JK LAKSHMI CEMENT Ltd.

FUELLED BY **GROWTH**
GROUNDED IN **RESPONSIBILITY**

INTEGRATED ANNUAL REPORT 2023-24

About the Report

Our approach to Integrated Reporting

We take immense pleasure in presenting the 2nd Integrated Report of JK Lakshmi Cement Ltd. (JKLC) which provides detailed disclosures on our strategy, governance and prospects, through which we have brought in greater transparency in sharing information on our material issues and strategic performance. It contains information and disclosures that are aimed at enabling investors to make an informed assessment of the Company's ability to create and deliver holistic value.

As part of our commitment to providing disclosures that go above and beyond the requirements of the law, we have based our Integrated Annual Report (IAR) on the Integrated Reporting (IR) Principles, Business Responsibility & Sustainability Reporting (BRSR) and GRI Standards 2021. The IAR provides detailed disclosures on our strategy, governance and prospects through which we have brought in greater transparency in sharing information on our material issues and strategic performance. This Report includes both financial as well as non-financial performance during the reporting year. The purpose of this report is to provide transparent communication to our stakeholders regarding our business progress and ongoing efforts to evaluate our most significant Environmental, Social and Governance (ESG) impacts, risks and opportunities.

Reporting Period

The FY 2023-24 Integrated Report covers financial and non-financial performance of the Company from 1st April 2023 to 31st March 2024.

Reporting Boundary

The information covered in the report is for the year 1st April 2023 – 31st March 2024 and encompasses all key facets of JKLC's primary operations, including the two Integrated cement manufacturing units, four Grinding Units and Sustainable Business Solutions as well as our corporate offices. The key material aspects identified and discussed are relevant to the operations of the Company, as well as its value chain partners, customers, communities and other stakeholders. We have detailed the Company's performance trend over a two to three years' period, wherever relevant, to give investors a clear understanding about the Key Performance Indicators (KPIs) that are contributing to the value creation.

- GHG (Scope-1/Scope-2): Only JKLC's two Integrated units(Sirohi/Durg) and four Grinding units [Kalol/Surat/Jhajjar (Cement only)/Cuttack] are considered under the boundary for GHG inventorisation.
- For RE% Calculation: Only JK Lakshmi cement business is considered (2 Integrated units+4 Grinding units).
- For RE % (Renewable energy contribution): The total power consumed is the net power consumed for Plant Operations including the auxiliary consumption from Grid for TPP Startup/WHRS startup/Solar power auxiliary and inclusive of Colony and Transport Nagar power requirement.
- Total Energy consumption (In GJ Electrical+Thermal): All Cement plants of JKLC (2 Integrated units+4 Grinding units)and the RMC business are considered. Under total energy consumption figure "The total electrical Energy data is the total energy considered in RE% & Subtracting the auxiliary consumption from Grid for TPP Startup/WHRS startup/Solar power auxiliary, energy consumed in Colony and Transport Nagar".

Reporting Principles & Framework

This Integrated Annual Report is guided by the framework of the International Integrated Reporting Council (IIRC). Some data related to this Integrated Annual Report might be management estimates. Other statutory reports, including the Board's Report, Corporate Governance Report and Business Responsibility & Sustainability Report are as per the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the prescribed Secretarial Standards. Additionally, this Report has been prepared in accordance with Global Reporting Initiatives (GRI) Standards 2021, "with reference". The Report adheres to the principles and guidelines set for the various entities, including:

- The Business Responsibility and Sustainability Reporting (BRSR) Guidance issued by the Securities and Exchange Board of India.
- The Companies Act 2013.
- The National Guidelines for Responsible Business Conduct (NGRBC) principles for Indian companies.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Secretarial Standards released by the Institute of Company Secretaries of India.

Approach to Materiality

The IAR contains information that is material to our stakeholders and our ability to create value. We have thus focused in this report on the issues, opportunities and challenges that have a material impact on our business and our ability to deliver sustained value to our shareholders and key stakeholders. We consider an issue to be material if it can substantively affect the Company's ability to create value over the short, medium and long term. We have considered the impacts of these material issues on our business and also how our business impacts these issues within our sphere of influence. Material matters communicate organisation's long-term business strategies and goals, as well as its short-medium term business plans. We take inputs from all our business units and key stakeholders to identify the potential material matters and accordingly prioritise the material issues in order of their relevance and potential impacts.

Targeted Stakeholders

The purpose of this report is to communicate our commitment to Environmental, Social and Governance (ESG) principles and the corresponding performance to our diverse stakeholders. This includes our employees, contractors, investors, customers, financial institutions, suppliers, community, regulators, the government etc.

Forward-looking Statements

Our management recognises its responsibility to ensure that the information presented in the integrated report is accurate and reliable, and at the same time unbiased, comparable and comprehensible. The management also affirms that the report covers all the critical material issues related to the organisation & its stakeholders and communicates the Company's ability to pursue opportunities while minimising risks. In this Integrated Annual Report, we have disclosed information to enable investors and shareholders to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain information that set out anticipated results based on the JKLC Management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that all projections will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should any known or unknown risk or uncertainty materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, given the dynamic nature of the topics considered for discussion.

Precautionary Principle

We take a precautionary approach to minimize our negative impact on the environment and consistently make efforts to reduce overall environmental footprint.

External Assurance

The Report has been Independently assured on non-financial ESG parameters by Bureau Veritas Industrial Services (I) Pvt. Ltd. in-line with GRI Universal Standards, 2021 'with reference' and as per AA1000AS V3 assurance standard for Limited Assurance. The External Auditor has conducted a thorough due diligence.

Feedback

Your comments and feedback are of great importance to us. We would be glad to address any queries or observations that you may have with regard to our various initiatives, performance or this report.

Corporate Information

BHARAT HARI SINGHANIA
CHAIRMAN EMERITUS (w.e.f. 1st April 2024)

BOARD OF DIRECTORS

VINITA SINGHANIA
CHAIRPERSON & MANAGING DIRECTOR (w.e.f. 1st April 2024)

Dr. RAGHUPATI SINGHANIA
DIRECTOR

N. G. KHAITAN
INDEPENDENT DIRECTOR

Amb. BHASWATI MUKHERJEE
INDEPENDENT DIRECTOR

RAVI JHUNJHUNWALA
INDEPENDENT DIRECTOR

S. R. BANSAL
INDEPENDENT DIRECTOR

SHWETAMBARA SHARDUL SHROFF CHOPRA
INDEPENDENT DIRECTOR (w.e.f. 1st July 2024)

ARUN KUMAR SHUKLA
PRESIDENT AND DIRECTOR

SUDHIR A. BIDKAR
CHIEF FINANCIAL OFFICER

AMIT CHAURASIA
COMPANY SECRETARY

REGISTERED OFFICE
JAYKAYPURAM, DISTRICT SIROHI, RAJASTHAN - 307 019

ADMINISTRATIVE OFFICE
NEHRU HOUSE, 4, BAHADUR SHAH ZAFAR MARG, NEW DELHI - 110 002

MANUFACTURING PLANTS	
RAJASTHAN	BASANTGARH, JAYKAYPURAM, DISTRICT SIROHI - 307 019
CHHATTISGARH	MALPURI KHURD, AHIWARA, DISTRICT DURG - 491 001
GUJARAT	MOTIBHOYAN, KALOL, DISTRICT GANDHINAGAR - 382 010
GUJARAT	VILLAGE DASTAN, TALUKA PALSANA, DISTRICT SURAT - 394 310
HARYANA	VILLAGE BAJITPUR, P.O. JHAMRI, DISTRICT JHAJJAR - 124 507
ODISHA	RADHASHYAMPUR, P.O. - KHUNTUNI, DISTRICT CUTTACK - 754 297

AUDITORS : S. S. KOTHARI MEHTA & CO. LLP
CHARTERED ACCOUNTANTS

BANKERS : STATE BANK OF INDIA | IDBI BANK LTD.
AXIS BANK LTD. | INDIAN BANK | HDFC BANK LTD.

WEBSITE : www.jklakshmicement.com
CIN:L74999RJ1938PLC019511

Concept

Fuelled by growth, Grounded in responsibility

Cement is one of the key ingredients in driving growth and providing dignity to humankind. Our Company's purpose statement "Smart building solution for better lives" captures both these dimensions of the product. As a leading cement Company in India we are committed to contribute to the nation's rapid growth while keeping focus on sustainability, ESG and sustainable development goals. The cover page and theme showcase this – that while we are fuelled by growth opportunities and are continuously expanding our capacities to match the growing demand in infrastructure & housing sectors, on the other growth story also is firmly grounded in responding to the challenges of climate change, biodiversity, human capital & inclusive development among others.

The Indian Cement industry continues its growth trajectory, achieving an installed capacity of 638 million tons in FY24, bolstered by a significant thrust in Government spending on infrastructure projected to generate an additional demand of approximately 46 million tonnes of cement in the fiscal year 2024-25. At JK Lakshmi Cement, we contributed significantly to this expansion with our own capacity of 16.5 million tons. Our strategic focus on sustainable growth has resulted in a commendable 5.4% CAGR the past five years, cementing our position as a key player in the industry.

Our strategic plan includes significant brownfield and Greenfield expansions with the aim of increasing our capacity to 30 MnTPA by 2030. To achieve this, we have ongoing strategic expansion projects totalling 10.80 MnTPA, scheduled for completion by FY 27.

Sustainability remains at the core of our operations. We are committed to reducing our carbon footprint with a focus on net-zero targets, enhancing energy efficiency, and fostering community development. The Company harnesses renewable energy extensively, aiming to meet all electrical energy needs through renewables by 2040, and actively contributes to the circular economy through alternative fuels and Zero-Liquid-Discharge plants. Offering green and smart building solutions, embracing digitalization for operational efficiency and ensuring strong ethical governance further spotlighting JK Lakshmi Cement's dedication to environmental stewardship, innovations and responsible business practices.

We have taken significant steps towards sustainability and a greener future. Promoting LNG trucks in our logistics operations has reduced CO_2 emissions. Our current water positivity level is 5.48X. Achieving a Thermal Substitution Rate (TSR) of 4.1%, we aim for 20% TSR by 2030.

This integrated annual report transparently discloses how JK Lakshmi Cement has created value across capitals with immense responsibility, perseverance and commitment.

Contents

JK Lakshmi Cement Limited at a Glance

Legacy. Growth. Commitment.

FY 2023-24 (Standalone)

- **Cement Capacity – 11.70 MMTPA**
- **Clinker Capacity – 6.87 MMTPA**
- **Power Generation Capacity – 198 MW**
- **Turnover – ₹ 6,384 Crore**
- **EBITDA – ₹ 928 Crore**
- **PAT – ₹ 424 Crore**
- **Net Worth – ₹ 3,081 Crore**
- **Market Capitalisation – ₹ 10,304 Crore**

Our Purpose

SMART building solutions for better lives

Sustainable
Modern
Advantageous
Reliable
Transformational

Vision

To be the most trusted brand providing innovative building solutions, delivering excellence and unparalleled stakeholder experience by empowering human capital and harnessing the power of technology.

Mission

To foster inspired human capital and deliver best-in-class customer experience to achieve a turnover of INR 30,000 Crore by 2030.

To be in the top three companies in our industry in terms of EBITDA per ton margins, leverage our digital capabilities to drive growth and create long-term value for our stakeholders.

To develop innovative solutions with a compelling value proposition, expand asset footprint, and venture into new business opportunities contributing 40% of the business.

To embrace sustainability for our shared future.

Core values

Caring for People.

Integrity including intellectual honesty, openness, fairness, and trust.

Commitment to excellence.

Our Journey

Create. Augment. Sustain.

1 **1982**
1st Integrated Plant at Sirohi
Total Capacity - 0.5 Mn MT

2 **2001**
Capacity Augmentation at Sirohi
Capacity - 2.4 Mn MT

3 **2009**
Capacity Addition at Sirohi
Capacity - 4.2 Mn MT

4 **2009**
Kalol Grinding Unit
Commissioned - 0.5 Mn MT Total Capacity - 4.7 Mn MT

5 **2012**
Jharli GU Commissioned - 1.3 Mn MT
Total Capacity - 6.0 Mn MT

6 **2015**
2nd Integrated Plant at Durg - 1.8 Mn MT
Total Capacity - 7.8 Mn MT

7 **2015**
Capacity Addition at Sirohi - 0.5 Mn MT
Total Capacity - 8.3 Mn MT

8 **2016**
Capacity Addition at Kalol - 0.3 Mn MT
Total Capacity - 8.6 Mn MT

9 **2017**
Surat GU Commissioned - 1.4 Mn MT
Total Capacity - 10.0 Mn MT

10 **2017**
Capacity Addition at Durg - 0.9 Mn MT
Total Capacity - 10.9 Mn MT

11 **2017**
Successfully Commissioned Integrated Plant of 1.6 Mn MT under Company's Subsidiary - UCWL
Total Capacity 12.5 Mn MT

6

7

12 **2019**
Odisha GU Commissioned - 0.8 Mn MT
Total Capacity - 13.30 Mn MT

13 **2021**
Capacity at UCWL Plant increased from
1.6 Mn MT to 2.2 Mn MT Total Capacity – Approx. 14 Mn MT

14 **2022**
Waste Heat Recovery Capacity at our
Power Plant increased from 29 MW to 31 MW
Total Capacity - Approx. 14 Mn MT

15 **2023**
Waste Heat Recovery Capacity increased to 39.4 MW
Total Capacity - Approx. 14 Mn MT

16 **2024**
Waste Heat Recovery Capacity increased to 45.4 MW, Total Capacity - Approx. 16.5 Mn MT.

Successfully Commissioned Expansion Project of 2.5 Mn MT in Company's Subsidiary - UCWL Total Capacity - Approx. 16.5 Mn MT.

CMD's Message

Dear Shareholders, Partners, and Stakeholders,

It is with great pleasure and a sense of responsibility that I present to you the integrated annual report of JK Lakshmi Cement Limited for the fiscal year ending March 2024. As we navigate through the dynamics of the cement industry, characterized by both challenges and opportunities, I am proud to reflect on our performance, industry trends, and the outlook for the coming years.

Amidst global challenges of inflation, tightening of monetary policies and supply chain disruptions, India remains a bright spot.

The past year has witnessed geopolitical shifts, rapid technological projects and evolving global trade policies collectively influencing the global economic environment. While advanced economies have displayed varied recovery rates, emerging markets have demonstrated robust growth, offering new avenues for expansion and collaboration.

Our country, ranked as the world's 5^{th} largest economy in 2024, is experiencing rapid growth across diverse sectors such as information, technology, services, agriculture and manufacturing. According to the International Monetary Fund's latest World Economic Outlook, India's economy is expected to grow at a strong rate of 6.5% in 2024 and 2025, significantly outpacing the global growth rates. This robust growth trajectory positions India to potentially reach a $7 trillion economy by 2030.

India's economic outlook remains exceptionally promising bolstered by the government's focus on infrastructure, renewable energy, alternate fuels, and the 'Make in India' initiative. These efforts are expected to stimulate further economic activities and significantly boost demand for cement and building materials.

Industry Outlook and Trends

The cement industry in India has continued its growth trajectory, with the installed capacity reaching 638 million tons in FY24, reflecting a substantial increase from the previous fiscal year. Looking ahead, the industry is poised for further expansion, with a projected capacity addition of approximately 60 million tons in FY24-25. While infrastructure and housing segments drive demand, the industry faces challenges in matching incremental demand with capacity additions, which could impact utilization levels. However, initiatives such as the Production-Linked Incentive scheme and economic recovery efforts are expected to bolster demand. Despite the competitive landscape, JK Lakshmi Cement has maintained its position, contributing 16.5 million tons to the nation's capacity share. Our strategic approach towards capacity addition, with a focus on sustainable growth, has resulted in a commendable 5.4% CAGR in capacity addition over the past five years. JK Lakshmi Cement remains committed to capitalizing on emerging opportunities and enhancing its market presence through strategic initiatives.

The industry witnessed significant fluctuations in demand and pricing dynamics during FY24. While the overall demand grew by 9% for the financial year, 425 MnTPA in FY24 over 392 MnTPA in FY23, regional variations were observed, with the East region leading the growth momentum at estimated 10%, followed by West, Central and South between 6-8%, while North region has been flat. However, heightened competitive intensity, coupled with capacity additions, exerted downward pressure on cement prices, impacting industry profitability. Despite these challenges, JK Lakshmi Cement remained resilient, leveraging its operational efficiencies to navigate through the market dynamics. In order to leverage the robust growth projections of the Eastern region, increase our footprint & participation in this dynamic region, we have acquired a mine in Assam.

Our Performance and Strategic Plan

Amidst the evolving industry landscape, JK Lakshmi Cement has demonstrated resilience and agility in its operations. Despite market challenges, our production and sales remained steady during the Jan-Mar'24 quarter. Our Sirohi and Durg operations have showcased commendable performance, with notable growth in production and sales volumes. Furthermore, our commitment to excellence has been recognized through various accolades and awards, underscoring our unwavering dedication to quality, safety, and sustainability.

Under Smart Business Solutions we are dedicated to developing innovative solutions with a compelling value proposition, expanding our asset footprint, and exploring new business opportunities. These endeavours are expected to contribute significantly to our overall business, reaching 40% of our operations.

As we look towards the future, JK Lakshmi Cement remains steadfast in its commitment to delivering value to all stakeholders. Setting ambitious targets, we aim to take its capacity to 30 MnTPA by fiscal year 2030. To realize this vision, the company has strategic plans in place, including both brownfield and greenfield expansion projects totalling 10.80 MnTPA, expected to be completed by FY27. In November 2023, our board gave an approval to set up an additional grinding unit with a capacity of 1.35 MnTPA at its Surat Grinding Unit. The unit is expected to be commissioned by March 2025 and will incur an investment of Rs 225 crore.

The Company has planned to add a new clinker line with a capacity of 2.3 MnTPA at its Durg integrated unit along with grinding units with a total cement capacity of 4.6 MnTPA. This project is expected to be commissioned by March 2027 and will incur an investment of Rs 2500 crore.

In addition, we have also planned to install three split location grinding units with a total cement grinding capacity of 3.4 MnTPA, one each at Prayagraj in Uttar Pradesh, Madhubani in Bihar and Patratu in Jharkhand.

Putting Sustainability at the core of our operations

Sustainability lies at the heart of your Company's ethos, permeating all aspects of our business operations. We steadfastly afford our commitment to achieve net-zero by 2047. In our pursuit of sustainability, we have actively engaged with global agencies and industry associations such as UNGC, RE 100, EP 100 and GCCA. Our sustainability efforts include promoting LNG trucks in logistics operations, achieving a water positivity level of 4X, and targeting a Thermal Substitution Rate (TSR) of 20% by 2030. Our renewable energy usage reached at 38% in FY 2023-24. The Company aims to meet all 100% electrical energy needs through renewables by 2040.

Community & Development – Waves of Change

Our commitment to socially responsible business practices is deeply rooted in our corporate DNA, driving us to pioneer and deliver impactful CSR projects for vulnerable communities around our operations. With a core focus on strengthening community relationships, we strive to bring sustainable change to the quality of life through innovative solutions in Education, Health, Water & Sanitation, Skills Development, Livelihood Promotion, and Rural Development.

