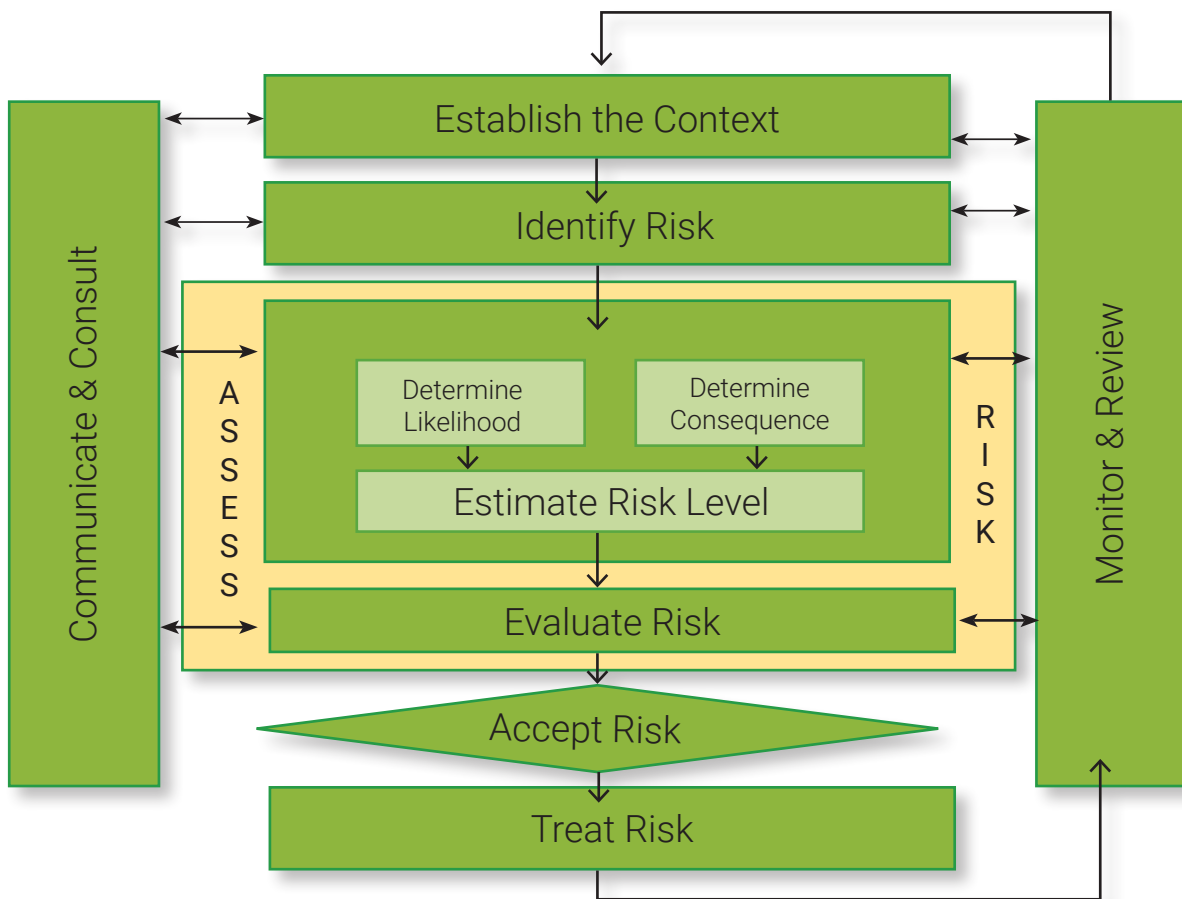
Risk Management

As a strategy, the Company accepts and works on risk mitigation rather than ignoring it or relegating it to future. Taking and managing risk is the very essence of business survival and growth. The focus is to develop, implement, recognize, and monitor plans to address issues long before problems arise that may adversely affect us, our clients, and our sustainable growth agenda.

Fearless growth and development asks for estimation, evaluation and mitigation of numerous risks associated with operations and business around the globe. JK Lakshmi believes in creating opportunity by mitigating risks that are present or have a chance to occur. Its proactively takes steps and seeks solutions and opportunities out of associated risks and strictly follows them. Its systems relentlessly work towards delivering processes in systematic structure aligned to various national and international standards like the ISO. (GRI 102-29, 30, 31, 32)



Overall Risk Rating



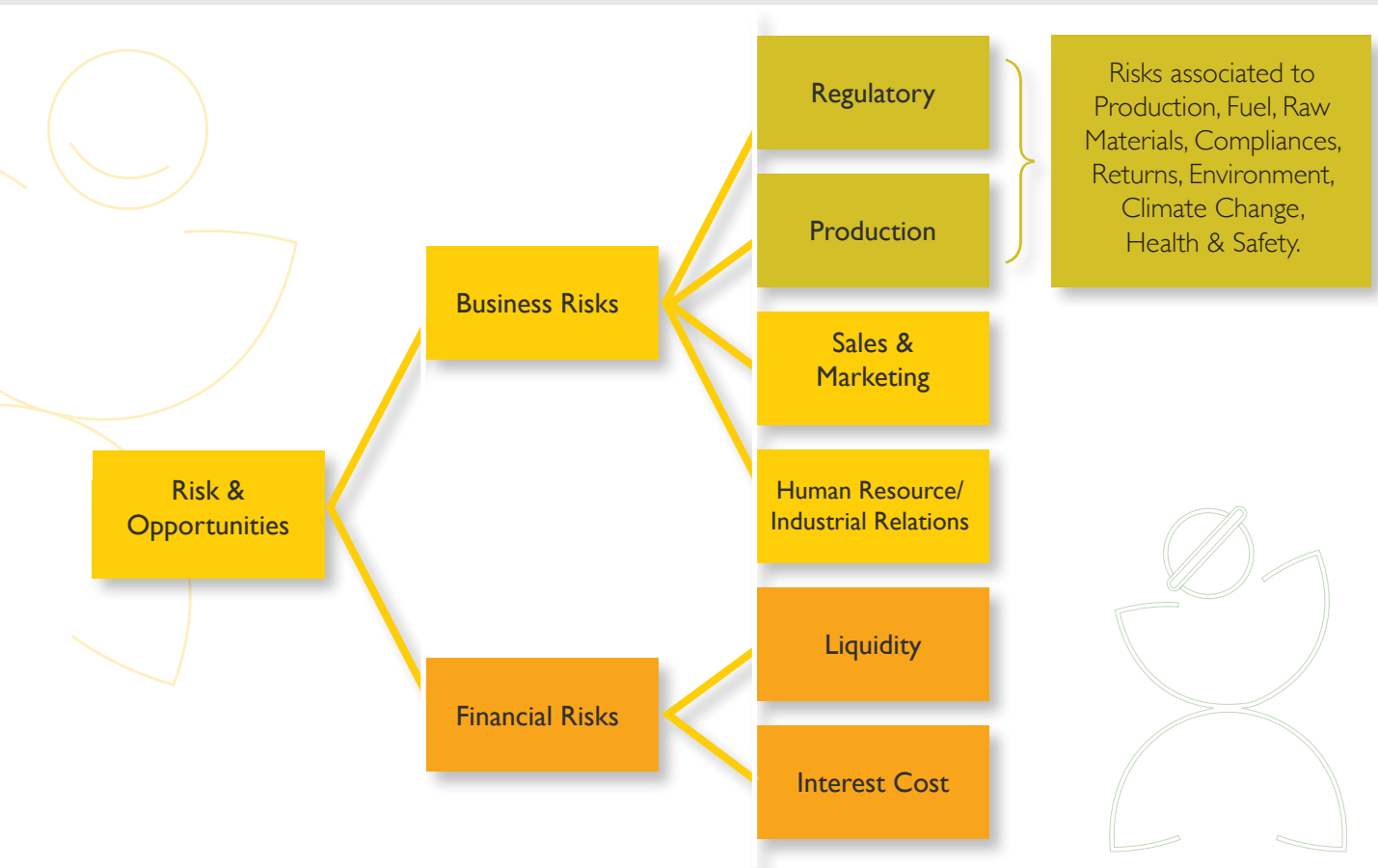
Risk Management Framework

JK Lakshmi has an existing Comprehensive Risk Management Framework aligned to ISO 31000:2009 which is based on Company's operational designs. Risk management framework brings more of a competitive advantage, through regular assessments of various interrelated aspects like, finance, environment, health and safety, employee and community engagement.