One of our significant achievements is the inauguration of the Shripati Singhania Skill Centre at our plant in Pindwara, Sirohi, Rajasthan. This centre embodies our motto of "Transformation through skilling" and offers a range of educational and skilling opportunities such as coaching, mentoring, employability training, career counselling, digital literacy, and capacity building.

Through our tailor-made and impactful CSR projects, we have positively impacted over 2.5 lakh lives, making a tangible difference in communities. Our flagship project, "Addressing needs of new-born in the community and at home," has garnered high appreciation, including recognition at the 3rd International Conference on CSR (ICCSR). Additionally, our Jharli unit in Haryana has been honoured with the Most Impactful Livelihood Initiative of the Year Award at the Indian CSR Awards 2023.

Building a better future with your support

JK Lakshmi Cement is committed to delivering value to all stakeholders. Our focus on innovation, operational excellence, and sustainability will continue to drive our growth journey, ensuring a brighter and sustainable future for generations to come. Our foundation, built on sustainable practices and innovative solutions, positions us well not only to meet current demands but also to anticipate future needs. We remain committed to enhancing shareholder value and maintaining our dedication to transparency, governance, and corporate responsibility.

I extend my gratitude to each one of you for your steadfast support and belief in our vision and capabilities. Your trust and commitment propel us toward achieving greater heights. Together, we are poised to make JK Lakshmi Cement synonymous with strength, durability, and innovation.

Thank you once again for your support and trust. Let us continue on this journey of growth and success, setting new benchmarks in the industry.

Warm regards,

VINITA SINGHANIA
Chairperson & Managing Director

Governance at JK Lakshmi Cement Ltd.

Upholding Highest Standards of Ethical Corporate Governance

JK Lakshmi Cement's Philosophy

Corporate Governance is an integral part of values, ethics and best business practices followed by the Company. The core values of the Company are:

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

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and commitment to high standard of business ethics by following best corporate governance norms in true letter and spirit.

CORPORATE GOVERNANCE FRAMEWORK

COMMITTEE MEETINGS AND ATTENDANCE RATES

100% attendance of the Directors in all the Board Meetings held during the FY 2023-24

BOARD'S COMPOSITION:

The Company is compliant of regulatory requirements and is comprised of adequate number of Executive and Non-executive Directors as also Independent and Non-independent Directors.

The Company has a highly engaged Board with gender diversity, talents, and experience that values integrity.

NOMINATION AND SELECTION OF THE HIGHEST GOVERNANCE BODY

The Company has a Nomination and Remuneration Committee comprising three Directors. The Company also has a Nomination and Remuneration Policy.

BOARD DIVERSITY

8 Male Directors, 2 Female Directors

25% women representation on Board

BOARD / KMP- TO- EMPLOYEE PAY RATIO

Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year. Please refer Annexure E to the Board's report of the Integrated Annual Report (IAR).

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) - Executive Director (ED)	1	4,18,97,499	1	27,52,53,029
BoD - Non EDs	5	20,65,000	1	18,15,000
Key Managerial Personnel (KMP)*	2	4,70,42,296	-	-
Employees other than BoD and KMP	1369	11,18,892	15	12,62,124
Workers	205	6,38,573	-	-

*The Median remuneration of the Executive Directors (KMPs) are covered as part of Board of Directors, therefore not included in the median remuneration paid to KMP.

SKILLS/ EXPERTISE / COMPETENCIES:

All the Board Members possess core skills / expertise/ competencies required in the context of the Company's business and sector that enable them to make effective contribution to the Board and its Committees.

COLLECTIVE KNOWLEDGE OF THE HIGHEST GOVERNANCE BODY

The brief resume of the esteemed Board Members are provided in Governance Chapter of the IAR, which also provides their respective academic experience, post qualification experience, training and richness of experience that they bring in.

SUCCESSION PLANNING:

Plans are in place for orderly succession for appointments to the Board and to Senior Management.

CONFLICT OF INTEREST

A declaration is taken from the Directors / KMPs on periodic basis to assess the material / potential Conflict of Interest. No cases on conflict of interest has been observed in FY24.

PERFORMANCE EVALUATION:

The Company believes that Performance Evaluation is a key pillar of our Corporate Governance framework. The Nomination and

Remuneration Committee has specified the parameters for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the specified performance criteria. An indicative list of factors on which evaluation is carried out includes participation and contribution by a Director, Independent in judgement and actions and devoted sufficient time and attention to professional obligations for informed and balanced decision making. Also, Independent Directors assess the performance of the Non-independent Directors, Board as a whole and the Chairman.

CODE OF CONDUCT / ETHICS AND TRANSPARENCY/ VIGIL MECHANISM:

The Company has in place a "Code of Conduct for Board Members and Senior Management". The Company has in place a "Code of Corporate Ethics and Conduct" reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly lays down the core values and corporate ethics to be practiced by its entire management cadre. The Company also has in place a policy on Vigil Mechanism (Whistle Blower Policy) for the Directors and Employees of the Company to report their genuine concerns or grievances.

The said Codes / Policy further extends to the Suppliers / Contractors / NGOs / Others, as applicable, and any other event which would adversely affect the interests of the business of the Company. Therefore, the Company encourages its Suppliers/ Contractors / NGOs / Others to practice to the same extent in a fair manner.

KEY POLICIES

- Nomination and Remuneration Policy
- Policy on Materiality of Related Party Transactions (RPTs') and on dealing with RPTs
- Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Vigil Mechanism/ Whistle Blower Policy
- Code of Conduct for Board Members and Senior Management
- Policy for determining Materiality of Events
- Code of Practices for Fair Disclosures of UPSI
- Policy for Safety of Women & Prevention of Sexual Harassment at Workplace.
- Anti-Bribery Policy

For more details about JK Lakshmi Cement's Policies, visit: https://www.jklakshmicement.com/companies-policies-other-information/

COMPLIANCE MANAGEMENT:

The Board periodically reviews Compliance Reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any. With a view to foster an improved compliance reporting and monitoring in the Company, the Company has a web-based legal compliance tool. Thus, the Company has a robust internal compliance management system to identify and comply with all legal requirements of current, amended & new regulations and legal risks are monitored & mitigated through regular review of changes in the regulatory framework. Further, compliance requirements are independently reviewed during periodic internal audits.

COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

Anti-Bribery Policy on https://www.jklakshmicement.com/

SERVICES TO INVESTORS:

The Company lays great emphasis on promoting better services to the Investors and take several investor-friendly measures from time-to-time. The Company has a dedicated employee who regularly keeps a track of the complaints received from Investors and generally endeavor to promptly responds to the Investors to ensure that complaint is resolved immediately to the satisfaction of Investors without any delay. The Company is regular in paying Dividend to its Shareholders since 2006-07. The Company has not made any default in repayment of its financial obligations. The Company does not have grievances of investors / shareholders, except few minor grievances of routine nature.

GRIEVANCE MECHANISM & COMMUNICATION OF CRITICAL CONCERNS

Company has provided various platforms, involving a pre-defined escalation matrix, where Customer can share his grievances in following ways as find appropriate by the customer:

- "Toll Free" Helpline number for instant solutions to the queries of customers.
- Site Meets conducted by Technical Service Cell (TSC)
- Product Demonstration on sites by TSC
- Customer in Culture program by Cross functional Team for feedback
- Forms on digital media (Website) for addressing queries of potential customers.
- Customer Satisfaction Survey through external agency
- Face to face interaction with mason/ contractors for any feedback/ issues
- Contacting through authorized dealer
- Customer care helpline
- Web site
- E-mail

In addition to the above Company's technical services unit also responds to customer's queries and complaints in the following manner.

- The Company has its technical service unit comprising qualified civil engineers.
- Product related complaints are directly sent to the Company's technical services unit.
- On receipt, Company officials visit the customer within 24 to 36 hours. They interact with the customer and understand the nature of the complaint.
- They collect all needful information including Customer details, Complaint nature, Purchase date, application period, Construction methodology as adopted etc. to diagnose the causes.
- The demonstration of the quality check, where required, is also done. Customer is explained and assisted by way of explaining good construction practices including tips to make the structure durable.
- The details of examination and demonstration is shared with the Customer. If needed, Cement testing is done either at own plant or NABL accredited third party lab. Test results of samples are communicated and shared with customer.

All the complaints are compiled in Feedback register & shared with Plant head & Quality Control head for needful at their end on monthly basis.

Further, Company also organizes programs, face to face interaction and circulates literatures, to inform and educate the Consumers about safe and responsible usage /safe handling of the products to create awareness about different ways to adopt safe construction practices, correct application procedure & precautionary measures while handling / application of cement related items.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS

JK Lakshmi Cement has a vibrant process of capturing and remediating grievances from internal and external stakeholders. These are presented below.

Stakeholder Groups from whom complaint is received	Grievance Redressal Mechanism in place (Yes or No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (through CSR team)	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes** www.jklakshmicement.com	11	0	**	12	0	**
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	194	0	Resolved	178	0	Resolved
Value Chain Partners	Yes	0	0	-	0	0	-
Influencers	Yes	1522	0	Resolved	1101	0	Resolved
Other (Please specify)	-	-	-	-	-	-	-

Note: ** The Company has a dedicated Manager level employee who regularly keeps a track of the complaints received from shareholders and promptly responds (say 3 to 5 days) to the Complainant to ensure that the complaint is resolved immediately to the satisfaction of the Shareholder without any delay. All the complaints of shareholders received during a quarter, if any and actions taken thereon are placed before a Board level Committee, constituted under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

Grievances from other external stakeholders are presented below.

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	No complaint received	0	0	No complaint received
Advertising	0	0	No complaint received	0	0	No complaint received
Cyber-security	0	0	No complaint received	0	0	No complaint received
Delivery of essential services	NA	NA	-	NA	NA	-
Restrictive Trade Practices	NA	NA	-	NA	NA	-
Unfair Trade Practices	NA	NA	-	NA	NA	-
Other (Related to Consumer)	194	0	Resolved	178	0	Resolved

POSH POLICY & WHISTLE BLOWER MECHANISM

JK Lakshmi Cement has (i) Code of Conduct (ii) Policy for Safety of Women & Prevention of Sexual Harassment at Workplace. JKLC has education program on harassment and code of conduct for all the employees at all levels. The Company is sensitive to women employees at workplace. The Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) and any such incidents can be reported to the ICC as per the process defined in the policy to redress the complaints of women employees. The said Policy is strictly enforced at all levels and reinforced through systematic training routines. ZERO complaints have been filed and no complaint is pending with ICC.

Additionally, JKLC has adopted a vibrant Whistle Blower mechanism. The Whistle Blower mechanism is widely accessible by all employees and non-employee workers. JKLC also follows the philosophy of non-retribution and/or protection of whistleblowers.

POLITICAL CONTRIBUTION

This year contribution of ₹ 5 crores has been made to political party/electoral bond as prescribed u/s 182 of Companies Act, 2013.

MANAGEMENT APPROACH TO ESG

During FY24, Board rechristened the erstwhile Corporate Social Responsibility (CSR) Committee to "CSR & Sustainability Committee". The said Committee reviews, inter alia, the Environment, Social, Governance and Sustainability initiatives of the Company.

Being responsible cement manufacturing Company JKLC is committed to the ESG principles, inclusive growth, UN Sustainable Development Goals (SDGs) and other commitments of the nation. JKLC is committed to continuously strive for improving our ESF performance by not only mitigating social and environmental negative impacts but by creating positive externalities through our business operations.

JKLC has conducted its materiality assessment in FY 2023-24, with both internal and external stakeholders, where 22 relevant aspects were undertaken out of which 11 were identified as materials by both internal and external stakeholders. Please refer to Materiality Assessment Chapter for further details.

Further, this year, an in-person strategic workshop was organized that brought together their Leadership Team, functional heads, and plant executives. The primary goal of this workshop was to gather insights from both our upstream and downstream teams, ensuring a comprehensive understanding of their perspectives. The outcome of the strategic workshop is provided in Materiality assessment, ESG Strategy, Strategic Objectives and stakeholder engagement chapters of IAR.

Governance | Ethics. Excellence. Integrity.

Chairman Emeritus

Shri Bharat Hari Singhania,

86 years, is an industrialist with over 67 years of experience in managing various industries including cement, automotive tyres, paper, jute, synthetics, paints, high yielding hybrid seeds, audio magnetic tapes, sugar, etc. Shri Singhania is the President of JK Organisation, an Industrial Group founded over 100 years ago. Shri Singhania being one of the constituents of the Promoter Group, was Managing Director of the Company since 1994 and elevated to the position of Chairman in 2013. He became Non-Executive Chairman of the Company in October 2021. Effective from 1st April 2024, he is appointed as Chairman Emeritus for lifetime and Strategic Advisor to the Board for a term of 5 years.

Board of Directors

Smt. Vinita Singhania,

72 years, is a businesswoman and an industrialist, with diversified and rich business experience of almost three decades. She has an extensive experience of managing cement business. Smt. Singhania is on the Board of the Company since 1989. Effective from 1st April, 2024, she has been redesignated as Chairperson & Managing Director. She is also on the Board of JK Paper Ltd., Bengal and Assam Company Ltd., Udaipur Cement Works Ltd., HEG Ltd. and various other companies. Smt. Singhania takes keen interest in promoting CSR activities ever since the Company commenced operations. Smt. Singhania is known for her dynamic and inclusive leadership approach, fostering a culture of innovation and continuous improvement. Smt. Singhania is admired for her integrity, resilience and unwavering commitment to corporate governance. Smt. Singhania has the distinction of being the first woman President of Cement Manufacturers Association (CMA) as well as National Council for Cement and Building Materials (NCBM). She has been conferred with various awards and accolades for her exemplary leadership and contribution to the industry. Recently in 2023, she has been conferred with prestigious Lifetime Achievement Award at the 7th Indian Cement Review.

Dr. Raghupati Singhania,

77 years, is an industrialist with about 58 years' experience in managing various industries including automotive tyres and tubes, power transmission - v belts, conveyor belting, automotive belts, oil seals, industrial electronics & material handling system, hybrid seeds, steel products, etc. He is on the Board of the Company since 1991. He is also on the Board of various well-known public limited companies. He is the Chairman & Managing Director of JK Tyre & Industries Limited and also the Chairman of J.K. Fenner (India) Limited, Cavendish Industries Limited, JK Agri Genetics Limited and JKT&I Employees Welfare Association Limited. He is the President of Managing Committee of Hari Shankar Singhania Elastomer and Tyre Research Institute. He is associated with number of institutes in the medical research and education sectors, besides serving number of trades and industry bodies such as CII, ASSOCHAM and CAPAXIL in various capacities. He has been conferred with Doctorate of Science by Mohanlal Sukhadia University, Udaipur for his outstanding contribution in Education, Training and Research in the field of Elastomer, Polymers and Tyres. Dr. Singhania has also been inducted into the "TIA Hall of Fame 2015" on 2nd November 2015, the highest honour any individual in the tyre industry can achieve in the world. In the special issue of Business Today (January 1 , 2017), Dr. Singhania was also listed amongst India's best CEOs. During FY 2018-19, H.E. the President of Mexico bestowed the Mexican Order of the Aztec Eagle on Dr. Singhania, which is the highest distinction awarded by the Mexican Government to foreigners in recognition of their outstanding services to Mexico or to humanity. He has been recognised as 'Business Leader of the Decade' by Indo American Chamber of Commerce in the year 2022 and conferred with the Economic Times 'Inspiring CEOs 2022 Award'. He has also been conferred with Lifetime Achievement Award by PHD Chamber of Commerce & Industry as well as SEVA Bhushan Award by SEVA Bharti.

Shri N. G. Khaitan,

73 years, an attorney-at-Law, is a leading solicitor and practicing advocate. Shri Khaitan is a Senior Partner of M/s Khaitan & Co., Kolkata, a renowned law firm and has more than 50 years' experience in legal profession. He is on the Board of the Company since 1993 and currently is an Independent Director of the Company. He specialises, inter alia, in corporate and arbitration matters, commercial and civil litigation, mergers and acquisitions and joint ventures. Shri Khaitan is on the Board of various companies, including AGI Greenpac Ltd., Mangalam Cement Ltd., Shyam Metalics and Energy Ltd etc. He is the President of Indian Council of Arbitration, New Delhi. Shri Khaitan is President of Bharat Chamber of Commerce and a National Executive Member of the Federation of Indian Chambers of Commerce and Industry (FICCI). He was awarded Bell-Chamber's Gold Medal for standing first in all the Attorneyship examinations.

Ambassador Bhaswati Mukherjee,

71 years, is a postgraduate (First Class) in History from Delhi University and has a Degree (Superior) in French History and Civilization from Sorbonne University, France. Ms. Mukherjee joined the Indian Foreign Service (IFS) in 1976 and was India's Ambassador to UNESCO, Paris, from 2004 to 2010 and subsequently, India's Ambassador to the Netherlands, The Hague, from 2010 to 2013.

She completed FICCI's course on 'Woman and Corporate Governance'. She successfully cleared with distinction, the Ministry of Corporate Affairs online proficiency test, for Independent Directors in October 2020.

She is on the Board of the Company an Independent Director since 2019. She has served an Independent Director in Sona BLW Precision Forgings Ltd. till August 2019 and Jindal Stainless till July 2023. Apart from Petronet LNG Limited, she is presently an Independent Director in the Board of Udaipur Cement Works Ltd. She is also Independent Director on the Board of Jindal Ferrous Limited. She is a member of Audit Committee, CSR Committee and Nomination and Remuneration Committee in some of the above companies.

Ms. Mukherjee worked successfully on Indentured Labour Route Project for UNESCO and Government of Mauritius. She has been a senior consultant to MGIEP, UNESCO and DFID. She was elected President of India Habitat Centre in March 2023.

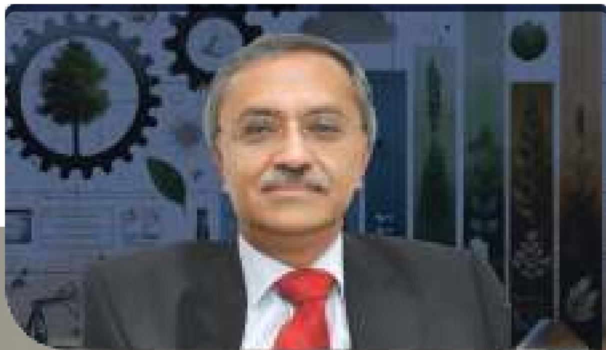
A prolific writer, she has authored 4 books. 'India and EU: an Insider's View' commissioned by Indian Council of World Affairs, a leading Indian think tank and published in August 2018 in English and Hindi, is a best seller. Her second book, also a best seller, 'India and EU in a Turbulent World' was published by Palgrave Macmillion in 2020. Her third book, 'Bengal and its Partition: an Untold Story' was published by Rupa publications and released in March 2021, and is a global best seller. Her fourth book 'The Indentured and their Route: a Relentless Quest for Identity' published by Rupa publications in November 2023 has also become a best seller world-wide.

She has also published over 100 articles, columns, reports and monographs in leading national and international publications.

A natural orator, Ms. Mukherjee is a political commentator on TV on Indian Culture and Civilization, the India EU relationship, India's interests in the Indo Pacific, the Chemical Weapons regime, nuclear issues and the changing contours of India's Foreign Policy, apart from security and foreign policy issues of concern to India.

Governance | Ethics. Excellence. Integrity.

Board of Directors



Shri Ravi Jhunjhunwala,

68 years old, has a Bachelor's Degree in Commerce and an MBA from the CEI, Geneva. He is the Group Chairman of LNJ Bhilwara Group and plays a significant role in all its companies with large presence in Textile and also in Hydro Elecrtic Plants in Himachal Pradesh and Madhya Pradesh. He is also the Chairman & CEO of HEG Ltd., a prominent company of the group.

The LNJ Bhilwara Group is a diversified business conglomerate with an annual turnover of over ₹ 10,000 crore ($ 1.20 billion). Mr. Jhunjhunwala has been a member of our Board since 2012 and currently serves as an Independent Director. In addition to his role at HEG Ltd., he also serves as a Director on the Board of several other esteemed companies, including RSWM Ltd., BSL Ltd., Bhilwara Energy Ltd., India Glycols Ltd., TACC Ltd., Maral Overseas, and Sabhyata Foundation.

Shri Sadhu Ram Bansal,

68 years, is a Post Graduate (English), Certified Associate of the Indian Institute of Bankers and Associate of Indian Institute of Banking and Finance. He joined the Board of the company as an Independent Director w.e.f 1st July 2022. He has rich and varied exposure of more than 34 years in banking, finance, infrastructure finance and administrative functional capacities followed by 8+ years as independent director/independent external monitor by CVC (Govt. of India)/ advisor to multiple prestigious corporates across education, infrastructure, social and welfare services, electronic, manufacturing and services sector.

He was Chairman and Managing Director of Corporation Bank (Public Sector Bank), Executive Director in Punjab National Bank and Field General Manager in Dena Bank. He was also Chief General Manager in India Infrastructure Finance Company Ltd. (IIFCL)

He had also been Director of PNB Gilts Limited, honorary secretary and member of Managing Committee of Indian Banks Association (IBA), Chairman of IBA Standing Committee on agriculture and allied activities (submitted Approach Paper on Agriculture & Allied Activities and Recommendations on Priority Sector lending guidelines), member of IBA Committee on Retail Lending, member of Governing Council of Institute of Banking Personnel Selection (IBPS), member of CII's National Committee on Banking, member of Indian Banks' Association Committee for evolving a framework for monitoring of infrastructure projects, Honorary Fellow (Director) of Indian Institute of Banking & Finance, and also Chairman of CorpBank Securities Limited.

Led /was part of several marquee projects like MoU with JBIC in Tokyo, Japan for financing the Delhi-Mumbai Industrial Corridor and negotiations with multilateral & bilateral institutions like Asian Development Bank, World Bank, Japan Bank for International Cooperation (JBIC) and KfW.

Led the study-team on power equipment manufacturing companies in China.

Speaker / panelist at various seminars and conferences organized by, Indian Institute of Corporate Affairs (IICA), Industry Chambers like FIICI and CII, Management Institutes like IIM-A and International conferences in Singapore and Dubai.

Smt. Shwetambara Shardul Shroff Chopra,

aged 42 years, is a Senior Partner in India's pre-eminent Law Firm - M/s Shardul Amarchand Mangaldas & Co., New Delhi and has over 18 years' experience in advising on corporate and competition law matters. She has been practicing competition law since its early days in India, having been involved in several high-profile cases relating to cartels, abuse of dominance and merger control. Before joining the Firm in 2007, she qualified as a solicitor of England & Wales after completing a training contract with Denton Wilde Sapte, London and a secondment with Clifford Chance, London. She holds an LL.B. from University of Wales, Cardiff and an LL.M. from the London School of Economics & Political Science. She is qualified to practice in India and in England & Wales. She is a Director on the Board of Cavendish Industries Ltd. and Bali Housing Pvt. Ltd.

She has been ranked as an "Elite Practitioner" in the Asialaw Profiles rankings, from 2018 onwards. She is ranked in Band 2 in Chambers and Partners Rankings. She was also chosen by the international in-house counsel community as an "Outstanding Practitioner" in the Euromoney Guide to the World's Leading Competition and Antitrust Lawyers/ Economists as well as profiled in the Euromoney Women in Business Law Guide and the Euromoney Guide to Leading BRIC Practitioners. Legal Era recognised her as a 'Leading Lawyer Champion' for Antitrust and Competition in Legal Era 'Leading Lawyers' Rankings', 2022. She was also ranked as a 'Top 100 Lawyers' in Forbes Legal Powerlist, 2021. She regularly contributes to competition law publications and has co-authored leading guides on the law of Dominance and Merger Control in India as part of Lexology's Getting the Deal Through series, which are key global reference materials for these areas of law. She has also authored Practical Law Company's Merger Control in India: Overview and Global Competition Review's Merger Remedies chapter for India.

Shri Arun Kumar Shukla,

54 years, is a highly accomplished professional with extensive experience in the cement and steel industries. He has a Bachelor's degree in Civil Engineering and is an alumnus of IIM Calcutta. He also completed a general management program from INSEAD, France. With nearly three decades of experience in leadership positions, Shri Shukla has held various important roles across different functions, including Sales & Marketing, Manufacturing, Project Execution, and Technical Services.

In February 2021, Shri Shukla joined JK Lakshmi Cement Ltd. as President and was elevated to President & Director and inducted into the Board of Directors w.e.f. 1st August 2022. Shri Shukla is highly regarded for his ability to turn around businesses in complex and competitive environments.

During his tenure at JK Lakshmi Cement, Shri Shukla has achieved remarkable accomplishments. He has set new benchmarks for operational performance and has implemented digitalisation initiatives to drive efficiency throughout the value chain. Additionally, he has focused on excellence in manufacturing and supply chain management.

Shri Shukla has implemented various strategic initiatives, including enhancing channel capabilities, effective price management, optimising product, and geographic mix, and promoting sustainability and environmental, social, and governance (ESG) practices. He has also emphasised the use of green fuel to support a circular economy.

Furthermore, Shri Shukla has played a crucial role in establishing JK Lakshmi Cement's strategic growth plans and sustainable competitive advantage for the next decade. His vision and strategic direction have been instrumental in shaping the company's future and ensuring its success in the dynamic cement industry.

Governance

Driving performance with passion | CORE TEAM

Rich experience in Corporate Finance, Secretarial & Commercial matters. He is a Fellow Member of both 'The Institute of Chartered Accountants of India' & 'The Institute of Company Secretaries of India'.

Shri Sudhir A. Bidkar
Chief Financial Officer
Experience: 41+ Years

Rich experience of managing corporate laws' compliances, compliance systems, governance matters, restructuring and corporate actions relating to fund raising, etc.

Shri Amit Chaurasia
Company Secretary
Experience: 22+ Years

Rich experience in sourcing of prime fuel, alternative fuel, project procurements, stores & spares, raw materials, packaging, in-bound logistics, as part of complete sourcing solution.

Shri S. Ramesh
Sr. V. P. (Materials)
Experience: 44+ Years

Rich experience in various cement plants across India in project implementation, modernisation and efficiency improvement. Responsible for administrative, technical and commercial functions of the integrated units.

Shri Mukul Srivastva
Unit Head - Durg Plant
Experience: 33+ Years

Rich experience in cement manufacturing and cement quality assurance. PhD in geopolymer technology. Published research papers in international journals on geopolymer and uses of supplementary cementitious material.

Dr. S. K. Saxena
Chief - Manufacturing
Experience: 41+ Years

A result-oriented professional with proven track record of accomplishing consistent growth in business. Have been associated with cement industry since last 28 years and worked in major Indian markets.

Shri Ranjeev Sharan
Chief - Sales
Experience: 31+ Years

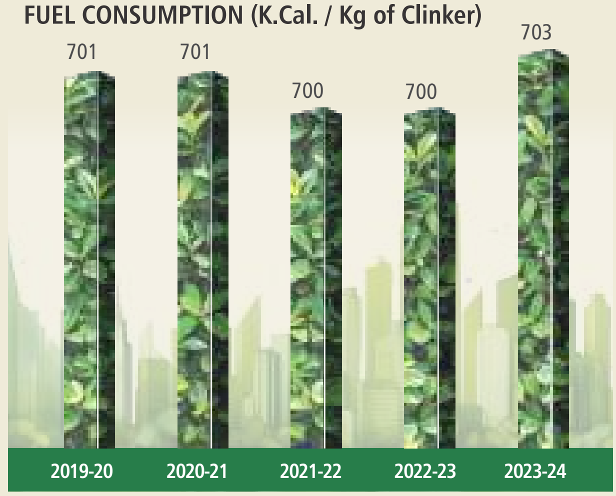
Performance Highlights
Creating Excellence. Maximising Value.

OPERATIONAL PERFORMANCE

Actual Production Data for Last Five Financial Years			Capacity Utilisation	
FY	Actual Clinker Production (Million Metric Tons)	Actual Cement Production (Million Metric Tons)	Clinker Cap. Utilisation	Cement Cap. Utilisation
FY19-20	6.34	7.78	95%	69%
FY20-21	5.98	8.30	89%	71%
FY21-22	6.62	8.62	96%	74%
FY22-23	6.72	9.38	98%	80%
FY23-24	7.00	9.51	102%	81%

POWER CONSUMPTION (Kwh / MT of Cement)

FUEL CONSUMPTION (K.Cal. / Kg of Clinker)



FINANCIAL PERFORMANCE

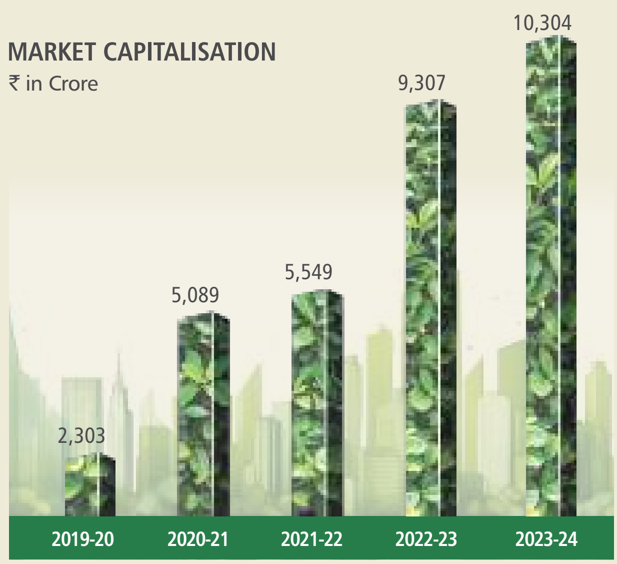
TURNOVER
₹ in Crore

EBITDA
₹ in Crore

FINANCIAL PERFORMANCE

NET WORTH
₹ in Crore

MARKET CAPITALISATION
₹ in Crore



RETURN ON CAPITAL EMPLOYED

RETURN ON NET WORTH

Our Product Portfolio

Delivering Delight. Exceeding Expectations.

JK Lakshmi Cement Ltd. has a wide product portfolio catering to the varied construction requirements of the discerning customers. It is our endeavour to become a complete solution provider to customers looking to make their dream homes.

The product range includes an array of cement products like Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC) and newly introduced Composite Cement.

In addition to cement products, we provide a host of value-added products and services viz. Ready-mix Concrete, Gypsum Plaster, Wall Putty, Autoclaved Aerated Blocks, Construction Chemicals and Adhesives.

JK Lakshmi Cement

Available in – OPC, PPC, PCC

JK Lakshmi Cement an eco friendly cement, is a testimony to company's commitment towards sustainability and environmental protection. Sold in a distinct 'green bag', this cement is used in construction of independent houses, apartment buildings, hotels, flyovers, roads, airports, dams etc.

Inclusion of pozzolanic materials with reactive properties and resultant chemical reaction with calcium hydroxide, a by-product of cement hydration, forms additional cementitious compounds. This results in improved strength and durability characteristics for a long period.

JKLC Sixer Cement

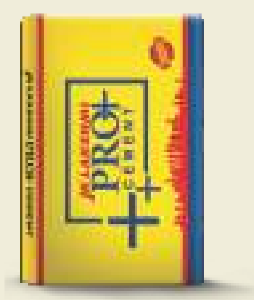
Available in - OPC, PPC, PCC

JKLC Sixer Cement – is determined to make each futuristic construction better, stronger, and more durable. It has been formulated with the best technology and has come across as a premium product. This ultra-modern product is made to fulfil the increasing needs of construction processes in modern times.

Platinum Heavy Duty Cement

Available in – OPC, PPC, PCC

Platinum heavy duty cement is formulated around the needs of 'heavy duty' construction. It consists of reactive fly-ash, low alkali content, resists chemical (sulphates + chloride) attacks, stops iron-rod rusting. All these qualities makes it an ideal candidate for large structures as well as homes for it ensures long-term strength and durability.



JK Lakshmi PRO+ Cement

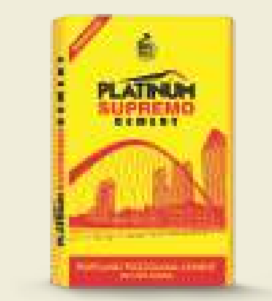
Available in – PPC, PSC, PCC

JK Lakshmi Pro+ has been an innovation to provide solution to the customers looking for cement for specific applications where regular cement grades are not sufficient. Lower heat of hydration, improved long term strength, higher and faster initial strength when compared to ordinary cement, a team of dedicated professionals worked on the product basis consumer insights. It is the number 1 premium cement brand in North India.

Super Sixer Weather Guard Cement

Available in – PPC

Super Sixer Weather Guard Cement – is specially made to overcome unique Indian construction problems with its superior strength and weather guarding qualities which makes your home 'Har Mausam Mai Not Out'. It is a premium product manufactured with advanced EPS technology which give protection from the extreme weather condition, dampness on wall/floor, delay in construction due to initial strength and rusting on rebar.



Platinum Supremo Cement

Available in – PPC, PCC

Platinum Supremo Cement is ideal for concrete needs for a building. Given that concreting contributes to 50% of the cement consumption and is also considered as very critical part of the construction, Supremo cement fulfils the role perfectly courtesy the particle packing technology which helps produce extra strength compared to regular cement and reduces the likeability of cracks in future through better spread.

Smart Business Solutions

JK Lakshmiplast Gypsum Plaster - is a superior quality Gypsum Plaster with exceptional whiteness that can do wonders for home interiors. From decorative cornices, ceiling flowers, ornamental columns to fire-resistant cladding for structural steel work, JK Lakshmiplast is the most ideal solution.

JK Lakshmiplast Smart Wall Putty - is a contemporary solution to cover unevenness and pin holes on surfaces. It is typically used as a filler/ sealing agent and applied before painting of the wall in both internal and external applications.

JK Lakshmi Power Mix Ready Mix Concrete - is made of high-end concrete technology. It is the perfect blend of aesthetic qualities that results in high standards of construction. With the introduction of such a path-breaking innovation in the realm of building materials, architects and individual house builders are independently creating textures, surfaces and shapes that were complex and impossible to create before.

JK Smartblox Autoclaved Aerated Concrete (AAC) Blocks - are produced in a state-of-the-art plant with German machinery and technology incorporating technological innovations such as 'Green Separation' and 'Horizontal Autoclaving' capable of delivering unmatched consistency in product quality.

JK Smartbond Mortar - is a ready-to-mix jointing material for joining AAC blocks, Fly Ash bricks, concrete blocks etc. It comes with water proofing and self-curing polymers that are made from cement, and graded aggregates.

JK Lakshmi Smart Serv Cement - is a premium service, equipped with latest technology-enabled features like GPS tracker, quality check sensor, anti-theft lock etc. It's a funnel-shaped silo for storage and distribution of upto 5-7 ton of cement.

JK Lakshmi Smart White Cement - gives the finest whiteness with the smoothest finish and can be used on all internal and external surfaces.

JK Lakshmiplast Smart Wall Primer - is a water-based undercoat which provides ideal finish to the interior walls after the finishing paint. It blocks out stains and odours, seals the wall and provides a smooth surface.

Green Milestone

JK Lakshmi Cement Ltd. Secures GreePro Certification

A frontrunner in the industry to demonstrate its commitment to sustainable products, JK Lakshmi Cement Limited has received GreenPro Certification for all its cement products manufactured at its integrated plants in Sirohi-Rajasthan, Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol, Surat – Gujarat & Cuttack-Odisha, including for AAC blocks from Jharli, Haryana.

We believe our customers, who make critical, smart choices for their construction needs, are increasingly guided by their understanding of certified products that are environmentally friendly.

GreenPro is an Ecolabel by the Confederation of Indian Industry (CII), which enables end users in the building sector and manufacturing sector to make informed decisions by choosing sustainable products, materials, and technologies for the construction, operation, and maintenance of their buildings and factories. Based on a holistic framework, the "Greenness" of the product, is assessed and highlights the way forward to achieve excellence in environmental performance.

Going forward, Green Pro certification will help the company by driving ongoing improvement in environmental performance, fostering innovation in sustainable practices, and positioning the organisation as a leader in sustainability, leading to long-term competitiveness and stakeholder satisfaction.

JK Lakshmi Cement Limited, promotes green choice among its customers and hopes this will lead to building a sustainable society built on a climate-resilient and low-carbon basis.

GreenPro Certificate Benefits:

Obtaining GreenPro certification aligns our organization with global sustainability objectives, mitigates environmental risks, and adds enduring value for stakeholders. The certification process assesses energy efficiency, waste management, sustainable practices, and compliance with regulations, reinforcing our commitment to environmental responsibility, enhancing reputation, attracting eco-conscious consumers, and reducing environmental impact.

Environmental Compliance
It demonstrates commitment to complying with environmental regulations and standards, reducing the risk of fines or penalties for non-compliance.

Cost Savings
Implementing green practices can lead to cost savings through energy efficiency, waste reduction, and resource conservation.

Competitive Advantage
Being certified as a Green Pro organisation gives a competitive edge by appealing to environmentally conscious consumers and stakeholders.

Improved Reputation
It enhances reputation as a responsible and sustainable organisation, which can attract customers, investors, and partners who value sustainability.

Innovation
GreenPro certification encourages innovation in sustainable practices, leading to new opportunities for product and process improvement.

Employee Engagement
It can boost employee morale and engagement by involving them in sustainability initiatives and showcasing organisation's positive impact on the environment.

Milestones of Green Merit


CII-Green Products and Services Council
hereby certifies that
JK Smart Blox
(GPJKL03001)
Manufactured by JK Lakshmi Cement Ltd at Jhajjar, Haryana meets
the requirements of GreenPro Certification and qualifies as Green Product.
This certification is valid till **December 2025**

JK Smart Blox for Jhajjar Plant


CII-Green Products and Services Council
hereby certifies that
PRO + (Portland Pozzolana Cement)
(GPJK03003)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

PRO+ (Portland Pozzolana Cement) for Cuttack, Sirohi, Durg, Jhajjar, Kalol, Surat Plant


CII-Green Products and Services Council
hereby certifies that
HDP (Portland Pozzolana Cement)
(GPJK03005)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

HDP (Portland Pozzolana Cement) for Sirohi, Durg, Jhajjar, Kalol, Surat Plant


CII-Green Products and Services Council
hereby certifies that
Platinum (Portland Pozzolana Cement)
(GPJK03007)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

Platinum (Portland Pozzolana Cement) for Sirohi, Durg, Jhajjar, Kalol, Surat Plant


CII-Green Products and Services Council
hereby certifies that
Portland Slag Cement (PSC)
(GPJK03008)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

Portland Slag Cement (PSC) for Cuttack, Sirohi, Durg, Jhajjar, Kalol, Surat Plant


CII-Green Products and Services Council
hereby certifies that
Sixer (Portland Pozzolana Cement)
(GPJK03004)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

Sixer (Portland Pozzolana Cement) for Sirohi, Durg, Jhajjar, Kalol, Surat Plant


CII-Green Products and Services Council
hereby certifies that
PHDP (Portland Pozzolana Cement)
(GPJK03006)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

PHDP (Portland Pozzolana Cement) for Sirohi, Durg, Jhajjar, Kalol, Surat Plant


CII-Green Products and Services Council
hereby certifies that
Composite Cement (COC)
(GPJK03009)
Manufactured by JK Lakshmi Cement Limited at their integrated plants in Sirohi-Rajasthan,
Durg - Chhattisgarh and grinding units in Jhajjar-Haryana, Kalol & Surat - Gujarat
meets the requirements of GreenPro Ecolabel and qualifies as Green Product.
This certification is valid till **December 2025**

Composite Cement (COC) for Cuttack, Sirohi, Durg, Jhajjar, Kalol, Surat Plant

Our Operational Reach

Expanding presence sustainably.