The Company has a formal Board-level Risk Management Committee that monitors and

evaluates the present and futuristic aspects of growth and vision plans to achieve a sustainable progress enroute.

The Committee meets on a quarterly basis that evaluates risk identification and management framework in two broad categories, i.e. Business Risk and Financial Risks based on risk rating system on magnitude of impact, delivered by rating on scale of 1-5. (GRI 102-11)



The Company has identified detailed risks on key material aspects that relate to all dimensions of sustainability, to mitigate and create opportunity through innovation and consistency. Some key risks identified out of material aspects are given below:

Material Aspect	Business Risk	Financial Risk
Economic Value & Business Performance	Poor business performance affects employee morale, productivity, and innovation. It further hampers the reputation of the Company.	Poor business performance implies reduced business opportunities for an enterprise, meaning lower dividends for shareholders and increased cost of capital.
Customer Satisfaction	Insufficient initiatives towards sustaining customer satisfaction hampers customer loyalty, leading to reduced market reputation.	Insufficient initiatives towards sustaining customer satisfaction implies lower revenue from sales.
Integrity and Transparency	Economic crimes such as corruption and bribery are unethical and consistently harmful to a Company's intangible assets such as reputation, business relationships, and staff morale.	Unethical acts by an enterprise can bring about substantial reputational damage to a Company, hence affecting its future earnings besides regulatory penalties.
Compliance to Regulation	Involvement of an enterprise in cases of non-compliance may lead to reduced trust from stakeholders. Additionally, business units may face closure due to non-compliance.	Sanctions and financial penalties may be imposed on an enterprise by the regulatory authorities for acts of non-compliance.
Human Capital Development	Lack of human capital development initiatives will lead to reduced employee productivity and poor turn-around time, leading to weak performance at the operational level.	Insufficient investment towards employee development will hamper the Company's overall performance and its progress towards its strategic targets, leading to decline in revenues.
Community Development	Lack of community development initiatives can bring about hostility and unrest among the local community, thus endangering the Company's social license to operate.	An enterprise may incur fines in case of insufficient investment towards community development programmes.
Occupational Health and Safety	Insufficient investment towards ensuring occupational health and safety of employees has a direct negative impact on labour costs through lower productivity.	Lower performance not only poses threat to a Company's reputation and staff morale, but also results in increased operating costs in the form of fines and other contingent liabilities.
Energy and Emissions	An enterprise having a poor track record in energy consumption and emissions management is likely to experience reduced trust from investors and stakeholders.	The regulatory authorities may impose penalties on the enterprise due to poor energy and emissions performance.
Water Management	Lack of water management initiatives will lead to depletion of water resources in an area and impacting social and biodiversity value.	Purchasing water from external sources would lead to higher operating costs and reduced margins for the enterprise.
Resource Conservation	Poor resource management will have impact on company's long lasting existence and performance. It will also lead to resource depletion.	Quality resource will be expensive and scarce in future that will impact the production cost, leading into lower profitability for stakeholders.

Operational Risks concerning Environment, Health and Safety are topmost priority for the Company. All units are ISO Certified, by maintaining consistent standards for Identified Risks and Opportunities associated with the sites. The units are Certified for ISO 14001, including proper identification of Environmental Risks for fresh and wastewater, source and fugitive emissions, consumption of fuel, wastage of energy in any form, and GHG emissions. (102-15)

A sound management system has been active in terms of conforming to regulatory and voluntary compliances. There have been no cases of non-compliance with laws and regulations in the Social and Economic areas in the reporting years. (GRI 419-1)

All the operations of the company are covered under the aspect of Code of conduct, that has detailed codes on integrity and aspects related to corruption and other codes. All the Employees of the company are bound to follow the said code of conduct. The Company is looking for assessing its operations for risks related to corruption and providing formal trainings to the employees. in near future and risks associated with it. GRI 205-1,2

In order to work over risks, every operation Unit has established and maintains an Environment Management System and an EHS Department, with separate budget.

The Company has undertaken various projects towards consciously reducing risks and converting them into opportunity.

“

Our company has already started investing in modern technology and state of the art plants. All our manufacturing plants are now ISO 9001, ISO 14001, OHSAS 18001 and ISO 50001 certified. Further the latest expansion and capacity addition has been done considering the environment friendly technologies and latest automation based systems and processes.



S.K Saxena

Plant Head
(Sr. Vice President- Quality)



Economic Performance

Our happiness rests on responsibly delivering fruits of growth to our shareholders, customers, and other stakeholders, thus, building a more resilient, efficient and strong economic environment.

JK Lakshmi's economic performance is the face of its growth and development in various fronts of sustainability. The financial system is the cornerstone of economic business activity supported by both tangible and intangible levers of success. Driven by the vision, mission and values, the Company is bound to grow and maintain best to performance even in a downward trends of the market.

The Company has progressed from the average stock price of ₹ 80.85 in FY 2013-14 to ₹ 444 in FY 2017-18 which is a result of growing trust of people in the Company. For the reporting years 2016-17 and 2017-18, revenue generated by the Company was ₹ 3329.93 crores and ₹ 3582.29 crores. Company's net profit stood at ₹ 83.96 crores for FY 2017-18 and ₹ 82.00 Crores for FY 2016-17, against loss of 6.56 crores in FY 2015-16. For more details, please refer Company's Annual Reports FY 2016-17 and FY 2017-18. See QR code on pg. 112.

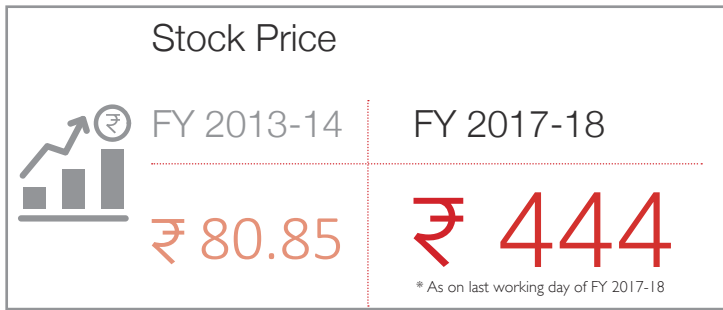


“

We believe in an economic platform where our responsibility as leader of the market is to share along the benefits reaped with our shareholders towards maintaining a sustainable economy. For us, relationship with our shareholders is the wealth that we are bestowed upon and that empowers us to grow and contribute to the economic development of our Nation. Holding our commitment to practice fair and transparent systems, has helped us to reach new heights supporting our push to boost overall sustainability.



Sudhir Bidkar
Chief Financial Officer



In crores	2016-17	2017-18
Economic Value Generated (₹ Crores)		
Revenues	3329.93	3582.29
Economic Value Distributed (operating cost, employee wages and benefits, payment to provider of capital, payment to government and community investment) Deferred tax is removed	3284.84	3496.35
Cost of Materials Consumed	524.94	584.15
Purchases of Stock-in-Trade	224.26	242.2
Change in inventories of finished goods, work-in-progress and traded goods	12.76	47.97
Employee Benefits Expense	208.39	234.95
Finance Costs	188.65	197.48
Depreciation and Amortization Expense	172.37	179.27
Excise Duty	349.71	102.04
Current Tax	16.67	25.93
Tax Adjustments for Earlier Years	0.1	3.18
Other Expenses	1574.65	1987.46
Economic Value Retained (Generated-distributed)	45.09	85.94

(GRI201-1)



Risks and opportunities related to climate change and environmental aspects are considered to be evaluated and discussed under operations risk category of the Risk Management system of the Company. For the FY 2016-17 & FY 2017-18, the environmental expenditure for all reported sites was ₹ 19 Crores and ₹ 11.4 Crores respectively. The Consolidated Financial Statements comprise the financial statements of JK Lakshmi Cement Ltd, its subsidiaries, associates and joint venture. (GRI 201-2,)

For more details please refer to the previous chapter on Risk Management in this report.

Product	Quantity (in lakhs)	2016-17	2017-18
Cement Production	Tonnes	63.40	70.69
AAC Blocks	Cubic metre	1.42	1.41
Ready-mix Concrete	Cubic metre	4.20	4.55

Environmental Expenditure

FY 2016-17

₹ 19

Crores

FY 2017-18

₹ 11.4

Crores



Employees form the core of JK family. The Company offers defined retirement benefit plan to the employees and other contribution plans both statutory and voluntary like Provident Fund, Gratuity Fund, Super annuation and Family Pension Funds for Permanent employees. Total contribution to employee benefit was ₹ 13.72 Crores for FY 2016-17 and ₹ 17.11 Crores for FY 2017-18.

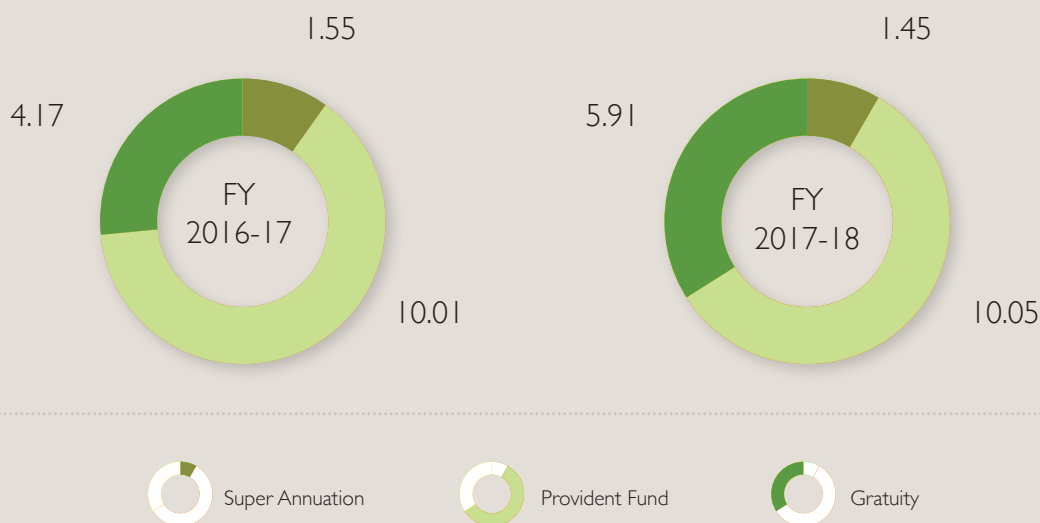
The Company does not operate any vehicle to pay its fund obligations. For the said FYs, all the liabilities are paid off and there is no pending liability. The Company holds a separate fund to pay the plan's pension liabilities and total 100% of schemes liabilities are covered by assets that have been set aside to meet them. Employees contribute 12 % of their salary and 12 % is contributed by the Company towards Provident Fund. Percentage increase in the median remuneration of employees is 14.79% for FY 2017-18. More details are given in the Annual Report FY 2016 - 17 and FY 2017 - 18. See QR code on pg. 112.

GRI 102- 38,39

Contribution in ₹ Crores FY 2016-17 and FY 2017-18

FY	Super Annuation	Provident Fund	Gratuity
2016-17	1.55	10.01	4.17
2017-18	1.45	10.05	5.91

Source: Annual Report



There was no financial assistance received by JK Lakshmi from the government during the reporting years 2016-17 and 2017-18.(GRI 201-4)

The state of Haryana has filed a complaint alleging cartelization in the tender for supply of cement by some cement companies including JK Lakshmi Cement Ltd. CCI vide order dated 19th January 2017, and has held cement companies including JK Lakshmi Cement Ltd. guilty of violating provisions of the Competition Act and imposed a penalty to the tune of 0.3% of the average turnover of last three financial years. Accordingly, the penalty on the Company works out to ₹6.55 Crores. The Company has filed an appeal against CCI's order before the Competition Appellate Tribunal and stay has been granted. GRI- 206-1



Supply Chain Management

For JK Lakshmi supply chain is more than just a network of suppliers, manufacturers, distributors, wholesalers, retailers and customer, directly or indirectly. It is more of a life chain that keeps the business going.

Responsibility of any business is associated with the value, the supply chain creates towards growth and development in a sustainable manner. It is a long-lasting relationship created on fundamentals of sensitive and cautious business practices and approach. The supply chain includes thousands of small and large stakeholders, which are responsibly connected to us inculcating aspects of sustainability in their business routine. It is central to the manufacturing footprints and upstream and downstream which could have significant impact on environment and the society. The Company acknowledges and values suppliers/vendors who are sustainably sound and encourages others to follow the same.

The Company's supply chain strategy is aligned to attain system sustainability through fundamentals like reducing inventory level, resource planning, achieving production efficiency, increased flexibility, forecasting accuracy, cost saving, environmental and social concerns. The Company has a vast working network of local (within country) as well as international suppliers that provide raw materials, technology, equipment and services. The focus lies mostly on procuring from local suppliers, leading to an ease of delivery and services, reducing environmental footprint and hence boosting local economy. For the said reporting year about 76% of total business volume in terms of spending, was done locally. (GRI 204-1)

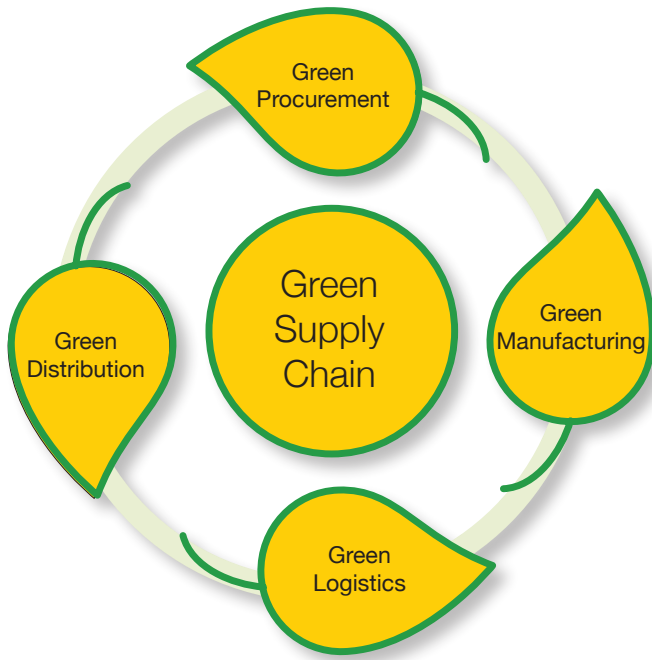
The supply chain begins with extraction of major raw material—limestone-- from captive mines, formation of clinker at the manufacturing sites, grinding of clinker to form cement, and finally packing and distributing cement to the end customer. Other resources like fuel (coal, petcoke, biomass), slag, flyash, gypsum are obtained locally or imported. Designated officials at the units take care of local procurement and logistics system, which are under supervision of respective plant heads and corporate level Purchase and Logistics Department.



S. Ramesh
Sr. Vice President Materials

Sourcing for us is not just a job, it is a rightful practice of making some most sustainable decisions, to obtain resources with low environmental footprint and in most efficient way embracing responsible procurement. We believe in bringing harmony to all the 3 pillars—Environmental, Economic and Social—of sustainability working across the value chain, with our vendors, suppliers and associated stakeholders.





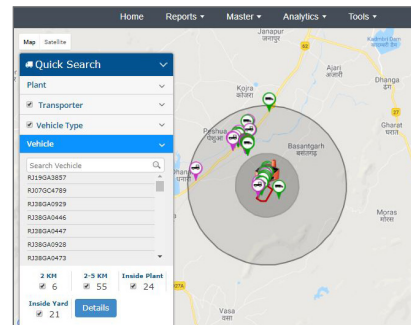
The procurement practices have always been associated with aspects defined as per our green procurement practice in upstream activities. Collaboration effort between supplier and the Company has been the main ingredient of our supply chain management system. The Company segments suppliers based on nature of operations, volume of business and type of risk associated, assigning them risk ratings. Figures provided includes the number of “A” class suppliers to JK Lakshmi Cement Ltd. that accounts for more than 80% of overall business volume.