1 RMC Jaipur
2 RMC Kota
3 RMC Jodhpur
4 RMC Khushkhera
5 RMC Udaipur
6 RMC Mohali
7 RMC Sonipat
8 RMC Noida
9 RMC Ahmedabad 1
10 RMC Ahmedabad 2
11 RMC Surat 1
12 RMC Surat 2
13 RMC Baroda
14 RMC Raipur

15 Putty Alwar

16 AAC Jharli
17 AAC Aligarh
18 AAC Durg

Integrated Unit

Grinding Unit

Strategic Objectives

Cementing tomorrow, today.

JKLC Strategic Business Direction

JK Lakshmi Cement, a prominent name in the Indian Cement Industry since 1982, operates modern, computerized plants in Jaykaypuram (Sirohi, Rajasthan), Dabok (Udaipur, Rajasthan), and Ahiwara (Durg, Chhattisgarh). It also has four grinding units in Gujarat, Haryana, and Odisha. Known for brands like JK Lakshmi PRO+, JK Sixer Cement, JK Lakshmi Platinum, and Platinum Heavy Duty (Steel Guard), the Company delivers high-quality cement products. Committed to becoming a leader in the industry, it focuses on social upliftment and environmental protection, aiming for inclusive growth and an empowered society.

Strategic Objective / Key themes	KPIs	Priorities- Medium Term goals / targets (Maximum upto FY 2030)	Progress until FY 23-24
Capacity Expansion	MMT	30 MMT	16.5 MMT
Operational efficiency (Energy efficiency / AFR)	- RE%	RE 60% in 2030	38.2%
Consolidate Market Position	Geographic areas / market share etc	West, Central, North & East	Developed new markets in U.P.
Improving Brand awareness	- TOM scores	- 8%	- 1%
Price premiumisation	- Price index improvements	- Close the gap with industry leaders by 2% till 2027	- Gap is 8% as of now
Premium product contribution	- Overall 24%	- 2027	- 19%
Sustainable Business Solution	- SBS growth	- To reach 1200 Cr revenue for SBS.	- Sales revenue - 550 Cr.
	- % increase in the share of Premium products	- Share of premium products to be min. 20% in each product line	- % share of premium product - 12%

Strategic Objective / Key themes	KPIs	Priorities- Medium Term goals / targets (Maximum upto FY 2030)	Progress until FY 23-24
Customer centricity	- Focus on IHB/ Trade	- Reach to 4.5 Lakh customers through site visits, Guidance, supervision, demo per annum by FY2030	- 2.66 lakh + site visits
	- Right quality	- Maintain 100 % grievance resolution with 90 % retention	- Complaints are 100 % resolve
	- TSC/ Influencer engagement etc.	- 10000 Engagement Meets per annum, Approx 2 lac active influencer with company	- 7600 Engagement Meets per annum, Approx 55000 active influencer with company
Sustainable Operations (Waste / TSR / RE/ Water Positivity/ CO2 emission reduction)	- Reduction in Scope 1 and Scope -2 - Product mix - TSR - Water positive	- Net zero by 2047 - TSR 20% by 2030 - 5X Water positive by 2025	CO2 emission factor – 0.61 (FY 2022-23) CO2 emission factor – 584 Kg CO2 e/T Cement (Scope1+ Scope2 in FY23-24) 7% TSR (FY23-24) Water positive 5.48X
Community development / Impacting Lives	- No of lives impacted - CSR expansion at green field projects and in key market (Business strategic CSR)	- 5 lacs (directly impacted) - Total impacted approx., 20 lacs - Strategic CSR focussed projects & stakeholder engagements at green field projects (aligned to Company's expansion plan)	2.66 lakh directly impacted CSR launched at Green Field Project
Human capital	- Future ready workplace	- Strengthen Digital Literacy amongst employees and consolidation of Vaani HR by adding more functionalities. - Implementation of Darwin Box	Vaani HR is launched for enhancing ease of access and robust support via digital platform. - Proposal at finalisation stage
	- Diversity and inclusion	- Female workforce hiring upto 3% of MCS (Replacement / New vacancies as per the approved manpower budget).	- Focus on hiring females on the Replacement / New vacancies as per the approved manpower budget.
	- Learning & Development	- Training Mandays ≥ 5 days per person per year	- Training achieved: 4.1 Man-days per person in FY 23-24.
Occupational Health & Safety	- Sustain Zero LTIFR - Sustain Zero occupational disease - Strive for Zero Fatality - Implementation of contractor passport system	- Leverage digital technologies for occupational health and safety management. - Focus on critical error reduction technique - ISO 45001 certification of RMC and VAP Business	Employee • LTIFR – Zero • Fatality – Zero • Occupational disease - Zero Workers • LTIFR – Zero • Fatality – 1 - Occupational disease – Zero
Maintain highest standard Corporate Governance	- 100% Regulatory Compliance	- 100% Regulatory Compliance	- 100% Regulatory Compliance
Cyber security and digitalization	- Using technology for business being future ready - Data security	- Empowering business with AI to boost efficiency, ensure predictability and prescribe pathways to create success stories.	- Significantly enhanced capabilities to extract, process, and clearly visualize critical insights from complex datasets.
		- Strengthening information security posture across Technology, People and Processes to mitigate risks from cyberspace and to comply with data protection regulations	- Information protection Technologies like XDR, SASE, Vulnerability assessment etc have been implemented. Through continuous awareness sessions, resilience of people against cyber threats have been substantially increased.

ESG Strategy

ESG Governance at JKLC

Board of Directors at its meeting held on 2nd November 2023, rechristened the existing Corporate Social Responsibility Committee as "Corporate Social Responsibility and Sustainability Committee".

Board | CSR & Sustainability Committee | President & Director | Head CSR & Sustainability | ESG Core Team

Approach:

In FY24, an in-person strategic workshop was organised that brought together JKLC's Leadership Team, functional heads and plant executives. The primary goal of this workshop was to gather insights from both the upstream and downstream teams, ensuring a comprehensive understanding of their perspectives. This collaborative approach proved critical, as it allowed to incorporate diverse viewpoints into the formulation of both short-term and long-term targets for JK Lakshmi Cement. By engaging directly with these key stakeholders, JKLC was able to align their strategic goals more closely with the practical realities and needs of the entire operation, fostering a more cohesive and informed strategic planning process.

Objective:

The strategic objectives serve as the foundation for developing the roadmap for JKLC. These objectives encompass a broad spectrum, reflecting the company's expansive ambitions and long-term vision. By setting these strategic goals, JKLC aims to outline a clear path forward that not only guides current operations but also drives future growth and innovation, ensuring alignment with the stakeholders' demands as well as the company's overarching mission and values.

Outcome:

The results of this approach led to the mapping of KPIs derived from the materiality assessment against the six capitals of the integrated framework and the UN SDGs. The roadmap is segmented into environmental, social and governance categories based on these KPIs, with targets divided into short-term (3-year horizon) and long-term (8-year horizon) goals.

ESG sharing at seminars and conferences

Environment

Capital	Key Focus Areas/ Impacted material topics	Current baseline (FY2022- 23)	Goals going forward		SDGs Impacted
			Short-term targets	Long-term targets	
Natural	GHG Emissions	Scope 1 & 2 emission intensity- 0.599 MTCO2e/Tonnes of cement production Scope 3 emission intensity- 0.01 MTCO2e/Tonnes of cement production	Scope - 1 < 500 $KgCo_2e$/Ton Cement by 2030	Net-zero by 2047	7 12 13
Natural	Water Positivity	4X	5X by 2025	-	6 12
Natural	Green Energy	35%	60% by 2030	100% by 2040	7 12 13
Natural	Thermal Substitution Rate	4.1%	11% TSR by FY 2024-25	20% in a phase-manner by FY 30	7 12 13
Natural	Waste Recycled	100% hazardous waste recycled	To be maintained	To be maintained	12

Social

Capital	Key Focus Areas/ Impacted material topics	Current baseline (FY2022- 23)	Goals going forward		SDGs Impacted
			Short-term targets	Long-term targets	
Social & Relationship Capital	Supplier Due Diligence	Supplier checks are conducted during the time of on-boarding	20% of total active vendor / suppliers to be covered under the due diligence per year.	Majority of total active vendor / suppliers to be covered under the due diligence.	8
Social & Relationship Capital	Customer Satisfaction	Surveys are conducted every year	Tracking NPS (Net Promoter Score) in 2024	NPS of 80+ by FY29	8
Social & Relationship Capital	Customer Retention	71%	Increase the active dealers ratio to over 76%	Increase the active dealers ratio to 85%	8
Human Capital	Health & Safety	Zero fatalities	To sustain zero fatalities 30% of Smart Building Solution Plants / Facilities to be ISO 45001 certified	To sustain zero fatalities 60% of Smart Building Solution Plants / Facilities to be ISO 45001 certified	8

Social

Capital	Key Focus Areas/ Impacted material topics	Current baseline (FY2022- 23)	Goals going forward		SDGs Impacted
			Short-term targets	Long-term targets	
Human Capital	Diversity & Inclusion	1% women workforce	Female employee hiring 3% of permanent employee's vacancies	Female employee hiring 4.5% of permanent employee's vacancies	8 DECENT WORK AND ECONOMIC GROWTH; 5 GENDER EQUALITY
Human Capital	Employee Turnover	10% attrition rate	9%	8%	8 DECENT WORK AND ECONOMIC GROWTH; 5 GENDER EQUALITY; 3 GOOD HEALTH AND WELL-BEING
Human Capital	Employee Engagement	Health & Safety & Skill upgradation trainings conducted	More than 80% of employees covered in human rights, technical & behavioural, health & safety, POSH trainings	More than 90% of employees covered in human rights, technical & behavioural, health & safety, POSH trainings	8 DECENT WORK AND ECONOMIC GROWTH; 5 GENDER EQUALITY; 3 GOOD HEALTH AND WELL-BEING

Governance

Capital	Key Focus Areas/ Impacted material topics	Current baseline (FY2022- 23)	Goals going forward		SDGs Impacted
			Short-term targets	Long-term targets	
Social & Relationship Capital	Human Rights Assessments	Compliance with labor laws in check	35% assessments by 2027	100% assessments by 2030	8 DECENT WORK AND ECONOMIC GROWTH; 5 GENDER EQUALITY; 10 REDUCED INEQUALITIES
Governance	Independent Board Assessments	Internal evaluation of the board is conducted annually	Internal evaluation as per criteria specified by Nomination & Remuneration Committee to continue on annual basis.		16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
Governance	Digitization	Significantly enhanced capabilities to extract, process, and clearly visualize critical insights from complex datasets. Information protection Technologies like XDR, SASE, Vulnerability assessment etc. have been implemented. Through continuous awareness sessions, resilience of people against cyber threats have been substantially increased.	-	Empowering business with AI to boost efficiency, ensure predictability and prescribe pathways to create success stories. Strengthening information security posture across Technology, People and Processes to mitigate risks from cyberspace and to comply with data protection regulations.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

JKLC's ESG strategy is a testament to their unwavering commitment to sustainable growth, ethical governance and social responsibility. Through this comprehensive approach, JKLC not only addresses existing and emerging issues but also creates value for the stakeholders and contributes positively to the communities and environments in which they operate. Moving forward, JKLC will remain dedicated to integrating ESG principles into all facets of their business, driving meaningful impact and fostering a sustainable future for generations to come.

Risk Management

Managing uncertainty.

- At JKLC our Risk Management approach is integrated with our corporate strategy & governance. Risk Management Process enables JK Lakshmi Cement to Identify, assess and treat risks. It is the responsibility of everyone in the organisation and it applies to all functions and operations in the organisation. It is inbuilt into our management structure at all levels, which enables Company in proactively identifying and managing risks under the guidance of "Risk Management Committee" and Leadership.
- The Company's risk management system is always evolving. It is an ongoing process, and it is recognised that the level and extent of the risk management system will evolve commensurate with the development and growth of the Company's activities. The risk management system is a "living" system and the documentation that supports it will be regularly reviewed and updated in order to keep current with Company circumstances.

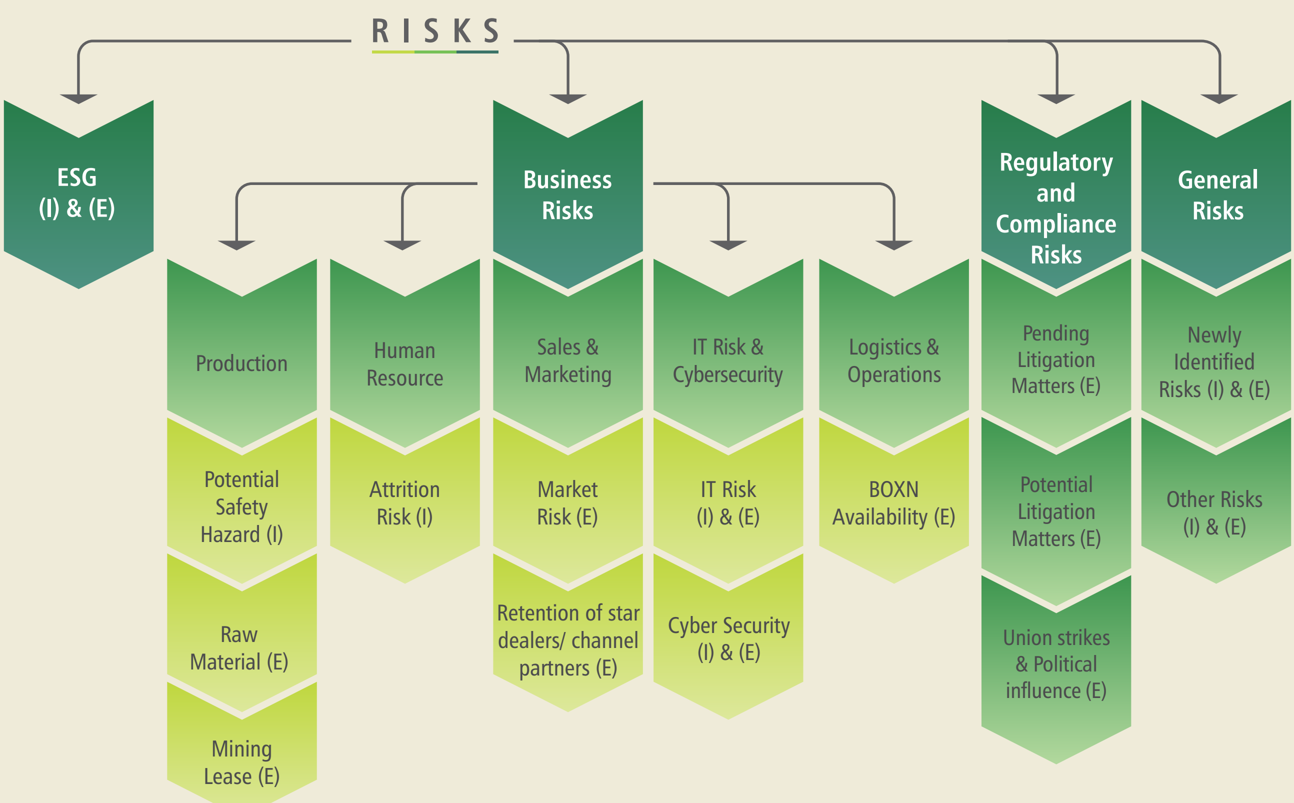
Risk Management Process

Risk Identification | Risk Categorisation | Assessment of Identified Risks | Risk Mitigation | Risk Reporting and Disclosure

Monitoring of Risk Mitigation Efforts

Integration with Strategy and Business Plan

Risk Categories



(I) Internal category
(E) External category

Business Risks

SR. NO.	RISK	RISK DESCRIPTION	MITIGATION STRATEGY
1	Production Risk - Potential Safety Hazard	• Critical equipment failure • Explosion in boiler/coal mill • Explosion in storage of explosive & oil • Fire & electrocution: It can cause loss of people & production	• Occupational Health and Safety Management System (all units are ISO 45001:2018 certified) • Engineering control as well as active and passive fire protection for prevention of fire and explosion (continuous monitoring of critical parameters like temp & CO, Nitrogen purging system, fire stop, fire retardant coating, deployment of fire extinguishers and fire hydrant system with real time monitoring through IoT) • Structure stability testing and certification by competent authority
2	Production Risk - Availability of Raw Material & Price Fluctuation	• Exponential increase in petcoke price • Uncertainty in Availability of Dry Fly Ash	• Change in fuel mix – reduced petcoke blend from 90% to 70% • Further increase in petcoke % in fuel mix whenever prices are conducive • Investment plan for higher possible use of AFR • Wet fly ash dryer and feeding system • Wet fly ash material handling system • Strategic Tie ups with captive power plants
3	Production Risk - Availability of Limestone	• With depleting reserves at existing mines, availability of limestone may be a risk for continued production. Limestone is the basic raw material for cement manufacturing and its consistent availability at optimum cost is essential for existing and future plant requirements.	• Aggressively participate in the auction of the mining leases. We have secured few mines in some of the auctions. • Continuously represent to the government for necessary policy amendments so that auction of the existing mines can be held well before their expiry
4	Human Resource	• Attrition of key people may adversely impact business strategy	• Maintaining good HR practices and innovative initiatives to keep the morale high • Provide growth opportunities • Focus on rotation of existing people with different roles / locations • Preparing the leadership pipeline across all key roles
5	Market Risk (Macro Level)	• Industry is still having a higher un-utilised capacity than demand, thus there is extreme volatility in demand • Irrational variation in inter-state prices can affect inter-state movement of cement • Changing construction practices & increasing use of substitute material may negatively impact Cement demand	• Focus on adding quality network which can ensure consistent volume, for which we will focus on adding more Elite & Above class dealers and focus on reducing the dealer churn • Continuously enhance proportion of our sales in the core markets improving our premium product and trade sales • A strong inbuilt governance mechanism is in place to check and control infiltration with blacklisting parties and penalty imposition to inter-state unethically trading parties • Continue to expand our value added products business to foray into other construction solutions, mitigating possible cement demand decrease.