JK Lakshmi follows existing Green Procurement Guidelines that consist of comprehensive set of assessment aspects for selection of vendors, especially focusing on Environment, Health, Safety and Social state of our suppliers. Most of the suppliers remain same in the reporting year and percentage of new suppliers is very less. However, our units in Kalol and Surat have screened 100% of all the new suppliers using environmental criteria, and other units are in process of following the same. Screening as per formal social criteria, is not being done and will be incorporated, in screening process, hence no suppliers were assessed for formal social screening. However, we encourage our suppliers and do check on their backgrounds on any issues related to economic, environmental and social aspects. For example, sharing of vehicle space for bringing material from different supplier parties to plant location helps saving fuel on separate vehicles, thereby, reducing carbon footprint. Most of the vendors are “A” class that have sound environment systems in place. (GRI 308-1,2) (GRI-414-1,2)

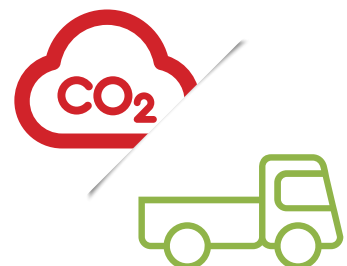
FY 2016 -17

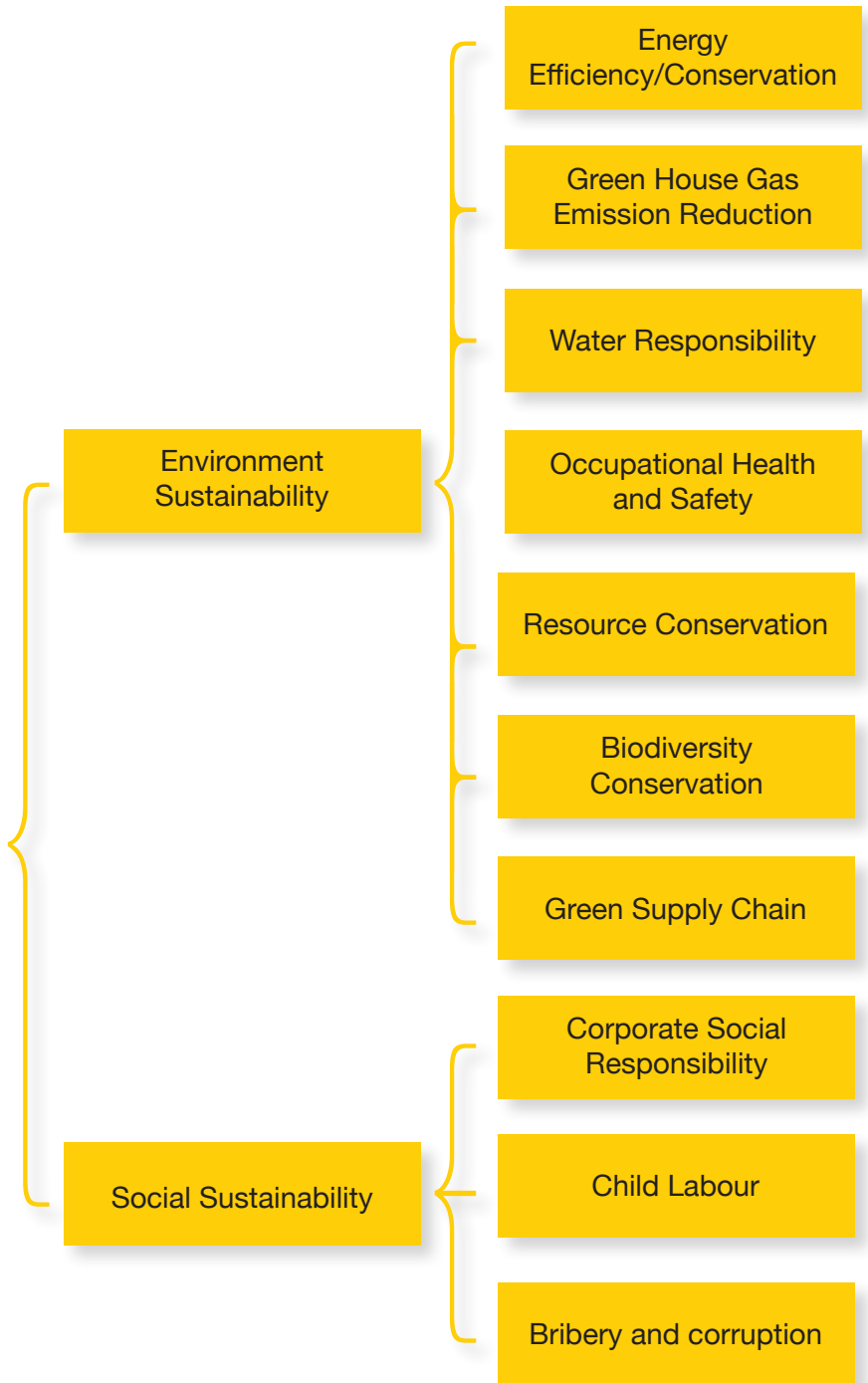
No of Suppliers **69**

Total business volume (₹ Crores) **615**



GPS tracking enabled delivery system

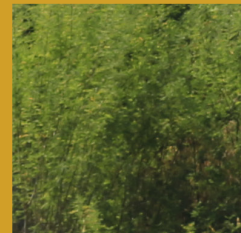
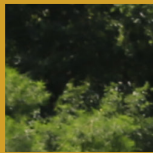




Our sound logistic management system helps us add value to our indirect footprints downstream, through balanced and resourceful strategies. Due to ever increasing consumption, demand for goods and materials have increased multifold. Consumption

contributes to growth and GDP. So, promotion of consumption has led to unscrupulous use of resources which comes at a heavy environmental price. The growth strategy has to be based on the principles of Circular Economy that demands innovation and contributes to sustainability.





Integrated Cement Manufacturing Unit
Sirohi, Rajasthan, India



Colours of Nature 



Circular Economy: Resource Conservation

JK Lakshmi Cement understands the value of natural resources and believes in their wise use and espousing the principles of Circular Economy.

Manufacturing cement is a resource intensive process and this product is crucial commodity required to meet the demand of the nation for accelerated infrastructure growth and development. The Company, since its inception has worked on a core principle of manufacturing more from less.

With fusion of technology and conservative approach to natural resources, manufacturing units are utilizing waste derived raw materials in place of virgin natural raw materials wherever possible. The strategy is to use alternative materials, encouraging sustainable utilization of resources in accordance to the Company's Sustainability and the Corporate Environment Policy. This also helps the company to deliver its efforts and responsibility to the SDG 12 which advocates "Responsible Consumption and Production". Reclaiming of product or packaging material is not applicable. (GRI 301-3)

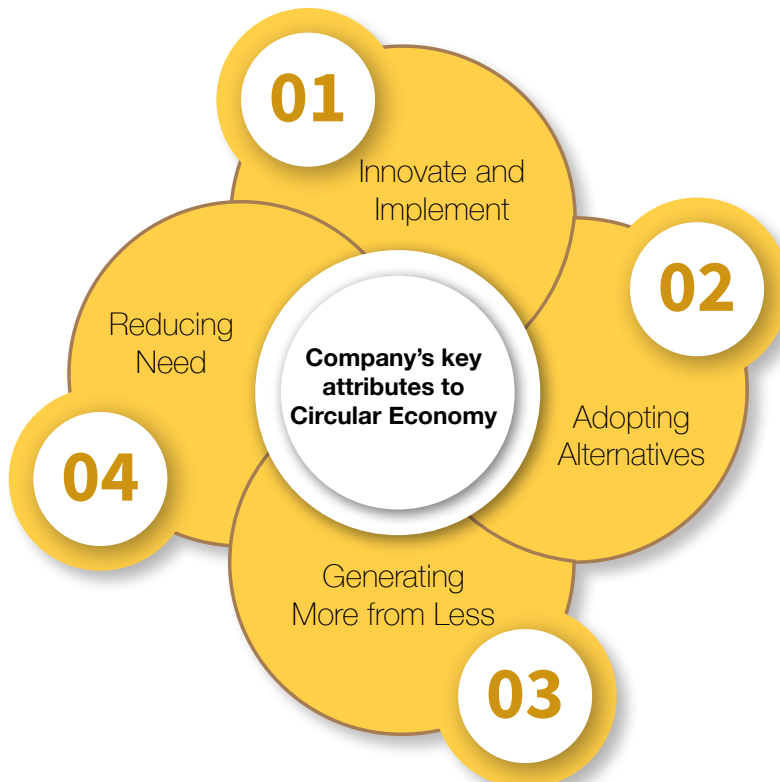
12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Sustainability for me is a tool for happiness, which help me to assess and enhance my role and association with company, environment and community.



Dr. Hitesh Sukhwal
Manager, Environment
Member- Sustainability Team



Raw Material Consumption Details



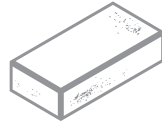
84,59,240 | 93,51,903

Limestone
(tonnes)



3,79,519 | 4,06,667

Gypsum
(tonnes) (including AAC)



16,364 | 16,864

Cement AAC
(tonnes)



12,24,618 | 13,93,605

Fly ash
(tonnes) (including AAC)



1,63,425 | 2,38,849

Slag
(tonnes)



2,89,623 | 2,34,381

Others
(tonnes) (including AAC)



Recyclable
Raw material

14%
FY 2016-17

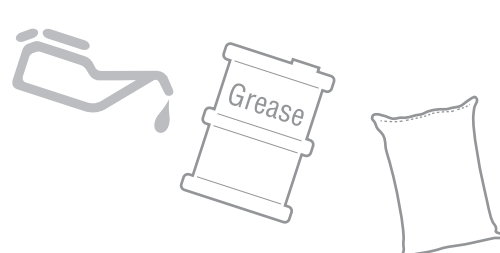
15%
FY 2017-18

*only for cement manufacturing

Associated Materials Used

	FY 2016-17	FY 2017-18
Lubricating Oil (Kl)	292	
Grease (tonnes)	45	
PP Cement Bags Consumed (tonnes)	8776	

GRI 301-1,2



Sustainable Mining and Biodiversity

JK Lakshmi understands that its activities can have impact on resources as well as biodiversity. It sources the basic raw material “limestone” from its captive opencast limestone mines adjacent to the integrated plants at Sirohi, Rajasthan and Durg, Chhattisgarh. These are operated and maintained as per mining plans approved by the Government. The mines/plants do not fall within or lie adjacent to any high bio-diversity value areas or areas listed under Ramsar Convention. However, as per national law three “Schedule-A” species have been found within 10 Km radius from our operation location in Sirohi, Rajasthan for which conservation plans are developed as per directions of Wildlife Conservator of forest—two of them are classified as Vulnerable and one is Least Concerned as per the IUCN list. (GRI 304-1,4)

The Company follows sustainable mining practices for extraction of limestone that includes controlled blasting for least ground vibrations and less flyover debris, through use of specifically advanced detonators. Regular water sprinkling at mine haulage roads is being done for abatement of fugitive emissions. The mine at Sirohi, Rajasthan was awarded 5-star rating for Star rating system developed by Ministry of Mines through Indian Bureau of mines (IBM), awarded by Honourable Minister of Mines, Government of India, for efforts and initiatives taken for implementation of the Sustainable Development Framework (SDF), in the year 2016-17. There is no area covered under restoration as the mine sites are still active. There are however existing approved mine closure plans already in place. The mining practices are sustainable and are mindful of the biodiversity and land resources. The emphasis is given on the plantation of native species in the reject dump areas, and stabilizing them scientifically. (GRI 304-2,3)





CASE STUDY

Mineral Resource Conservation through Sustainable Mining

The Sirohi Unit has implemented an innovative and sustainable way of extracting quality limestone ensuring that it is not mixed with deposits of waste/non-limestone rock materials, by deploying “backhoes” for extraction and loading specific pockets of quality limestone in dumpers. Usually when extracted in conventional manner, extracted limestone gets mixed with waste material and lesser quantity of quality limestone is extracted.



This innovative approach aids in saving limited quality deposits which would sustain operations for a long time.

The deployment of back hoe has enhanced the life of the deposits, increased availability of the quality mineral for future use, thereby, boosting sustainability.

Waste Management

JK Lakshmi’s practices are focused on being resource conservative by following the principles of 5 R— Reduce, Refuse, Reuse, Recycle and Reform. Cement manufacturing operations are based on completely dry process technology. The air emissions are controlled through state-of-art pollution control equipment/technology and water and dust collected in the hoppers is recycled back into the system. The operation facilities are “ZERO” Liquid Discharging Units. Waste water is generated only from canteen, toilet facilities which is recycled through Sewage Treatment Plant (STP’s) and the treated water is reused in operational cooling and for developing the greenbelt. Other solid waste includes metal scrap and rubber belt scrap which is sold back to recyclers.



The only hazardous waste generated is used oil from machine bearings, which was 47.12 Kl and 18.42 Kl in FY 2016-17 and FY 2017-18 that is sold to the recyclers authorized by State Pollution Control Boards/ Central Pollution Control Board. Operation units have separate, weatherproof storage sites for storage of waste used oils before selling to authorised recycler and follows a strict mandate towards careful usage, collection and storage of used oils. There were no related significant spills of any kind in the said reporting year. The Company does not transport any hazardous waste covered under Basal Convention.

(GRI 306-2)

(GRI 306-3)

(GRI 306-4)





Climate Change and Energy

At JK Lakshmi, we take active measures to ensure that our Carbon Footprint gets reduced continuously. As an energy intensive business, we are going solar and increasing process efficiencies. We recognize that climate change and resource scarcity are two important risks that have to be proactively managed. Actions that identify and prioritize these concerns are being undertaken. By embedding a sustainability narrative throughout the Company, we are meeting both the external and internal requirements.



Climate change today is no more a debatable issue. The entire world is coming together on various forums to tackle this issue that humans have caused with their own deeds. The UNFCCC COP 21 at Paris in December 2015 was a landmark. The world nations have pledged strive to keep the temperature rise between 1.5 - 2°C. The Company has always strived to use energy resources in an efficient and judicious manner.

Energy is the lifeline of modern economic and social environment. The need to take the low carbon pathways are derived from the policy framework

that has been the foundation of the Company's business protocol. As part of the emission reduction and mitigation strategy, in last three decades, the focus was on reducing carbon footprint, utilization of waste heat, harnessing clean renewable energy, reducing clinker factor, use of alternative fuels, and installation of state of art emission control technology. The strategy has been to reduce the energy footprint of its operations by adopting cost-effective technologies that are aligned to a set of guidelines and examples as laid out by the Paris agreement of UNFCCC and the SDGs.





Corporate Environment Policy

JK Lakshmi Cement Limited is consistently making its efforts to integrate the environmental concerns into the main stream of the corporate policies since its inception and commits to:

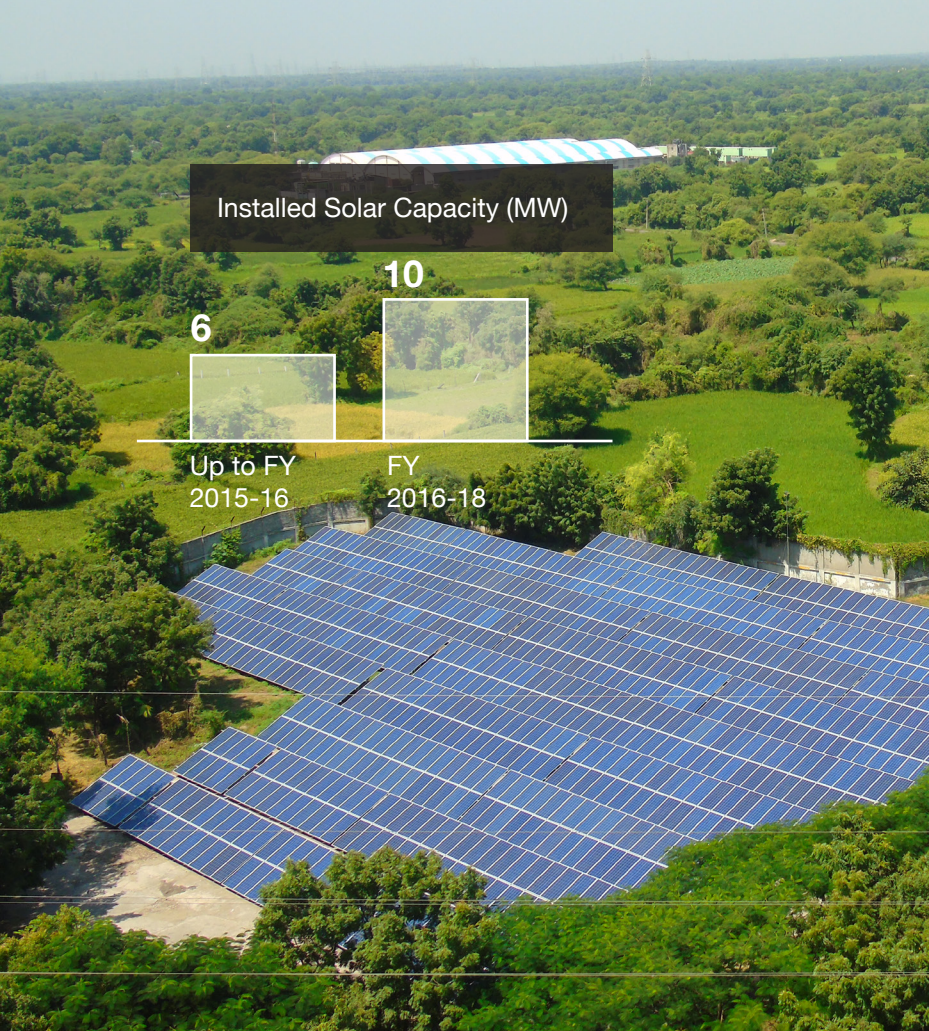
- ❖ Comply with all applicable laws, standards and regulations related to the environment.
- ❖ Optimize use of natural resources like limestone, coal, gypsum, water and energy etc.
- ❖ Adopt ecologically sound manufacturing process and mining technologies and develop greenbelt.
- ❖ Adopt state of art technology for control and monitoring of emissions, effluents and wastes.
- ❖ Develop a rehabilitation programme for all limestone quarry sites and shall foster conservation plan for forestry, wildlife and biodiversity, wherever applicable.
- ❖ Utilize various waste derived fuels like biomass etc. and raw materials like fly ash, etc. by co-processing of the wastes.
- ❖ Create awareness among the employees, local community on environmental concerns.
- ❖ Provide resources for employee training to facilitate improvement in environmental performance.