Business Risks

SR. NO.	RISK	RISK DESCRIPTION	MITIGATION STRATEGY
6	Retention of Star Dealers / Channel Partners	• Competitors continuously target channel partners that will affect market share	• Intense engagement with partners using various digital initiatives and latest technology. • Long-term incentives • Reward for loyalty with revamped loyalty program and app
7	IT Risk	• Application / Network Outage • Risks due to potential vulnerabilities in applications and IT Infrastructure	• Alternative architecture is in place for IT Network to mitigate risk scenarios due to any sort of network outage. • Disaster Recovery plan is in place for critical applications to ensure non-interruption in business processes.
8	Cybersecurity	• Potential vulnerabilities in applications and IT infrastructure • Cybersecurity awareness Gap in Employees – Data leakage, unauthorised usage of Company's assets etc. • Risks due to weakened preventive and detective controls for IT & application	• Comprehensive Technical Vulnerability Assessment and Penetration Test (VAPT) Audit has been done to proactively identify and address any potential weaknesses in our publicly exposed applications / services and IT infrastructure. • Risk-based Vulnerability Management (RBVM) solution has been finalised to be implemented to discover, prioritise, remediate, and report on vulnerabilities to reduce the risk at high velocity. • As part of Cyber Threat Intelligence (CTI), independent internet-based passive intelligence gathering has been performed to discover cyber and social risks for the Company • For strengthening people-centric security, cyber drill has been recently conducted. A Cybersecurity Awareness Training course has also been designed. • Information Security Controls are getting evaluated as per compliance to ISO/IEC 27001:2022 Standard.
9	Logistics & Operations Risks	• Shift of railway focus to coal industry has created shortage of BOXN wagons, resulting into increase in logistics costs	• Appropriate actions are being taken.

SR. NO.	RISK	RISK DESCRIPTION	MITIGATION STRATEGY
10	ESG Risk	Climate change impact, carbon, emissions, health & safety, transparency & disclosure, stakeholder engagement, harmonious co-existence with community and others	• Invest in energy-efficient technologies and alternative fuels to reduce carbon intensity • Explore carbon capture and storage (CCS) technologies to capture and store CO_2 emissions • Implement energy management systems to optimise energy use and reduce waste • Increase the use of renewable energy sources & Conduct energy audits to identify efficiency improvements and prioritise investments. • Implement water management strategies to recycle and reuse water within the production process wherever feasible. • Establish comprehensive health and safety programs with clear policies and procedures. • Regularly train employees on safety protocols and provide necessary protective equipment. • Implement environmental monitoring & control measures to minimise emissions, dust and noise. • Engage in transparent and proactive communication with local communities. • Support community development initiatives and contribute to local infrastructure improvements. • Ensure compliance with labour laws, including fair wages, working hours, and employee benefits • Compliance of corporate governance norms.

Regulatory, Compliance, and General Risks

11	Non Compliance, Regulatory changes & Litigations	• Non compliance of applicable regulations may lead to imposition of penalties, suspension of operations and reputational damage	• Robust system is in place to track and comply with regulatory changes • Systems and process are in place to minimise areas of litigation
12	Newly Identified Brand Reputation Risk	• Reputation damage can be catastrophic, as reputation is one of the Company's biggest assets.	• Make reputational risk a part of the strategy • Control processes via standardisation, technology, policies, and procedures reduce the likelihood and severity of events that could cause reputational damage • Focus on positive image building and communication • Create response and contingency plans
13	Others Risks	• Risk of fraud, embezzlement and misappropriation of Company's resources. • Natural risk or acute market risk that are sudden like Covid 19, market demand shrinkage events like wars or natural calamities	• Robust internal control for strict checks & balance system, and wide scope of audit by internal auditor and rotation of internal auditors • Adequate checks and balances being provided in the ERP system, SAP, SFDC data protection • Checking of all debits in all bank accounts on a daily basis. • Insurance policy is already in place for all the plants to cover the natural risks • Business product diversification and geo-expansion to hedge the domestic market risks

Stakeholder Engagement

Partnering for value creation.

At JK Lakshmi Cement Ltd., we stay engaged with our internal and external stakeholders who are fundamental to the success of our business. We proactively seek their valuable insights to understand their needs and expectations. This approach goes a long way in helping us address emerging trends, manage and mitigate business risks and make use of existing market opportunities. Our key stakeholders are identified based on the value and expectations generated by them and their impact on the business.

We believe an effective stakeholder engagement process is necessary to achieve our business and sustainability goals and promote inclusive growth. Identifying and mapping the relevant internal and external stakeholders are key to this process. We engage with both internal and external stakeholders. Our engagement process gives us insight into the operating environment, keeps us abreast of the latest market trends and customer needs, and helps us understand our growth opportunities. This enables us to recalibrate our strategy in accordance with the needs and expectations of our stakeholder groups and ensure meaningful outcomes. We remain dedicated to safeguarding the health, safety, welfare, and professional growth of our internal stakeholders, while delivering quality, accountability, responsible business conduct, as well as ensuring sensitivity to social and environmental concerns for our external stakeholders.

Our efforts to create sustained value are manifested by our regular engagement with our stakeholders. This helps us understand their needs and expectations, gain better insights into our opportunities, and reduce risks to our operations. Established systems and processes help us identify, prioritise and address the needs and concerns of our stakeholders across all plant locations and other sites of operations. Various engagement processes such as customer satisfaction surveys, supplier meets or visits to plants, employee engagement events, regular meets with dealers and investors help us stay in touch with our stakeholders and develop strong relationships with them. This has created a win-win situation for us as this relationship contributes to and supports the development of each other.

We have a stakeholder engagement matrix that outlines how we engage with each stakeholder group, the frequency and channel of engagement and communications.

Stakeholder Engagement Matrix

Stakeholder Groups	Relevant material Issues	Our Value Proposition	Purpose of engagement	Engagement mechanisms	Frequency of engagement	Feedback mechanism	Major KPIs
Shareholders	• Corporate governance • Return on investment • Climate Change	• Return on investment • Financial viability – short and long-term • Risk management/ sustainable investing • Climate protection • Low-carbon footprint operations	Disseminating and sharing of information with a view to update on financial performance, strategic insights and seek their approval	Email, letters, SMS, newspapers, meetings, company website, stock exchange, other statutory authority, road shows	Regularly	Meetings, action plans	Interim Dividend, Rs. 2/- (40%) per share. Final Dividend Rs. 4.50 per share.
Institutional investors	• ROI and ESG performance • Corporate governance • Circular Economy • Climate Change • Environmental protection & conservation • Community investments	• Return on investment • Financial viability - short and long-term • Risk management/ sustainable investing • Climate protection • Low-carbon footprint operations • High impact CSR projects with focus on vulnerable communities	• Financial performance • Share broad future strategies • Get feedback & address concerns	Annual general meetings, quarterly concalls, presentation on website	Need based	Interactive communication	-
Industry associations, knowledge partners	• Policy advocacy • Technology and best practice sharing • ESG • Awards and recognitions • Product innovation • Branding & reputation	• Policy advocacy • Technology and best practice sharing for business growth & sustainability	• Net zero commitments • Sustainable products & supply chain • Ethical business practices • High standards of corporate governance	Meetings, communication	Need based	Interaction, meetings, seminar & conference	₹ 39,24,200
Employees & Workers	• Employee well being • Career development • Grievance redressal • Caring for people, environment & good culture • Training & development • Occupational health and safety • Diversity & gender equality • Employment & labor practices	• Career Growth • Performance review feedback • Training & development • Caring for people • Discrimination free work environment & good culture	• Employee motivation • Team building • Grievance redressal • Prevention from accidents • Ideas incubation	Roadshows, email, meetings, communication from top management	Daily, weekly, monthly, annually, need based	Performance appraisals, satisfaction surveys, other meeting forums	Training Manday achieved was 4.1 Mandays per person in FY 23-24.

Stakeholder Engagement Matrix

Stakeholder Groups	Relevant material Issues	Our Value Proposition	Purpose of engagement	Engagement mechanisms	Frequency of engagement	Feedback mechanism	Major KPIs
Customers	• Complaints handling • Product communications • Customer awareness on blended cement • Product innovation • Branding & reputation • Pricing integrity	• Multiple non-cement product offerings like AAC blocks, wall putty, gypsum plaster, ready mix concrete, mortar, white cement, wall primer • Quality product • Competitive price • On-time delivery • Required product offerings • Sustainable performance Reputation	• Feedbacks to improve operational efficiencies, services & products	Roadshows, feedback surveys, customer needs, social media, campaigns, customer meets	Need based periodically	Customer satisfaction surveys and communicating with customers	% of customers complaints closed 100%
Value chain partners	• Customer relationship • Product knowledge,quality & timely delivery, • EHS & social policy deployment	• Product benefits & features • Business continuity • Fair trade practices • Growth opportunities • Environmental, social and governance aspects	• Building stronger relationships & getting regular feedbacks from market	Meetings, phone calls, emails	Daily, weekly, monthly, annually, need based	Meetings, interactions	51840 Influencers and 2050 Dealers are engaged in our loyalty programs
Communities	• Community development • Employment & livelihoods • Support for health, water, education, sanitation etc. for quality of life	• Sustainable development of the communities around our operations with focus on various stakeholders groups including marginalised & vulnerable ones	• Harmonious coexistance • Trust & relationship building • Design & implementation of high impact need-based CSR projects	Meetings, messages, feedback	Daily, weekly, monthly, need based	Interactions, surveys, Impact assessment	Total CSR spent 10.48 Cr. & 2.66 lakh of lives impacted directly through our CSR initiatives
Statutory body	• Compliance • Industry concerns government expectations • Circular economy • Climate change • CSR initiatives	• Policy and procedure to shape future business growth • Conducive policies on renewable energy, sustainable biomass use, alternative fuels, circular economy practices and GHG emission reduction	• Disclosure on compliance & policy advocacy	Interactions, industry forum meets, compliance report	Need based	Interactions	₹ 1243.54 crore as total tax paid to government for FY 2023-24.
Media	• Company's performance • Corporate governance • Transparency & Disclosure • ESG practices • CSR	• Ethical business practices • High standards of Corporate governance • Life changing stories & feeds	• Company's financial, ESG & CSR performance	Media meets Press conferences Management interviews Social media posts	Quarterly Periodically Need based	Interactions	Regular interactions, social media posts & feeds

Materiality Assessment

This comprehensive materiality assessment represents the inaugural evaluation conducted by JK Lakshmi Cement. It builds upon their third sustainability report, covering FY18-21, in which 12 key material aspects were initially identified. This year's foundational assessment aims to deepen JKLC's understanding of the critical issues influencing their sustainability performance, guiding their strategic priorities, enhancing their commitment to responsible corporate practices as well as the evolving expectations and perspectives of their stakeholders.

Importance of Materiality Assessment

To achieve long-term success as a responsible and sustainable business, it is important to understand the most important matters that can influence the company's value creation. Conducting a materiality assessment allows to prioritise and incorporate the views of JKLC's stakeholders on key issues that affect the business. By adopting a comprehensive approach to materiality assessment, both tangible and intangible benefits are aimed to be acquired. Considering all material issues, risks and opportunities in the business strategy formulation, enables the company to integrate sustainability considerations into the decision-making process and foster a more responsible and resilient approach to JKLC's operations.

Approach

In response to the evolving ESG landscape and dynamic business environment, JKLC proactively monitors current material topics and identifies new focus areas. In FY 2023-24, an inaugural comprehensive materiality assessment was conducted to pinpoint key issues that could impact value creation for all the stakeholders. The targets of the Roadmap Plan are based on these material matters.

Identification of JKLC's internal & external stakeholders

Identification of JKLC's relevant ESG material themes through stakeholder consultations

Assigning criticality to the themes as (i) Not of Priority (ii) Moderate Priority (iii) High Priority (iv) Very High Priority

Floating the survey to JKLC's stakeholders

Compilation of the results into a Materiality Matrix segmented into (i) Very High Priority (ii) High Priority (iii) Moderate Priority

Assessment Process

Identification of Material Issues

- Conducted a comprehensive desk review to identify 22 sector specific material issues as per the global standards (GRI, SASB)
- Reviewed existing and emerging industry trends, best practices and priorities of peer companies (8 cement manufacturing companies)
- Created a bucket list of material issues relevant to JKLC and the stakeholders

Stakeholder Identification

- Identified internal and external stakeholders based on their potential to impact or influence on the organisation
- External stakeholders included Business Partners, Communities, Equipment Suppliers, NGOs, Transporters, Vendors and Workers
- Internal stakeholders are JKLC's employees
- The internal and external stakeholders' participation in this materiality assessment contributed to 90% & 10% of the total stakeholders respectively

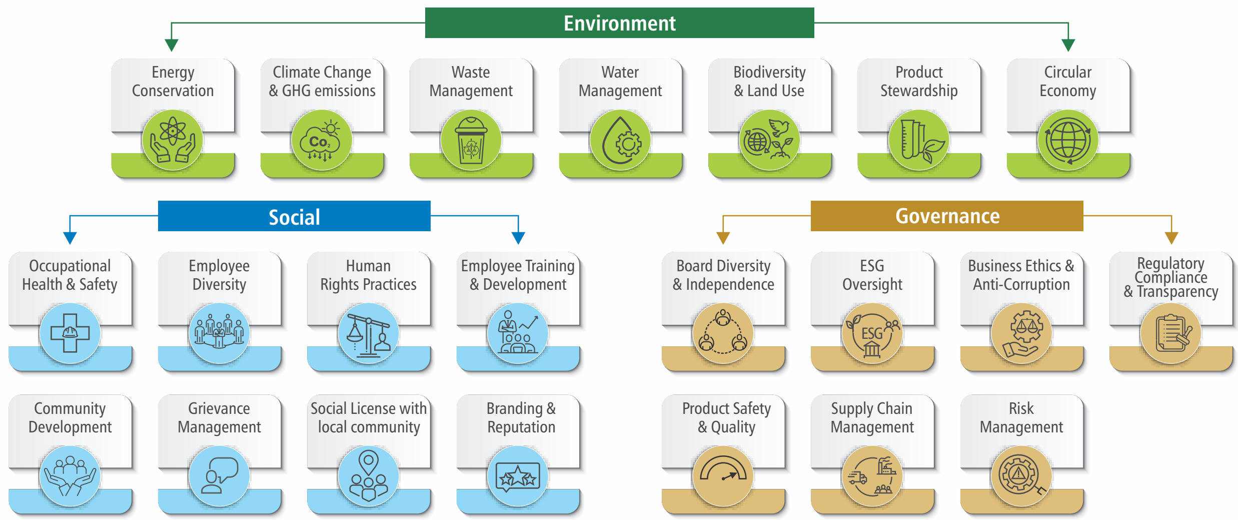
Criticality of Material Themes

Each theme was assigned a value of importance with a ranging scale of 0-4 which signified - 'Not of Priority, Moderate Priority, High Priority and Very High Priority'

Materiality Survey

- Created a questionnaire according to the material themes identified and floated them across stakeholders
- Stakeholders ranked each theme according to the relevance of their theme to their operations in the organization
- This made the analysis more robust capturing every stakeholder departments' perspective into consideration

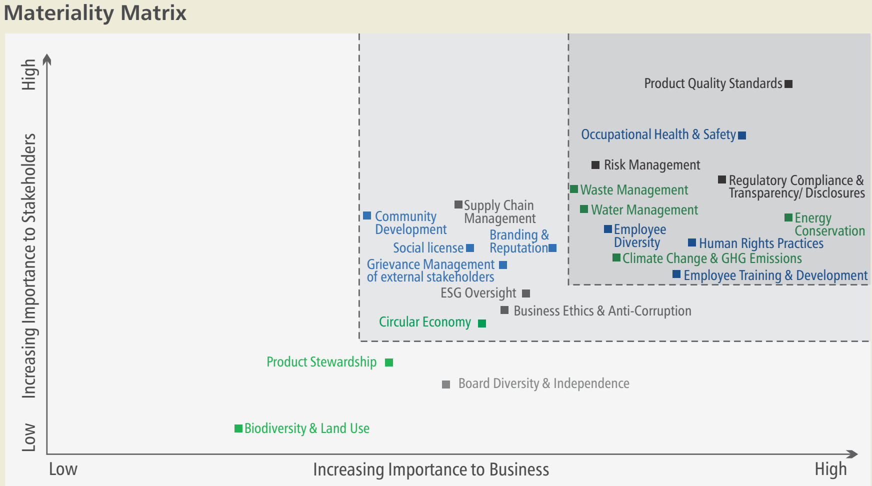
Material Issues Identified



Result

Responses received from the stakeholders were collated and assigned weightage to each material issue. After an in-depth analysis of both the qualitative (consultations) and quantitative (online survey) responses, material issues were rated - ranging between very high priority, high priority, moderate priority. Based on the feedback received from stakeholders, a materiality matrix was developed.