JK Lakshmi Cement Limited shall communicate this policy to all its employees, contractors, customers, and other stakeholders.

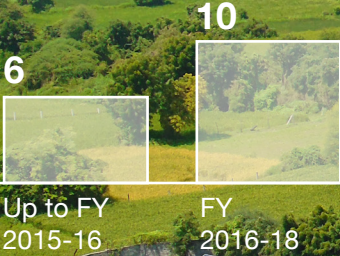
Dr. S Chouksey
Whole Time Director

S K Wali
Whole Time Director





Installed Solar Capacity (MW)



Solar Power 

6 MW Phalodi

2.4 MW Surat

500 KW Jhajjar

500 KW Kalol

37 KW Sirohi

Other solar installations:
Solar street lights and solar water heaters.

“ Responsible use of energy is what we practice, reduce dependency on conventional energy resources by promoting alternatives. Our adherence for cleaner environment keeps us ahead of the curve in performing beyond compliance on the emissions and energy front. We value integrating and absorbing best innovations and ideas to achieve technological sustainability.



P L Mehta
Sr. Vice President (Works),
Plant Head- Sirohi



JK Lakshmi puts to use waste-derived fuel grade materials in its kilns, like pet coke, RDF, and biomass by reducing the dependency and consumption of conventional fuel - coal.



S.No	Particulars	TJ
1.	Energy Consumed within the organization	18951

*Company in this report is reporting only on the energy consumption within the organisation and will report energy consumption outside the organisation in upcoming reports

GRI 302-1,2

S.No	Particulars	2016-17	2017-18
1	Energy Consumed within the Organisation from non-renewable resources (GJ)	852167.86	1004925.96
2	Energy Consumed within the Organisation from renewable resources (GJ)	353187.98	353187.98
3	Thermal Substitution Rate	1.2	1.2
1	*Energy Intensity for non-renewable energy consumed within the organisation	0.13	0.14
2	Energy Intensity for renewable energy consumed within the organisation	0.05	0.06

*Includes Fuel Consumed in Captive Power Plant
GRI 302-3



The average thermal energy consumption was 701 kcal/kg and 700 kcal/kg of clinker for FY 2016-17 and FY 2017-18.

After a remarkable performance in achieving PAT CYCLE-I target by 3 times, the Company is working for the next PAT cycle. It has taken steps in reducing the consumption of conventional fossil fuel resource through installation of solar plants at the Operations sites.

There is a Waste Heat Recovery (WHR) of 15 MW at the integrated cement Unit at Sirohi that generated about 9,78,55,256 KWH of electricity in the reporting year and 10032987 KWH in FY 2016-17 and 2017-18 that mitigated about 80241 tons and 82270 tons of CO₂ eq. respectively, which mitigated about 8,46,76,610 Kgs of CO₂.



Energy consumption Clinker

FY 2016-17

701 kcal/kg

FY 2017-18

700 kcal/kg

Waste Heat Recovery (WHR)

Sirohi

15 MW

Durg

8 MW

Net Electricity
Generated

1,00,32,987
KWH

CO₂ Mitigated

8,46,76,610
Kgs



Energy Saving
for fy 2016-17

1,21,708.25 GJ

The 8 MW WHR system commissioned at our Durg Unit in FY 2017-18 has generated 18619500 Kwh thus mitigating 15267990 Kgs of CO₂.

The share of indirect energy generated from renewable sources compared to the total indirect energy generated is 33% in FY 2016-17 and 35% in FY 2017-18.



The Company has invested more than ₹12.92 crores and ₹ 11.06 crore on various energy conservation projects in year 2016-17 and 2017-18, which accrued savings of ₹ 8.38 crores and ₹ 5.28 crores in monetary terms. Some of the major energy saving projects were:

1. Installation of New Aerofoil design Louver Ring in VRM to reduce the Pressure drop across the Mill.
2. Modification in Kiln to optimize and run WHR without Booster Fan.
3. Modification in raw mill feeding circuit for reduction in false air by 4%.
4. Pressure drop optimization through CFD at raw mill cyclone.
5. Modification of feed belt in pre-crusher circuit, eliminating need of elevator and hence power saving.
6. Optimization of dam ring height resulting into saving of power.
7. Modification in AAC Boiler by adding secondary combustion chamber.
8. Modifications of dampers of pre-heaters ID Fan, cooler fans, ESP Fan.
9. Optimisation in operating freq, pressure and interconnection of various compressors to reduce the energy consumption.
(GRI 302-4)

The aspect of reduction in energy requirement of sold product or related services is not applicable to cement and concrete (GRI 302-5)

2016-18



Invested
₹ 23.98



Crore
Various Energy
Conservation Projects



Savings
₹ 13.66
Crore





CASE STUDY



Bag Diverter

Accepting the challenge to innovate, post-graduate interns at Kalol unit took up a project proposing a solution of diverting bags from single belt of 12 spot packer to another belt at the packing plant.

To feed both the belts at same time, installation of bag diverter was the only viable solution. Most of the bag diverters are manually operated and have high cost involved.

Trainee students along with support of R&D team Kalol, designed, developed and implemented a low-cost sensor based automated bag diverter system, all in-house at a very low cost. It took six months to complete the project. The entire system was developed at a cost that was 80 times lower than the market cost. The system is designed to operate smoothly in high dust areas of the packing plant section, with very low to nil maintenance. Today the system runs fine and smooth, providing ease of operation.



2.4 MW Captive Solar Power Plant
Grinding Unit, Surat, Gujarat, India

Selective Non-Catalytic Reaction (SNCR) system

1st in the Indian Cement Industry

The Company is complying with the Government's new standards to limit NO_x emissions under 800 and 600 mg/Nm³.

JK Lakshmi is the first among the Indian Cement industry to successfully install and commission the Selective Non-Catalytic Reaction (SNCR) system for Kiln-1 at the mother Unit at Sirohi, Rajasthan, to control NO_x emissions. The system was installed after a series of trials and is running successfully.

Work in two other Kilns at Sirohi is under progress and shall be completed soon.



The ingrained value of sustainability backed by a policy for a cleaner and greener environment, JK Lakshmi has been limiting its emissions below the permissible limits as per Government regulations. It has reduced particulate matter emissions by 10 % since 2014-15. All the required stacks at the operation sites are equipped with bodies Online Continuous Emission Monitoring System (OCEMS) for applicable parameters of NO_x, SO₂ and Particulate Matter that are reported in real-time to regulatory authorities like Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCBs) through dedicated servers.