Materiality Matrix



Ranking of Material Topics based on Stakeholders' Responses

Very High Priority

- Product Quality Standards
- Occupational Health & Safety
- Regulatory Compliance & Transparency/ Disclosures
- Energy Conservation
- Employee Diversity
- Risk Management
- Human Rights Practices
- Employee Training & Development
- Climate Change & GHG Emissions
- Waste Management
- Water Management

High Priority

- Branding & Reputation
- ESG Oversight
- Social license to operate / Plants with the local community in harmonious co-existence
- Grievance Management of external stakeholders
- Business Ethics & Anti-Corruption
- Circular Economy
- Supply Chain Management
- Community Development

Moderate Priority

- Board Diversity & Independence
- Product Stewardship
- Biodiversity & Land Use

Material Topics	Description	How the material topics are addressed in the report	Linkage to UN SDGs
Energy Conservation	This includes energy management practices such as reduction in energy consumption, use of renewable source of energy and assessment of energy efficiency through external agencies	Refer Natural Capital Chapter	7 Affordable and Clean Energy; 12 Responsible Consumption and Production; 13 Climate Action
Climate Change and GHG emissions	This includes the organization's efforts to reduce its environmental footprint such as reducing direct and indirect emissions, emissions from business travel, air emitting pollutants through air conditioning as well as any assessments to mitigate climate risks	Refer Natural Capital Chapter	12 Responsible Consumption and Production; 13 Climate Action
Waste Management	This includes efficient waste management practices such as proper storage and collection of waste, as well as timely disposal of waste by partnering with authorised recyclers	Refer Natural Capital Chapter	12 Responsible Consumption and Production
Water Management	This includes the company's efforts to manage water-related risks and improve water efficiency for production purposes	Refer Natural Capital Chapter	12 Responsible Consumption and Production; 6 Clean Water and Sanitation
Occupational Health & Safety	This includes the company's efforts to ensure health & safety at the workplace as well as in the manufacturing units	Refer Human Capital Chapter	8 Decent Work and Economic Growth
Employee Diversity	This includes efforts to ensure that the company workplace practices reflect a commitment to diversity - be it related to gender, age, or differently abled	Refer Human Capital Chapter	8 Decent Work and Economic Growth; 5 Gender Equality
Human rights practices	This includes fair working conditions, no child or forced labor, indigenous people rights, and human rights aspects in in-house operations as well as supply chain	Refer Human Capital Chapter	8 Decent Work and Economic Growth; 5 Gender Equality; 10 Reduced Inequalities
Employee Training & Development	This includes training and development programmes to complement the skillsets of employees enabling their personal and professional growth	Refer Human Capital Chapter	3 Good Health and Well-Being; 5 Gender Equality; 8 Decent Work and Economic Growth
Regulatory Compliance and Transparency/ Disclosures	This includes compliance with local and statutory regulatory acts, transparent business and sustainability information as well as avoidance of fines and penalties	Refer Governance Chapter	16 Peace, Justice and Strong Institutions
Product safety and quality	This includes the Company's commitment to deliver quality products to the customers and disclosing appropriate information on content, usage, etc.	Refer Manufactured Capital Chapter	12 Responsible Consumption and Production
Risk Management	This refers to the identification and management of risks including operational risks, legal risks, compliance risks, reputational risks, strategic risks, etc., and getting all the necessary NOC & approvals from government authorities	Refer Risk Management Chapter	16 Peace, Justice and Strong Institutions; 17 Partnerships for the Goals

Our Value Creation Paradigm

OUR BUSINESS

Business Activities

Mining

Raw material preparation

Inbound logistics

Drying & grinding of raw material

Clinkerisation

Cement grinding

Packing & dispatch

Outbound logistics

Governance

Board of Directors

6 Board Committee

Senior Management Team

Strategic Business Planning

Annual Goals

KRAs

KPIs

Performance Review

Levers

Finance

Marketing services

Sales

Centre of Excellence

Company Law

IT & Cybersecurity

Human Resource

Personnel and Admin

CSR & Sustainability

Risk Management

Technical Services

R&D

INPUT

Financial Capital

- Gross debt to EBITDA ratio at 0.76 times as of 31st March 2024
- Debt Equity Ratio has decreased to 0.23 times as of 31st March 2024

Intellectual Capital

- ₹ 244.89 Crore total spend on R&D and CapEx investment for improving Environment and Social impact
- 1 R&D centre

Manufactured Capital

- 11.7 MTPA of total cement production capacity
- 6 plants across India

Natural Capital

- 38% renewable energy consumed
- 0.1141 KL/ton cement production water intensity
- 97.98 MT waste generated

Human Capital

- 1388 permanent employees and 233 permanent workers
- Zero man-days loss
- Highest engagement level across JKO @89%

Social and Relationship Capital

- ₹ 10.48 Crore spend on CSR projects
- 92% Dealers covered in loyalty programme

OUTPUT

Financial Capital
- ₹ 10,304 Crore Market Capitalisation
- ₹ 6383.73 Crore Revenue
- ₹ 928 crore EBITDA
- ₹ 424.32 Crore Profit After Tax
- ₹ 6.50 per share total dividend

Intellectual Capital
- Digital solutions to leverage technology for operational excellence
- State-of-the-Art R&D for low carbon cement

Manufactured Capital
- 81% of capacity utilisation
- 9.51 MMT of cement produced
- 38% share of renewable energy in total power requirement

Natural Capital
- 5.48 X water positive
- Total water discharged in Kl: Zero
- 65% Blended Cement
- GHG Emission (Scope 1 & 2) 584kg CO2e/ton cement

Human Capital
- 4.1 man-days/person training
- Conferred with the "Dream Companies to work for – Manufacturing-cement 2022" by ET Now & World HRD Congress

Social and Relationship Capital
- 2.66 lakh direct beneficiaries impacted from CSR projects
- 100% customer complaints resolved
- Zero incidents of non-compliance with regulations

OUR VALUE PROPOSITION

Shareholders
- Return on investment
- Financial viability – short and long-term
- Risk management/sustainable investing
- Climate protection
- Low-carbon footprint operations

Institutional investors
- Return on investment
- Financial viability - short and long-term
- Risk management/sustainable investing
- Climate protection
- Low-carbon footprint operations
- High impact CSR projects with focus on vulnerable communities

Industry associations, knowledge partners
- Policy advocacy
- Technology and best practice sharing for business growth & sustainability

Employees & Workers
- Career Growth
- Performance review feedback
- Training & development
- Caring for people
- Discrimination free work environment & good culture

Customers
- Multiple non-cement product offerings like AAC blocks, wall putty, gypsum plaster, ready mix concrete, mortar, white cement, wall primer
- Quality product
- Competitive price
- On-time delivery
- Required product offerings
- Sustainable performance Reputation

Value chain partners
- Product benefits & features
- Business continuity
- Fair trade practices
- Growth opportunities
- Environmental, social and governance aspects

Communities
- Sustainable development of the communities around our operations with focus on various stakeholders groups including marginalised & vulnerable ones

Statutory body
- Policy and procedure to shape future business growth
- Conducive policies on renewable energy, sustainable biomass use, alternative fuels, circular economy practices and GHG emission reduction

Media
- Ethical business practices
- High standards of Corporate governance
- Life changing stories & feeds

Financial Capital

From Generation to Distribution

Sustainable Growth. Shared Returns

JK Lakshmi Cement Ltd. focuses on value maximisation through ethical means and sustainable benchmarks. Our commitment to financial responsibility reaches beyond shareholders, embracing a shared value approach that ensures equitable returns for all stakeholders. Our steadfast dedication to financial integrity and prudent risk management ensures resilience amidst evolving market dynamics, reinforcing our position as India's foremost cement manufacturer.

This translates into enhanced productivity, profitability, and sustained growth. Through strategic balance sheet management, including cost optimisation and access to affordable capital, we have successfully pursued numerous opportunities in a dynamic operational environment.

In FY 2023-24, our strong resilience and strategic agility were evident in achieving an encouraging turnover growth amidst a competitive market. As a recognised leader in cost efficiency within the cement industry, we continue to expand aggressively while maintaining operational rigour.

Furthermore, maintaining our commitment to financial prudence, we have sustained the highest credit rating of A1+ (A One Plus) for short-term borrowings from CRISIL & CARE.

We are pleased to declare a robust 130% dividend, underscoring our dedication to generously sharing profits with shareholders and ensuring consistent returns.

Focus Areas FY 2023-24

Business Strategy

Innovation

Economic Value

With Prudence Comes Prosperity

The Company has implemented various initiatives aimed at improving operational efficiencies and fostering synergies within its business operations. These efforts likely contribute to cost savings, increased productivity, and overall business excellence. The Company emphasizes the role of financial capital in generating returns and creating value for its stakeholders. By aligning its core business activities and financing endeavours with market conditions, the Company seeks to optimise its operations and deliver robust returns to its stakeholders.

Continuous lowering of debt and maintaining sufficient cash and cash equivalents provides the Company adequate financial flexibility and resilience. The Company is now on a firm footing to seize opportunities for growth, weather economic uncertainties and ensure the smooth continuity of its business operations.

Key Numbers FY 2023-24

Achieved ₹ 6,384 crore turnover

Achieved EBIDTA of ₹ 928 crore

Sustained the reputation of being one of the least cost producers of cement in the industry

Market capitalisation of over ₹ 10,304 Crore

Ensured AA (Double A) long-term rating with a stable outlook

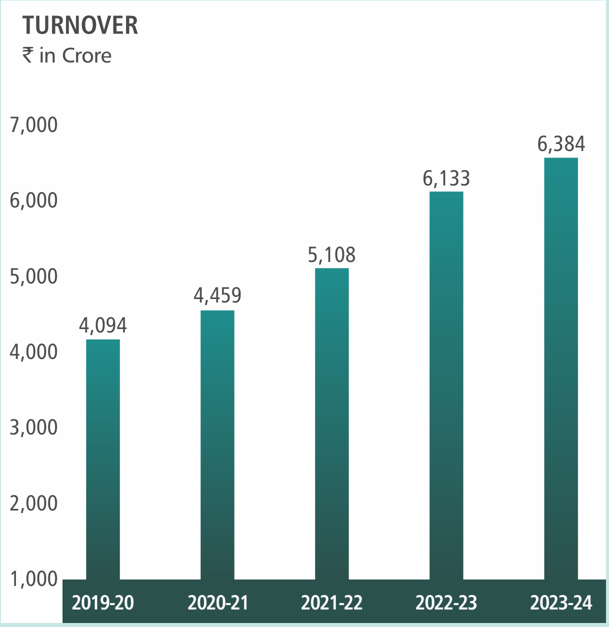
Maintained credit rating of A1+ (A One Plus) for its short-term borrowings

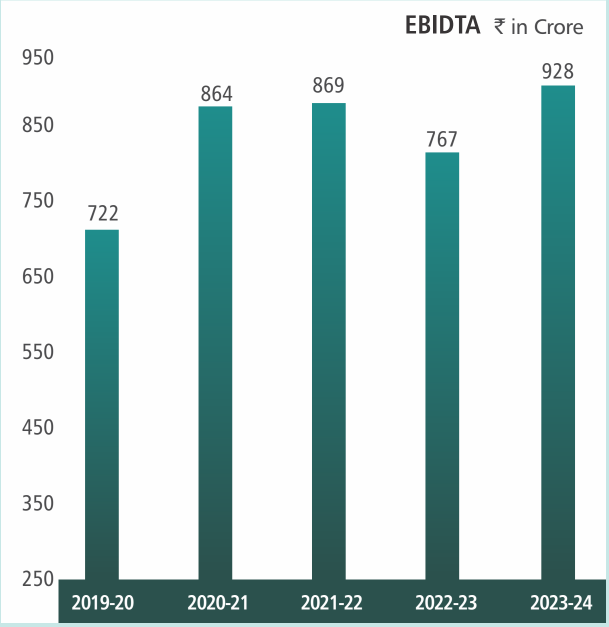
Gross Debt to EBIDTA Ratio at 0.76 times as of 31st March, 2024

Debt Equity Ratio has decreased to 0.23 times as of 31st March 2024

Revenue & Sales Growth

During FY 2023-24 the turnover of the Company registered a growth of 4%. Further, the Company's capacity utilisation for FY 2023-24 stood at 81%, which was higher than the industry average during the year.

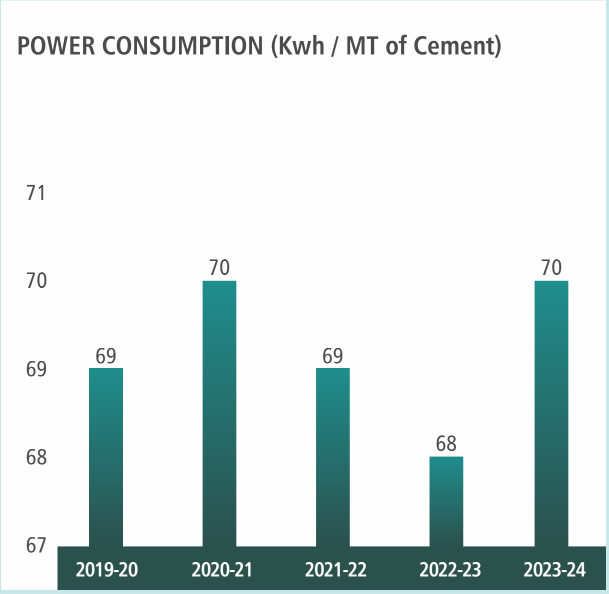


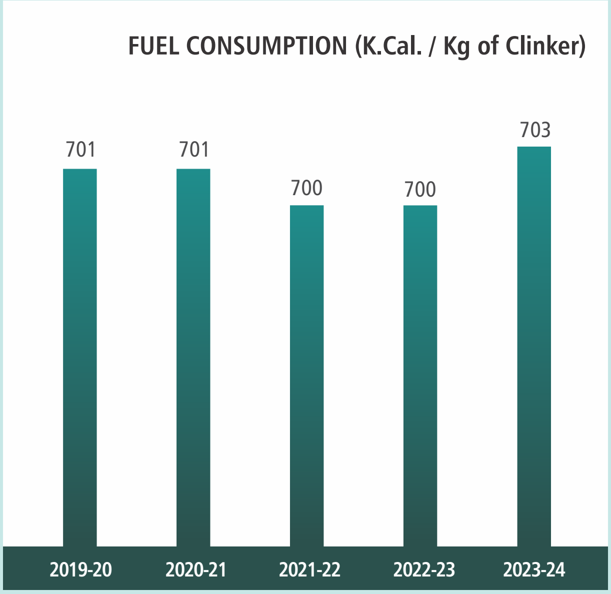


The Company's EBITDA reached to ₹ 928 crore at an Operating Profit margin of 14%.

Least Cost Producer

JK Lakshmi Cement Ltd. is known in the financial markets and amongst the investors' community as one of the least cost producers of Cement in the industry. Its efficiency parameters in terms of both power & fuel consumption continue to be one of the best in the industry.

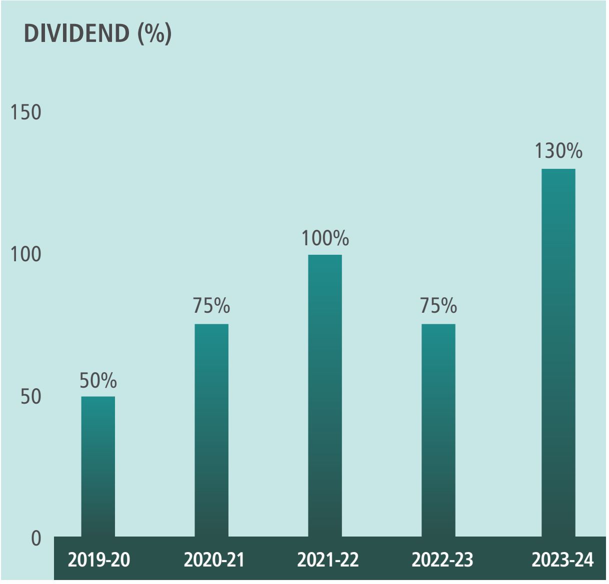


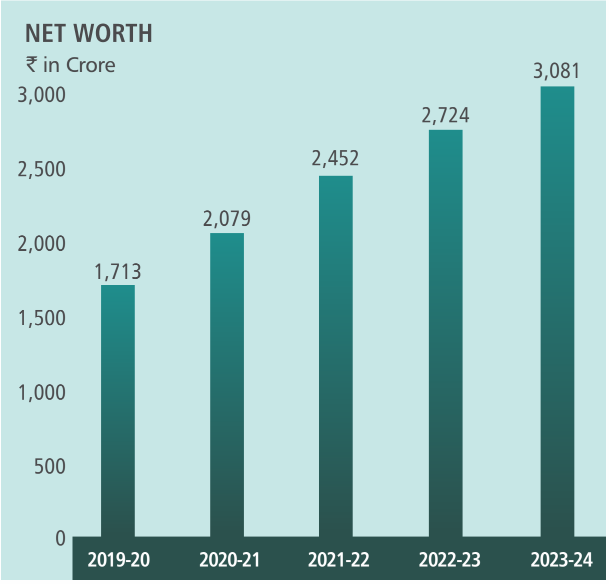


Market Capitalisation

The Company has always been endeavouring to increase its Total Shareholders' Return (TSR). Despite having aggressive expansion projects in the pipeline, the Company has announced a robust dividend of 130% for its shareholders. This is a testimony of the Company's approach of continuously rewarding and sharing the profits of the Company with our shareholders by maintaining a healthy dividend payout ratio.

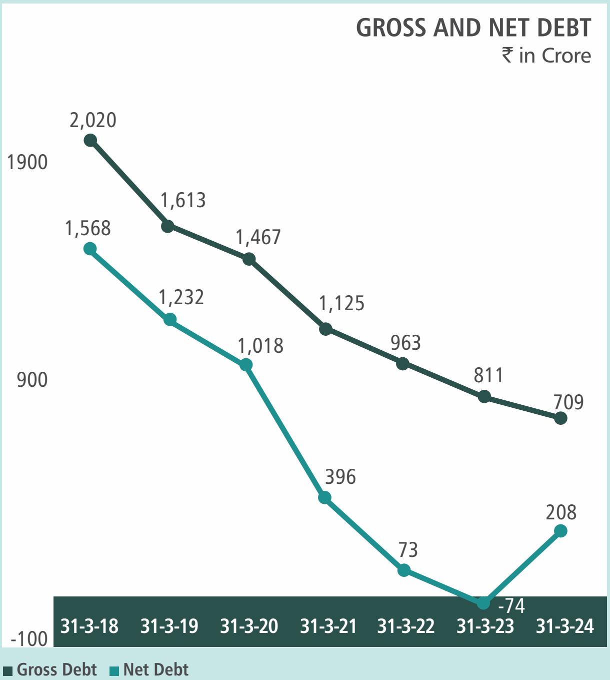
We are thankful to our shareholders for their trust and consistent support during our journey of growth. Our Market Capitalisation growth from ₹ 4,224 Crore as on 31st March 2014 to ₹ 10,304 Crore as on 31st March 2024 (implying a CAGR of 10% over 10 years) is a testimony to our strong emphasis on creating long-term value for all our stakeholders.



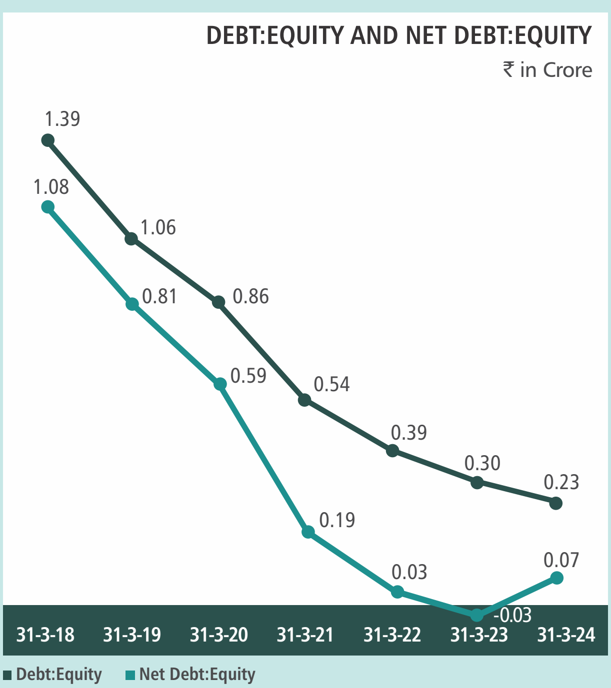


Reducing Debt

The Company has continuously been focusing on reducing its debt for the last several years. It has been able to bring down its Net Debt down from ₹1,018 crore as of 31st March 2020 to ₹208 crore as on 31st March 2024.



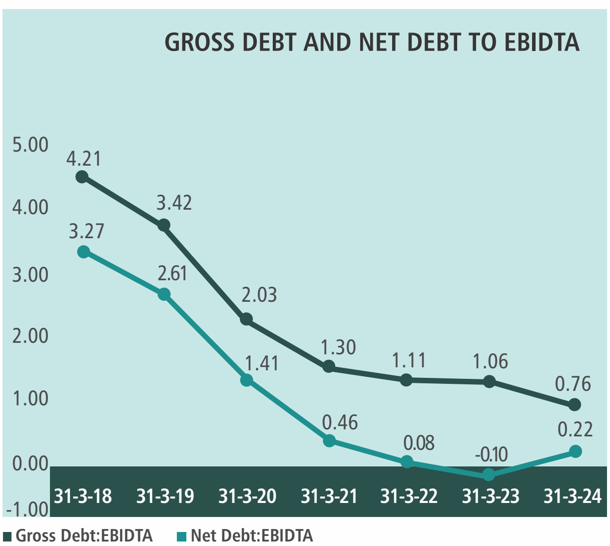
With the reduction in debt, the leveraging of the Company has come down from 1.39 times as of 31st March 2018 to 0.23 as of 31st March 2024. Similarly, the Net Debt Equity Ratio of the Company has fallen from 1.08 times as of 31st March 2018 to a meagre 0.07 times as of 31st March 2024.



Credit Rating

Based on the continuous deleveraging of the Company, the Rating Agencies, CRISIL Ratings Limited & CARE Ratings Limited have re-affirmed Company's Long-term Rating at AA (Double A) with a Stable Outlook. The re-affirmation of the Rating by the Rating Agencies is based on strong operating performance backed by the Company's robust revenue growth across its various markets, improved cost efficiencies and sales realisations. The re-affirmation in the Rating also considers various improvement in the operational risk profile of UCWL with the Company's healthy contribution of Cash accruals at a consolidated level.

Further the improved operational performance together with Company's de-leveraging has enabled it to bring down its Gross Debt to EBIDTA Ratio from 4.21 times as of 31st March 2018 to 0.76 times as of 31st March 2024. Similarly, the Net Debt to EBIDTA Ratio has come down from 3.27 times as of 31st March 2018 to 0.22 times as of 31st March 2024.



The Company continues to enjoy the highest possible Credit Rating of A1+ (A One Plus) for its short-term borrowings from CRISIL & CARE.

The Company continues to deploy its treasury corpus judiciously in various tax-efficient debt instruments to garner good returns for the Company. This comfortable liquidity position would enable the Company to stand on a firm footing to reach its mission of achieving cement capacity of 30 Million Tonnes Per Annum by year 2030 by growing organically as well as inorganically.

The Company continues to make detailed presentations on its operational & financial performance periodically to the investors, bankers & other stakeholders through interactions by way of quarterly concalls & roadshows both in India & abroad.

"The Company endeavours to maximise return to its shareholders through continuous deleveraging of its balance sheet".

Sudhir A. Bidkar
CFO, JK Lakshmi Cement Ltd.

CFO addressing the Stakeholders

Intellectual Capital

From R&D to AI

Faultless Quality. Futuristic Innovation.

At JK Lakshmi Cement, futureproofing is a triple-I process: Introspection, Innovation, and Implementation. We prioritise investing in innovation not only to remain ahead of the curve but also to contribute positively to nature, communities, and our investors.

Implementing forward-thinking sustainable business solutions throughout our value chain is integral to our strategy.

Our capability for innovation, swift digitalisation, and robust brand development consistently remains pivotal to our success.

Our Research & Development centres located across our plants, our IT Innovation Lab, and our Centre of Excellence (CoE) form the bedrock of our intellectual capital. Our central team collaborates closely with regional counterparts to foster innovation across diverse markets. These teams, in turn, work closely with our commercial units to comprehensively address customers' building needs, from inception through to completion. Our building experts maintain ongoing dialogue with end-users and key influencers like masons and engineers, keeping them informed about the latest advancements in building technologies. Moreover, our experts in artificial intelligence and data analytics provide crucial insights that drive informed decision-making and significantly contribute to our innovation efforts.

Focus Areas - FY 2023-24

Innovation

Quality

Product Sustainability

Continuous Improvement

Key Areas of Intervention - FY 2023-24

Sales Effectiveness

Digital Transformation

Increasing Productivity

Reducing Costs

Key Achievements - FY 2023-24

Sales Effectiveness

- Live EBITDA Tracking
- 9 Box Grid Sales Geo Mix
- Salespedia – Responsive Dashboards, Analytical Reports, Insights
- Sales Academy for Employees
- Rewards and Recognition Contest

Empowering Businesses through Digital Engine

- Leading Development and Roll-out of Mobile APPs for Internal and External Stakeholders as part of multiplying our Digital Reach through Salesforce
- WhatsApp Chatbot - VAANI

Intellectual Capital - Centre of Excellence (CoE)

The Centre of Excellence (CoE) at JK Lakshmi Cement plays a pivotal role in driving business transformation through rigorous adoption of processes, technologies, and applications. Over the past year, leveraging strong project management skills, the CoE has fostered a culture of continuous improvement organisation-wide, enhancing efficiency and performance. Initiatives focused on process enhancement and capability building has accelerated employee development. By integrating best practices and emerging technologies, the team has made data-driven decisions to improve customer experience and engagement, ensuring sustainable growth and competitive advantage.

Glimpses of Projects Executed by CoE:

Digitalisation Excellence

- **AI autosuggestion** optimises sales officers' market visits through automated visit suggestions.
- **Dealer app for Wall Putty and POP dealers** has achieved an adoption rate of over 90%, facilitating easy access to information and support.
- **Vaani 2.0,** a chatbot, serves end customers, influencers, institutional buyers, authorised retailers, and VAP dealers, providing real-time assistance.

- **PJP automation** auto-schedules planned visits according to the officer's territory, optimising journey plans and saving time on manual monthly plan creation.
- **The EPOD process** in the dealer app confirms the receipt of delivered materials and enables booking shortages or damage reports if necessary.
- **Campaign process automation** streamlines influencer campaigns for TSC and sales teams, from requisition to execution.
- **The digital site order process** allows the TSC team to update IHB customer or influencer orders in the system with a defined approval process for authentication.
- **Dealer onboarding** provides real time visibility of checklist with defined responsibilities of each stakeholder including sales, technical and marketing services along with fixed timelines, that needs to be performed for successful dealer onboarding.
- **Dealer churn prediction model** helps in predicting and preventing dealer turnover
- **Live score card** provides real-time visibility to sales officers, allowing them to monitor their performance across key metrics such as sales target achievement, new dealer appointments, and market visits.

Sales Excellence

- **Real time profitability diligence** offers visibility of the bottom line in real time, with detailed analysis from zone to party level.
- **Geo mix optimisation** provides real time visibility on geography mix. Highlight: deviation wrt target.
- **Channel rationalisation & activation** is a tool for identification of best customer in terms of profitability
- **Salespedia** is a platform for all our business needs with responsive dashboards, analytical reports, and insights, providing a high-level view of monitoring top line efficiency levers.
- **Live institutional projects linking with CRM** is a strategic move to enhance the efficiency and effectiveness of the Non-Trade business.
- **Monthly reward and recognition program** aims to evaluate the performance of the entire sales team and highlight exceptional performers who will be acknowledged and rewarded.
- **GTM strategy and transfomation drive** designed and implemented in high contributing areas to boost volume.

Manufacturing Excellence

- **Idea generation campaign** has been launched for our manufacturing locations with an objective of improving operational efficiencies and harness the power of horizontal implementation.
- **Best practices webinar series** aims to foster knowledge-sharing among various manufacturing locations, showcasing success stories to enhance operational efficiencies.

Capability Building Excellence

- **Self-serving analytics:** Native connectors and CDC technologies are used/explored for seamless and instantaneous extraction of data. Utilising analytics tools like Dataiku, Qlik Sense, Tableau and Power BI to collect, organise, process, visualise and consume data.
- **Efficiency boost with RPA:** Exploring robotics process automation to optimise processes and drive further efficiencies.

Success Story

Customer Care: Empowering Partnerships

Our Customer Care division serves as a pivotal enabler, dedicated to delivering seamless support and fostering enduring relationships with our valued customers and partners. Here's how we make a difference:

- **Central Hub for Support:** Swift resolution of customer issues and comprehensive information support.
- **Facilitating Dealer Growth:** Streamlined addition of new dealers with rigorous credential verification.
- **Efficient Logistics Management:** Timely resolution of logistics issues to ensure seamless operations.
- **Personalized Visits:** Product demonstrations for an enriched customer experience.
- **Effective Verification:** Stringent onboarding processes to cultivate reliable dealer partnerships

Wings of Dreams: JKLC-Vidya Career Ki Udaan

In collaboration with CSR team, JK Lakshmi Cement's Centre of Excellence (CoE) launched 'JKLC-Vidya Career Ki Udaan', an innovative online career counselling initiative. Aimed at students of our dealers in classes 10th and 11th, this programme featured both group counselling and one-on-one sessions, complemented by psychometric analysis. By aligning students' aptitudes and interests, we opened doors to over 12,000 diverse career paths. This initiative reflects our commitment to nurturing talent and empowering the next generation with knowledge and opportunities for a successful future.

Exemplars of Excellence

In FY 2023-24, JK Lakshmi Cement was recognised for its excellence in leveraging intellectual capital across diverse operational functions.

- Our Chief Information Security Officer (CISO) was recognised as the winner in the Leadership Championship at ETCISO Secufeast 2024.
- Our IT Operations Head and New Application Development Head were honoured with the IT Next Award for the year 2023.
- JKLC was recognised as a change-maker for cybersecurity in the manufacturing industry.laws, including the Digital Personal Data Protection Act 2023. We've updated access controls, encryption, and secure transfer protocols to align with legal requirements and best practices.

Fortifying the Digital Fortress

Artificial Intelligence and GEN AI

AI and GEN AI have been harnessed to enhance the efficiency and effectiveness of the company's operations and services.

The Data Science platform has been adopted to manage the entire data lifecycle, which includes data preparation and exploration, machine learning and artificial intelligence, as well as deployment and monitoring of use cases. Engaged in multiple vision analytics use cases aimed at improving operational efficiency.

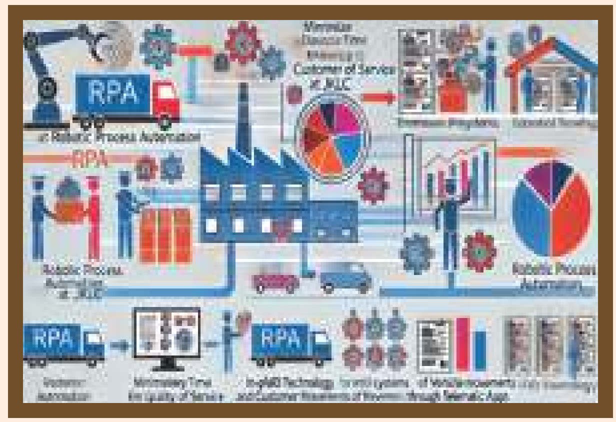
JKLC has established ethical and legal guidelines, as well as best practices, for the use of generative AI within the company and people have been hand hold to use copilot kind to tool in their day-to-day operations.

Automation

Implemented Robotic Process Automation (RPA) to minimise delivery time, enhance quality of service, and improve overall customer experience by automating various day-to-day tasks and optimising operational processes.

Integrated RFID technology with multiple systems to enable in-plant movement tracking and enhance traceability of vehicle movements through Telematic apps.

JKLC has employed emerging technologies to automate, streamline, and optimise the company's processes and workflows.



ERP, CRM and TMS

JK Lakshmi Cement is continuously strengthening its digital foundation by upgrading ERP (Enterprise Resource Planning), CRM (Customer Relationship Management), and TMS (Transport Management System) applications. These enhancements support the implementation of SoP (Sales & Operation Planning), resulting in increased efficiency in managing the company's core business functions and providing a robust platform for digital transformation.

Apps

A new Loyalty Solution has been implemented for Dealers, Influencers, and Masons with the goal of enhancing their engagement and overall experience.

Released Vaani 2.0, expanding our WhatsApp Chatbot to connect consumers of our product and enhance their experience, building upon the success of Vaani 1.0 for our direct customers.

Implemented conversational chatbots for internal Employees name HR VAANI for requisition, approvals and daily reporting.

Collaborations for IT Innovations, technology

CoE for Digital has actively promoted and facilitated the exchange of ideas, knowledge, and skills between employee and ecosystem of JKLC.

We've collaborated with external organisations and institutions, including universities, research centers, industry associations, and vendors, to access and exchange the latest IT trends and developments.

We've encouraged workforce participation in diverse IT events and forums, like conferences, workshops, hackathons, and competitions, fostering the sharing and learning of exemplary IT practices and solutions.

Case Study-1

The conversational chatbot has been meticulously crafted to engage with our employees in a personalised and interactive manner. Leveraging advanced natural language processing and machine learning capabilities, the chatbot comprehensively understands and responds to employee ESS and approval queries, offering relevant information and assistance around the clock. Additionally, approvals from other systems such as CRM and Supply Chain now seamlessly flow into JKLC-HUB in real-time. This innovation brings several advantages:

Reduction in Direct Access of ERP: We've reduced the number activities directly accessed from ERP and enhance user experience improved with optimal license cost.

Cost-effective deployment: User interface had developed on MS-Teams hence eliminated need for additional investment in managing and securing mobile apps and web-based solutions.

Enhanced efficiency: The chatbot provides instant responses, boosting efficiency and reducing the time users spend accessing the same application on ERP.

Scalability: Capable of handling multiple conversations simultaneously, the chatbot ensures smooth operations even during peak times.

Data insights: By collecting valuable data from user interactions, the chatbot offers insights into employee preferences, frequently asked questions, and areas for improvement, empowering businesses to make informed decisions.

Seamless integration: The chatbot seamlessly integrates with existing systems and databases, facilitating smooth information exchange and approval workflow integration.

24/7 availability: With round-the-clock availability, the chatbot ensures employees can access assistance whenever needed, enhancing overall productivity and user experience.

Strengthening Information Security Program

Robust processes, policies, and people form the foundation of Information Security at JK Lakshmi Cement. This critical aspect is overseen by a dedicated function under the specified role of CISO. Regular risk assessments and audits enable us to identify vulnerabilities and ensure compliance with industry standards and regulations. We have also implemented an incident response plan to facilitate timely and effective responses to security incidents.

The Information Security program at JK Lakshmi Cement for the fiscal year 2023-24 consists of several key components, including:

- Cybersecurity Investments
- Advanced Threat Protection
- Data Protection and Privacy
- Third-Party Risk Management
- Incident Response & Remediation
- Employee Training and Awareness
- Physical Security Measures

Cybersecurity Investments

Our commitment to cybersecurity has been strengthened by significant investments aimed at protecting against advanced threats and ensuring business continuity. Key investments include:

- **Secure Access Service Edge (SASE):** As an early adopter of SASE, we integrate networking and security functions into a unified cloud-native service to enhance our protection against cyber threats.
- **Advanced Threat Protection (ATP):** Deployment of advanced threat protection solutions utilising machine learning and artificial intelligence to detect and respond to sophisticated cyber threats in real-time.
- **Extended Detection and Response (XDR):** Upgrading our endpoint security with XDR solutions to provide comprehensive visibility into endpoint activities and streamline incident response processes.
- **Cloud Email Security:** Deployed Content Disarm and Reconstruction (CDR) based email protection to safeguard our digital assets from threats that typically enter through email channels.
- **Operational Technology (OT) Security:** Investing in specialised OT security solutions to safeguard our industrial control systems and critical infrastructure from cyber threats, ensuring the continuity and safety of our operations.

Advanced Threat Protection

To safeguard our digital assets, we use next-gen firewalls, intrusion detection/prevention systems, advanced threat intelligence, encryption, and multi-factor authentication. Endpoints are secured with next-gen antivirus and EDR solutions. Continuous monitoring and vulnerability scanning ensure timely identification and remediation of weaknesses.

Data Protection and Privacy

Protecting the privacy of our stakeholders' personal information is of utmost importance to us. We adhere to applicable data protection laws and regulations, ensuring that data is collected, processed, and stored securely and transparently. We are getting ready for latest Digital Personal Data Protection Act 2023 to safeguard sensitive information. This alignment ensures that our data protection practices meet the latest legal requirements and industry best practices.

Third-Party Risk Management

Recognising third-party cybersecurity risks, we implement stringent vendor risk management protocols, including due diligence assessments, contractual agreements, and regular audits. These measures ensure high security standards and minimise the potential for supply chain attacks and data breaches.

Incident Response & Remediation

We have a robust incident response plan with defined roles, escalation procedures, and communication protocols. Regularly testing our business continuity plans ensures we are prepared for any unforeseen incidents. Additionally, our cyber insurance provides another layer of protection, ensuring minimal loss in case disruption happened because of cyber incident.

Employee Training and Awareness

We recognise that our employees are the first line of defense against cyber threats. So, we have further invested in cybersecurity awareness and training programs to educate our workforce on best practices, safe online behavior, and the evolving threat landscape. We conduct 'Phishing Attack Simulations' as covert exercises to assess employee responses and calculate vulnerability scores. By fostering a cybersecurity-conscious culture, we empower our employees to become our strongest asset in protecting our digital infrastructure.

Physical Security Measures

In addition to digital measures, robust physical security controls are implemented to protect physical assets such as servers, data centers, and access points through measures like surveillance systems, access controls, and security guards. By embracing modern technologies, investing in OT security, and aligning with the latest Digital Personal Data Protection Act 2023, JK Lakshmi Cement is committed to maintaining a strong cybersecurity posture and protecting the digital assets and privacy of our stakeholders.

Research and Development

Research and Development (R&D) is the cornerstone of building a strong culture of innovation at JKLC, reinforcing our robust commitment to intellectual capital. Located at our Jaykaypuram unit in Rajasthan, our in-house R&D Centre is recognised by the Ministry of Science and Technology, New Delhi. It is dedicated to driving excellence in the cement manufacturing sector, focusing on key objectives such as developing novel cement varieties, low-carbon green cement, and high-quality special-grade cement.

The centre pioneers new techniques and processes to bolster sustainability and enhance industry competitiveness. This includes proactive exploration of alternative fuels to reduce environmental impact and continuous optimisation of production processes to elevate quality standards while minimising costs. Additionally, bespoke formulations for special-grade concrete and wall putty are crafted to meet specific market demands.

Priority is given to sustainable resource management, aiming to minimise environmental footprint while maximising operational efficiency. Our investment in innovation not only aims to curb carbon emissions but also promotes responsible resource utilisation for a greener future.

Through continuous training and development initiatives, the centre ensures its team remains at the forefront of industry advancements.

Case Studies:

Advancing Cement Manufacturing through the Power of AI

Our R&D team has embarked on a transformative journey aimed at harnessing the power of artificial intelligence (AI) and data-driven methodologies to revolutionise cement production.

Integrating AI algorithms into operations, the team conducts in-depth analysis of vast datasets, uncovering crucial parameters that influence cement strength and product quality. This enables optimisation of manufacturing processes, fine-tuning them for enhanced efficiency and delivering superior quality cement products. Furthermore, adoption of predictive maintenance, powered by AI, allows proactive identification and addressing of potential equipment issues, thereby minimising downtime and ensuring seamless production operations.

In addition, the implementation of soft sensors provides real-time insights into critical variables, enabling precise monitoring and maintenance of product quality throughout the production cycle. This continuous monitoring and adjustment ensure that cement products consistently meet stringent quality specifications, reinforcing the commitment to excellence and customer satisfaction.

Innovations in Concrete and Wall Putty Manufacturing

Our R&D function has achieved notable progress in concrete and wall putty manufacturing and enriching our product range.

Significant milestones include the successful development of special-grade concrete varieties such as waterproofing concrete and ultra-high-strength concrete. These innovations have undergone rigorous laboratory-scale trials, yielding promising results. With successful lab validations, the company is now preparing for plant trials, setting the stage for their upcoming market introduction.

The efforts include the development of waterproofing wall putty and scented putty formulations.

These projects highlight the company's commitment to innovation and meeting the diverse needs of customers. These developments underscore JK Lakshmi R&D's dedication to pushing the boundaries of excellence in concrete and wall putty manufacturing, ensuring that the company remains at the forefront of the industry.

"At JK Lakshmi Cement, innovation is ingrained in our culture. Our R&D efforts drive us to continuously push boundaries, develop sustainable solutions, and deliver value to our customers and stakeholders."