Various other initiatives have been taken up by the Company, going beyond compliance, towards maintaining emissions under control and delivering cleaner environment. Some of the initiatives taken towards control and management of air emissions include:

- 1 Installation of Online Continuous Emission Monitoring System (OCEMS) at all the stacks.
- 2 Installation of Auto Truck loader at Kalol and Surat Grinding units to reduce semi-manual loading and reducing dust emissions.
- 3 Installation of MFTR in Kiln-1 and Kiln-2 to reduce dust emissions.
- 4 Water spraying at mine crusher hoppers and haulage roads.
- 5 Automization of Fly Ash Unloading



The following are the achievements in curbing Carbon by proactively reducing Carbon footprint:

GHG Emissions	2016-17	2017-18
Gross Direct (Scope-1) GHG Emission (million tonnes CO ₂ equivalent)	3.13	3.14
Gross Energy Indirect (Scope-2) GHG Emissions (million tonnes CO ₂ equivalent)	0.16	0.18
Direct GHG Emission Intensity (tonnes CO ₂ eq. per tonne of cement produced)	0.526	0.527
Indirect GHG Emission Intensity (tonnes CO ₂ eq. per tonne of cement produced)	0.025	0.026
Biogenic Emission from combustion of Biomass: (tons CO ₂)	0.025	14.1

The company is presently reporting on only SCOPE-I and SCOPE-II emissions, and will report on SCOPE-III emissions in upcoming reports

(GRI 305-1,2,3,4)

Air Emissions	2016-17	2017-18
Particulate Matter (PM) tonnes/year	572.48	688
Specific Particulate Matter (PM) Kg/tonnes of cement	0.09	0.09
SO ₂ tonnes/year	218	421
SO ₂ gm/tonnes of clinker	36.8	65
NOx tonnes/year	10575	7790
NOx gm/tonnes of clinker	0.025	1204

(GRI 305-7)



Accounting Water Footprint

JK Lakshmi, being a business that is directly dependent on natural resources, highly values them. Even though cement manufacturing is a completely dry process and follows a zero-water discharging state, water is used for process cooling and domestic consumption in the canteen and toilet facilities. The Company is mindful of water consumption and its withdrawal. We follow responsible approaches that trickles down from a set of governance and policy measures which value natural resources and promote their careful use. In fact, many of the Units are net positive water sites due to Rainwater Harvesting measures and reuse of recycled water.

JK Lakshmi Cement follows, modern Cement manufacturing state of art dry process technology that maintains a zero-water discharging status. Water is required for cooling of machine bearings which is circulated in a closed loop, with miniscule loss as evaporation during re-circulation. Water for human consumption is a part of domestic water consumption systems, that demand and draws equal attention for action.

“

Excelling Compliance and working beyond compliance is the only approach that we work and believe on delivering at JK Lakshmi Cement Ltd.

Pankaj Kumar Srivastava

Asst. Manager, Environment
Member- Sustainability Team



“

Preserving precious raw materials and natural resources with judicious mix and process is what drives us in our endeavour for environmental sustainability. Utilizing of waste materials like Fly Ash and by-products from chemical plants, burning dangerous and toxic waste in our process replacing virgin natural resources prioritizes our manufacturing recipe. Our efforts towards conservations of water resources through extensive Rain Water Harvesting have been role model very much recognized by one and all including Central Ground Water Board (CGWB). Importantly much needed priority is accorded for community development particularly in the underprivileged belt in vicinity of the plant area through measures in hygiene and cleanliness, livelihood (training and development) sustainability, women's empowerment and awareness for maintaining good health, among others.



DK Mehta
Sr. Vice President (Works)
Plant Head- Durg

Water conserved is water produced! The Company follows a responsible use approach that trickles down from the set of governance and policy measures that value natural resources and promote their careful use. The Company's sustainability policy ensures some of the best and innovative water conservation and usage practices all across the operation sites. In order to boost resource efficiency, emphasis is given to undertake and implement, projects related to process modifications and optimizations. All operation units and mining areas are equipped with most scientific water harvesting systems that reduce fresh water consumption and also recharge the groundwater aquifers.

The source of water for the Company are groundwater, surface water, rainwater and recycled water from Captive Sewage Treatment Plants. None of the Units source water from any area listed under Ramsar Convention, or any other nationally or internationally proclaimed area.

(GRI 303-2)

Unit Sirohi has also implemented innovative method for increasing ground water recharge through developing trench based system at various locations in the catchment area.

The Kalol Unit falls under Notified area as declared by Central Ground Water Board. However, the Unit is a water positive site as it recharges more groundwater through rainwater harvesting than what it abstracts. The Unit in addition to implementing and practicing rainwater harvesting system supports the noble practice of harvesting rainwater through installation of rainwater harvesting structure in the nearby government primary school.

The Unit has achieved water positivity index of 1.35, in accordance to ISO 14046 for Water Footprinting, assured by an independent third Party.



Water Consumption details

Source of Water	Quantity of water	
	2016-17	2017-18
Groundwater (Million m ³)	0.57	0.54
Surface water (Million m ³)	0.70	0.67
Rainwater (m ³)	401	410
Colony water usage (Million m ³)	0.18	0.18
Total water usage in production (Million m ³)	1.22	1.16

(GRI 303-1)

Water Recycled (Million m³)

2016-18
0.44

2015-16
0.16

2014-15
0.11

(GRI 303-3)

The quantity of water (except rainwater) from all the source locations in all facilities are metered. The operation units have taken steps towards the installation of digital meters for precision.

JK Lakshmi's facilities are based on 100 % dry cement manufacturing processes. All the Company's manufacturing sites maintains ZERO wastewater discharge status.



The domestic usage water generated from the office washrooms and canteen facilities is treated in sewage treatment plants (STP), that include, conventional STP, Compact type Packaged STP and Root Zone Treatment based STP situated within the premises. The Company has recycled 0.44 Million m³ of water from its reporting Units in FY 2016-17 and 2017-18 which is 100% utilized for cooling purpose, mine haul, road spraying, and development of greenbelt and plantation. (GRI 306-1,5)

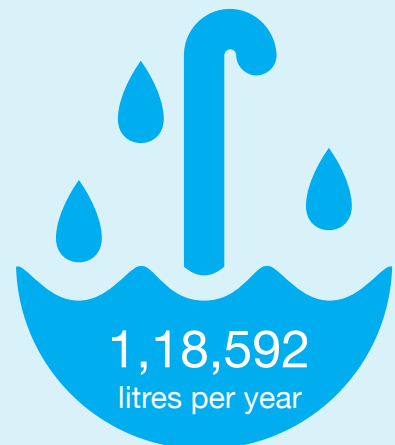
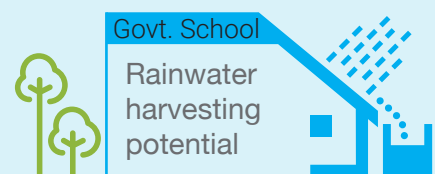


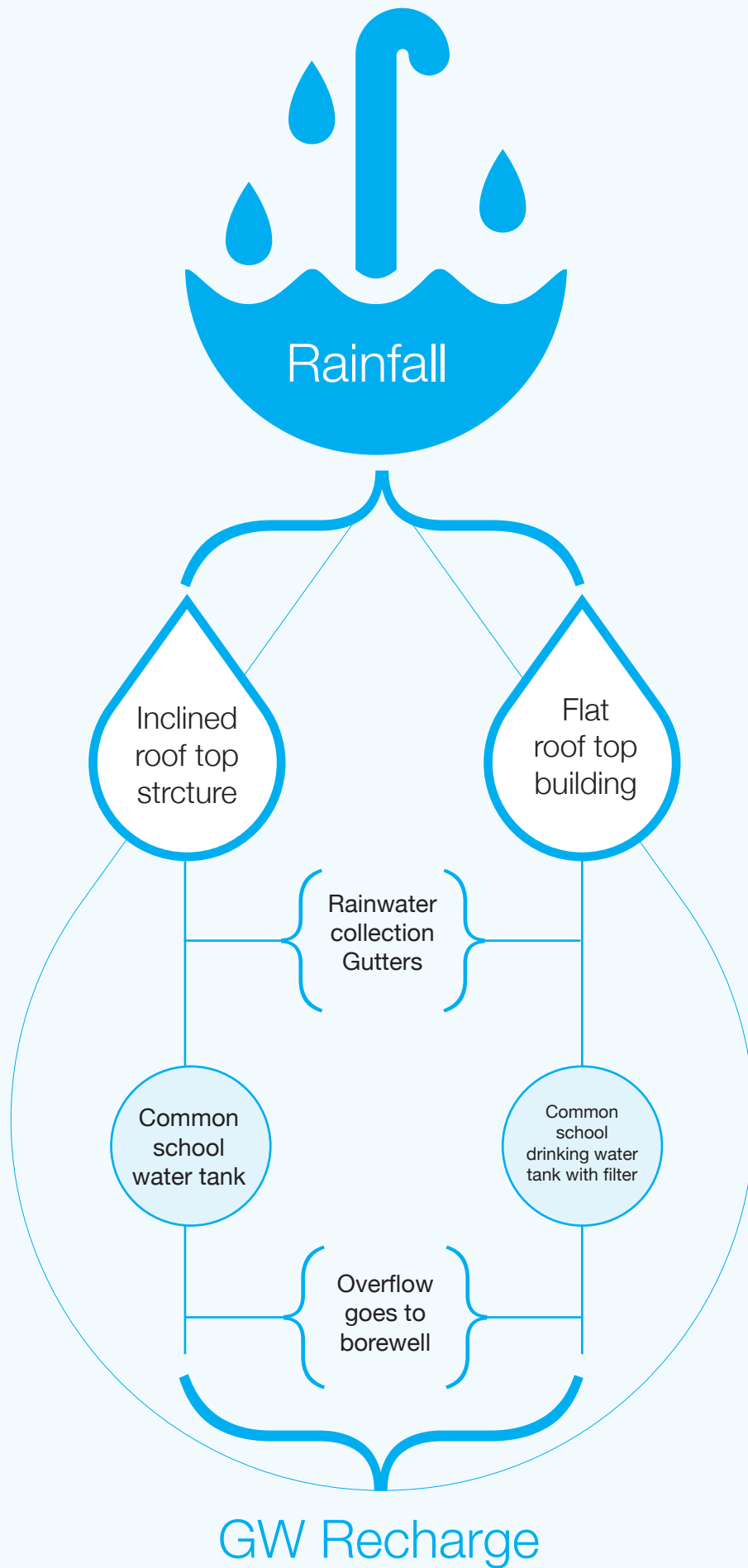
Water Responsibility outside the premises

The Grinding Unit at Kalol has one of the best rainwater harvesting system within its premises. To spread the message of harvesting rainwater, a scientifically designed system was installed in the Government primary school in Khatraj, a village close to the Unit.

The objective is to demonstrate rainwater harvesting and recharge groundwater aquifer for the benefit of the community and school students.

The RWH system is a roof top installation and the water is channelled into the school's water tank after filtration for reuse. The excess rainwater is directed to a borewell close by for recharging groundwater aquifer.



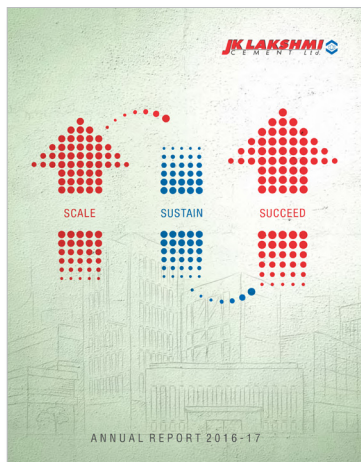




Annexures

Digital Assets

Annual Report 2016-17



http://www.jklakshmicement.com/wp-content/uploads/2017/08/JK-Annual-Report_2016-17.pdf

Annual Report 2017-18



<http://www.jklakshmicement.com/wp-content/uploads/2018/08/annual-report-2017-18-new.pdf>

1st Corporate Sustainability Report 2014-16



<https://www.jklakshmicement.com/wp-content/uploads/2017/08/JKLCL-Web-Upload-Sustainability-Report-2014-16.pdf>

Our connectivity through digital networks



www.jklakshmicement.com



www.jklakshmisustainability.com



JKLCOfficial



JKLakshmiCementLtd



JK Lakshmi Cement



jk-lakshmi-cement-ltd

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Conversion factors used in calculations

Sr. No.	Parameter	Conversion Factors
	Energy	1 Gcal = 4.1868GJ 1 GJ = 0.00027778 GWh
	GHG Emissions	Purchased electricity from the grid 1 MWh = 0.82 tCO ₂ e Global Warming Potentials (tCO ₂ e) CO ₂ = 1 Emission factors Diesel :74.1MT/TJ Coal :96.1 MT/TJ Natural Gas :56.1 MT/TJ
	Water	1 KL = 1 m ³ = 1 Cubic meter Motor Diesel 1 KL = 0.85 kg Diesel Density factors = 0.86 kg /KL GCV = 45.26 TJ / Gg Natural Gas Density factor = 0.7971 Kg/m ³ GCV = 53.33 TJ /Gg Coal GCV= batch-wise specific calorific value as provided by site
	Health and safety	1 Fatality = 6,000 mandays lost
	TJ - Tetra Joule MT - Metric Tonne GCV - Gross Calorific Value GJ - Giga Joule tCO eq. - Tonnes of Co equivalent 2 2 KJ - Kilo Joule	

INDEPENDENT ASSURANCE STATEMENT



Introduction and objectives of work

BUREAU VERITAS has been engaged by **JK Lakshmi Cement Limited** (hereinafter abbreviated “**JKLCL**”) to conduct an independent assurance of its **Corporate Sustainability Report** for the years **2016-18**. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the **Corporate Sustainability Report** for years **2016-18** are the sole responsibility of the management of **JKLCL**. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

The assurance process was conducted in line with Bureau Veritas internal procedures with “Limited” level of assurance. The scope of work included:

- Data and information included in Corporate Sustainability Report 2016-18 for the **reporting period from 1st April 2016 to 31st March 2018**;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the principles of Accuracy, Balance, Clarity, Comparability, Reliability, Timeliness, Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness as defined in the GRI Sustainability Reporting Standard “**In accordance - Comprehensive**”;

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Visited selected locations of JKLCL and interviewed relevant personnel. The assurance process involved carrying out an audit by experienced auditors from Bureau Veritas. These auditors visited some of the locations. We visited the JKLCL Sirohi integrated cement manufacturing plant in Rajasthan, the Durg integrated cement manufacturing plant in Chhattisgarh and the Kalol cement grinding unit of JKLCL near Ahmedabad. The Bureau Veritas team also visited JKLCL’s Corporate office in New Delhi. We interviewed Plant Operations & Maintenance personnel as well as the Sustainability & CSR team of JKLCL and the top management of the company at JKLCL’s Head Office.
2. JKLCL had submitted performance data on reported GRI topics. The data pertaining to each location visited was audited by Bureau Veritas through the process above described.
3. The data was audited on a sampling basis. Data on various GRI sustainability topics was verified for the locations that were visited. Later, it was confirmed that the same verified data went into preparation of the final data within the Corporate Sustainability Report 2016-18.
4. Bureau Veritas reviewed stakeholder engagement activities that had been undertaken by JKLCL and the Stakeholder Engagement process was reviewed. Evidences of the stakeholder engagement activities were reviewed to confirm how aspects material to JKLCL stakeholders had been determined. JKLCL has used the materiality matrix that was prepared for previous financial year developed in accordance with GRI standards.

Our work was conducted against Bureau Veritas’ standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;

- It is our opinion that JKLC has established appropriate systems for the collection, aggregation and analysis of quantitative data such as Environmental, Health & Safety and Human Resources, Labour & Community interventions as well as Product and Investor related data.

Evaluation against Global Reporting Initiative (GRI) Sustainability Reporting Standard

Bureau Veritas undertook an evaluation of **JKLC Corporate Sustainability Report 2016-18** against the GRI Sustainability Reporting Standards. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI reporting option.

Based on our work, it is our opinion that the **Corporate Sustainability Report 2016-18** has been prepared in accordance with the GRI Sustainability Reporting Standards including appropriate consideration of the reporting principles and necessary indicators to meet the requirements of **GRI Sustainability Reporting Standard Reporting Option "In accordance- Comprehensive"**.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period stated hereinabove;
- Positional statements (expressions of opinion, belief, aim or future intention) by JKLC and statements of future commitment;
- Competitive claims such as "first in India", "first in the industry", "first of its kind" or such other claims appearing in the Corporate Sustainability Report 2016-18;
- Our assurance does not extend to the activities and operations of JKLC outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with JKLC;
- Our assurance of the economic and financial performance data of JKLC is based only on the audited annual reports of JKLC and our conclusions rely entirely upon that audited report

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of independence, impartiality and competence

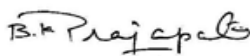
Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

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Bhavesh Prajapati
Lead Assurer
Sr. Lead Auditor & Sustainability Assessor



Rupam Baruah
Technical Reviewer
General Manager (East Region)

Date: 23rd May 2019

Place: Ahmedabad

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