- Mr. Arun Sukla, President & Director

Eco-friendly cement: Paving the path to a sustainable future

- Adding value to our green product commitment is development of greener alternatives such as LC3 cement and Composite cement. LC3 Cement, or Limestone Calcined Clay Cement, integrates calcined clay and limestone to drastically reduce carbon emissions from traditional cement production. With successful plant trials completed, LC3 Cement is moving towards commercial production integration, marking a major milestone in our sustainability journey. JK Lakshmi Cement aims to lead the industry in sustainable practices, with LC3 Cement at the forefront of our eco-friendly initiatives.
- Composite Green Cement is groundbreaking innovatiin developed by our R&D team. This cement formulation offers exceptional compressive strength and durability while significantly lowering the carbon footprint compared to traditional methods. Engineered with reduced clinker content, it reflects our commitment to advancing sustainable construction practices.

Manufactured Capital

From Incremental to Disruptive

Redefined Production. Redesigned Processes.

Key Material Topics

- **Biodiversity & Land Use**
- **Energy Conservation**
- **Business Ethics**
- **Regulatory Compliance**

SDGs Impacted

9 Industry, Innovation and Infrastructure; 11 Sustainable Cities and Communities; 12 Responsible Consumption and Production; 13 Climate Action; 17 Partnerships for the Goals

JK Lakshmi Cement values tangible assets as critical pillars for sustaining operational excellence. Our cutting-edge plants, advanced machinery, and resilient logistical infrastructure play a defining role in enhancing efficiency, expanding capacity, driving technological innovation and achieving responsible growth.

Charting Sustainable Innovation in Infrastructure

Our strategic focus on strengthening manufactured capital further cements our leadership in India's dynamic infrastructure sector, affirming our role as the premier producer of sustainable cement. By leveraging innovation, digital transformation, industry 4.0, and sustainable practices, we are charting a course towards a future where our operations flourish, enabling us to consistently deliver environmentally conscious, high-quality products.

Bringing the spotlight on safety excellence

In addition to ensuring sustainable operational excellence, safety and sustainability are fundamental pillars in our operations. We prioritise enhancing processes and protocols to guarantee the safety of our employees and protect the environment. Moreover, we continue to advance towards a circular economy by maximising the use of waste materials, aligning with our sustainable development objectives. These efforts are bolstered by an integrated supply chain, underscoring our steadfast commitment to sustainability throughout our operations.

Leading the Way in Sustainable Construction

JK Lakshmi Cement is a pioneer in introducing Autoclaved Aerated Concrete (AAC) blocks which are more sustainable alternatives to traditional clay bricks as they help reduce energy consumption, improved thermal insulation and utilise industrial waste. Our AAC blocks have received prestigious certifications such as Green Pro and Green Products & Services Council, highlighting their eco-friendly nature. Moreover, our blended cement has also been granted the Green Products & Services Council certification by CII. In addition to AAC blocks, we provide a wide range of value-added construction solutions to our customers. These include Ready-mix Concrete (RMC), Gypsum Plaster (commonly known as Plaster of Paris) and White Cement based Wall Putty. We have expanded the footprint of these products in newer geographical areas and also added product variants in each category to offer superior and smart product options to our customers.

Integrating Success with Sustainability: Our Operational Culture

Our decarbonisation strategy focuses on differentiating our offerings with commercially viable low-carbon products that add value to our customers. We prioritise products and services based on our assessment of climate change opportunities. Our cement portfolio features products with significantly reduced clinker content compared to Ordinary Portland Cement (OPC), incorporating materials such as fly ash, slag, limestone, and pozzolana. This approach minimises our carbon footprint, lowers energy consumption, and optimises raw material usage in cement manufacturing.

To thrive, we embrace technological advancements, optimise resource utilisation, innovate our processes, and positively impact communities. Leveraging the strengths of an established company, we maintain agility to modernise and meet evolving demands.

Highlights FY 2023-24

- 2 Integrated Cement Plants and 4 Grinding Units across India
- 11.7 MTPA Cement Production Capacity
- Pan-India presence in 18 States and UTs
- 81% Cement Capacity Utilisation
- 102% Clinker Capacity Utilisation
- 38% Share of Renewable Energy in Total Power Requirement

Focus Areas FY 2023-24

- Capacity Optimisation
- Capacity Expansion
- Sustainable Production
- Responsible Mining
- Cost Optimisation

Manufactured Capital - Plants Performance

With Expansion Comes Transformation

Process efficiency heralds product excellence, enhancing capacity excellence and optimising plant performance. At JK Lakshmi Cement, the cement manufacturing process involves several stages. Initially, raw materials such as limestone are quarried and crushed to achieve uniform homogenisation. These blended raw materials are then finely ground into a powder. The powdered mixture undergoes preheating using waste heat and is subsequently exposed to high temperatures in a rotary kiln for clinker formation. The resulting clinker is rapidly cooled, finely ground once more, and mixed with gypsum. Finally, the cement undergoes rigorous quality control measures before being stored and packaged.

Production Capacity

FY	Clinker Production Capacity (MMT)	Cement Production Capacity (MMT)
FY 19-20	6.70	11.30
FY 20-21	6.70	11.70
FY 21-22	6.87	11.70
FY 22-23	6.87	11.70
FY 23-24	6.87	11.70

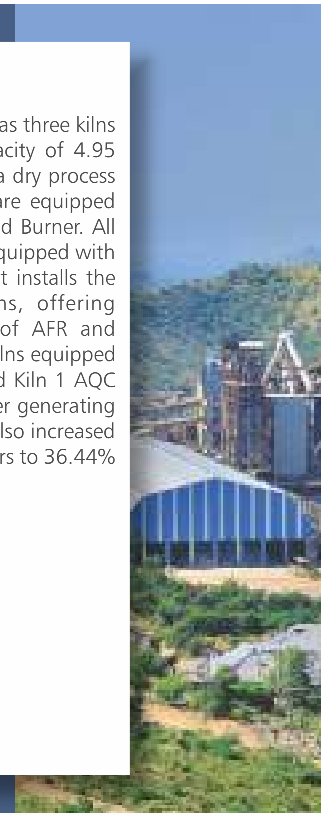
Actual Production Data for Last Five Financial Years

FY	Actual Clinker Production (Million Metric Tons)	Actual Cement Production (Million Metric Tons)	Clinker Cap. Utilisation	Cement Cap. Utilisation
FY 19-20	6.34	7.78	95%	69%
FY 20-21	5.98	8.30	89%	71%
FY 21-22	6.62	8.62	96%	74%
FY 22-23	6.72	9.38	98%	80%
FY 23-24	7.00	9.51	102%	81%

Plants' Snapshot

Sirohi:

JK Lakshmi Cement, Jaykaypuram Plant has three kilns with an annual clinker production capacity of 4.95 million tons/annum. The plant employs a dry process for cement production. All three kilns are equipped with the latest generation IKN cooler and Burner. All raw mills, Coal mills & cement mills are equipped with the latest generation classifier. The plant installs the latest AFR feeding circuit in all kilns, offering advantages to using different types of AFR and increasing %TSR from 4.1% to 7.17%. Kilns equipped with the waste heat recovery system and Kiln 1 AQC boiler replaced with a new efficient boiler generating an additional 1.2 MW per hr. The plant also increased solar power capacity by 6 MW. Plant caters to 36.44% of Power from renewable sources.

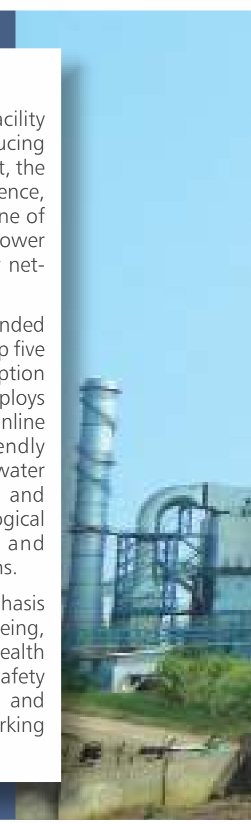


Durg:

Spanning 1,200 acres, the state-of-the-art facility employs an advanced dry cement process. Producing 1.98 MMTPA of clinker and 2.7 MMTPA of cement, the plant showcases sustainability, operational excellence, and a positive workplace culture. Notably, it is one of the cement plants in India where 80% of its power comes from renewable sources, in line with our net-zero vision by 2047.

Plant excels in ESG efforts and prioritises blended cement production (~90%) and ranks among top five cement plants in India for best power consumption according to CII benchmark study. The plant employs cutting-edge technology, including a 5-stage inline calciner preheater, for efficient and eco-friendly cement production. It excels in energy and water conservation, accommodating multiple fuels, and upholding environmental compliance. Technological advancements like AI-driven optimisation and predictive maintenance further enhance operations.

Additionally, the Durg plant places a strong emphasis on people practices, including employee well-being, work-life balance, reward and recognitions and health aspects. The plant strictly adheres to various safety standards, such as Working at Heights (WAH) and Confined Space Entry (CSE), ensuring a safe working environment for all employees.



Manufactured Capital - Plants' Snapshot

Surat:

Surat has achieved the highest ever yearly dispatch of 0.97 Million Tons in the year 2023-24. To cater to market demand, it is targeting to complete its ongoing expansion project of 1.5 MMTPA before March'25 to increase it's production capacity to 3.0 MMTPA. The manufacturing facility consists of cement grinding VRPM & BALL MILL. Surat has been a water positive & zero waste water discharge unit, and also it is using zero fresh water for production process. Renewal Energy utilisation in the year 2023-24 has been 21.40% for which it has a captive solar plant of 2.36 MW capacity & utilising wind energy. It has received Energy Efficiency Gold Award in April'23, Excellence in Energy Management on Sep'2023 and SEEMS Silver Award -2022 in Sep'2023.

Jhajjar:

Jhajjar unit of M/s JK Lakshmi Cement Limited has switched to 100 percent AFR Mustard Husk in firing boiler and saved cost to the tune of Rs. 25 per cubic meter of AAC Blocks. We have installed an LP Compressor for unloading Fly Ash and reduced the consumption of power cost to the tune of Rs. 2 per MT. We have increased the productivity of the cement mill by 5 TPH for PPC grinding by feeding dry fly ash at the mill outlet. Waste material is recycled profitably in cement and AAC manufacturing thereby saving approx. 12 Lakh per annum. We have achieved the target of Zero accidents and no man-days loss due to IR issues. The unit is recognized with the International Safety Award by the British Safety Council.

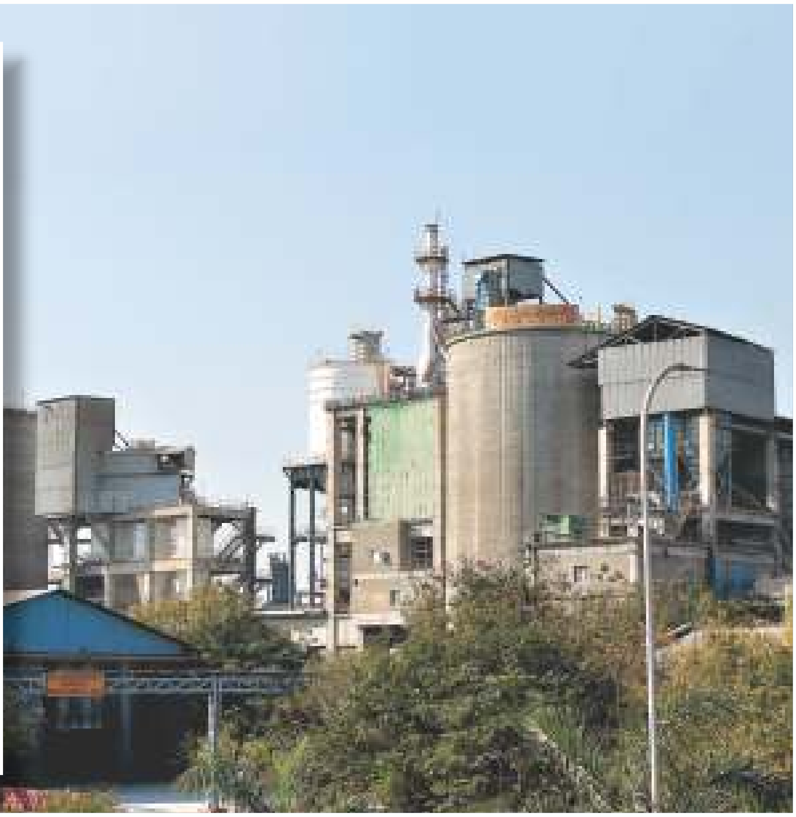
Manufactured Capital - Plants' Snapshot

Cuttack:

JK Lakshmi Cement Cuttack Grinding Unit spreads over in 122 acres of land out of which more than 66% of the land is kept as green belt by planting around 20,005 plants since its commissioning, we call our plant an "Oasis" in the concrete desert of industries. The company believes in maintaining eco-system at its best. The unit has achieved many milestones last year such as excellence in quality award from Bureau of Indian Standards (BIS) on their 77th Foundation Day, increased production of 38.46%, this financial year COC production raised to the level of 45.40% as compared to last year's figure of only 17.90%, power factor reduced by 13.96% in COC & 0.22% in PPC cement production, implementation of QR Code Access system for easy & on spot access of E&I panel drawings & user manuals through scanning the QR code by Mobile, Zero Accident at work place, 100% statutory compliance etc... We thrive for nothing less than the best.

Kalol:

Kalol plant has done ever highest production of 639174 MT in FY 2023-24. Its 13.4% rise Y-O-Y. Kalol plant has achieved its highest dispatch of 641342 MT with rise of 13.44% Y-O-Y. By utilising waste materials Kalol plant has improved by 1.84% in clinker factor compared to the previous year. By in-house developed software for real time monitoring of power consumption, raw material status, production and dispatch status accurate and precise decision making ensured. 100% statutory compliance is at unit level.



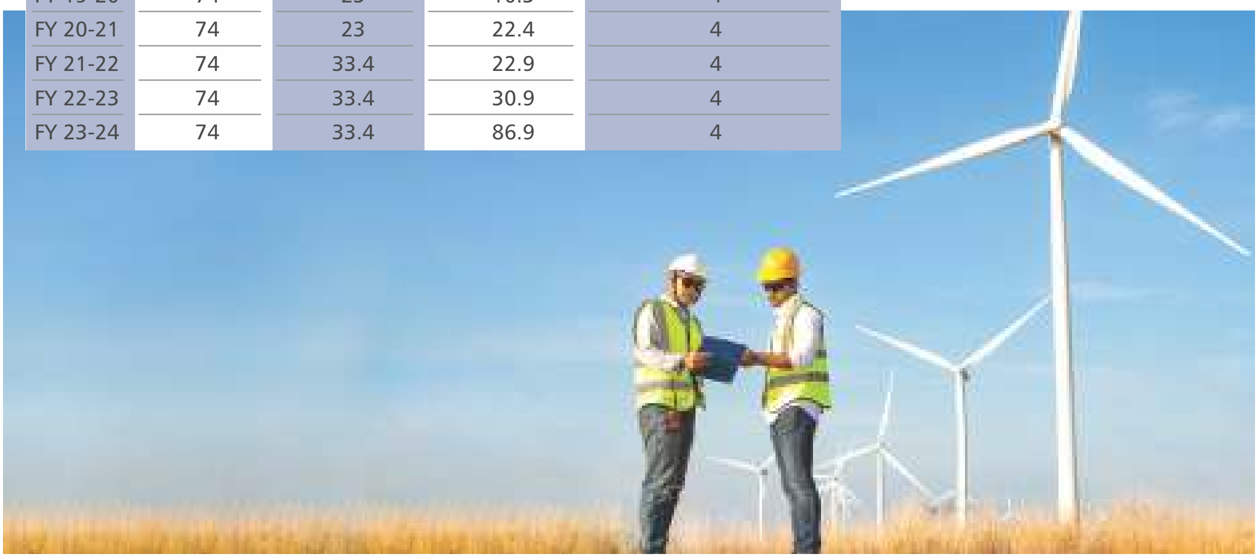
Manufactured Capital - Sustainable Production

Sustainable production stands as pivotal in cement manufacturing, ensuring JK Lakshmi Cement's continuous advancement in operational excellence. We believe that today's decisions shape tomorrow's outcomes. Across environmental protection, safety culture, and quality consciousness, we steadfastly shape decisions that forge a resilient future. The company remains dedicated to anchoring our commitment to aligning with the infrastructure and sustainability needs of our nation.

Power Generation Capacity

As part of our commitment to greening the grid, in FY23-24 we commissioned a 56 MW solar project for JKLC-Durg through open access.

FY	TPP (In MW)	WHRS (In MW)	SOLAR (In MW)	WIND - Through Open Access (In MW)
FY 19-20	74	23	10.3	4
FY 20-21	74	23	22.4	4
FY 21-22	74	33.4	22.9	4
FY 22-23	74	33.4	30.9	4
FY 23-24	74	33.4	86.9	4



In FY 23-24 -We have commissioned 56 MW Solar for JKLC-Durg through Open access

Specific Electrical Energy Consumption

FY	Specific Electrical Energy Consumption upto Clinkerisation excluding Crusher (kWh / MT Clinker)	Specific Electrical Energy Consumption for Cement Grinding (kWh / MT Cement)
FY 19-20	46.30	35.76
FY 20-21	47.03	36.59
FY 21-22	46.26	36.49
FY 22-23	45.62	36.87
FY 23-24	46.04	38.09

Manufactured Capital - Sustainable Mining

JKLC - Sirohi

Embracing responsible mining practices isn't just our commitment; it's our foundation. As a leading cement company, we understand that sustainable sourcing secures our future and safeguards the environment. We uphold ethical principle in every facet of our mining strategy, with an aim to ensure that every step forward builds a lasting legacy of integrity and environmental stewardship.

Mining Strategies:

JK Lakshmi Cement places high impetus on the Mining Plan, prioritising mineral conservation and sustainable development. Our strategy involves operate mines employing scientific methods, with bench heights of 9 meters and bench widths of 30 meters, adhering to DGMS guidelines for safety of personnel and equipment.

Blasting operations utilize SME (Site Mix Emulsion), Nonel, Detonating Fuse, Cast Booster, Prime, Gel, and Electronic Detonator to minimise ground vibration and noise while ensuring optimal utilisation of explosive energy. Limestone transportation from pit to crusher is facilitated by ramps with a 1:16 gradient. Production across all 8 benches consistently meets plant requirements for both quality and quantity. Crushed limestone dispatch is efficiently managed using a fleet of tippers (articulated) covering an 4 km route to the stacker, enabling safe daily handling of almost 30,000 tonnes.

Responsible Mining Practices in Progress:

- Engaging local stakeholders, including village school students, in Safety Week and MEMC Week celebrations through poster and slogan competitions.
- Providing a platform for showcasing cultural talents during functions, accompanied by breakfast and lunch, fostering community relations.
- Conducting round-the-clock water sprinkling to minimize dust emissions, with water being sourced sustainably from the mine pit.

In the Annual Mines Safety Week 2023, our mines achieved a total of 9 awards across different categories such as training & safety performance, use of explosives, occupational health center, as well as HEMM, electrical installation & mine illumination. During the MEMC Week celebration 2023-24, four awards were won by out mines in sustainable development, publicity & propaganda, and environment monitoring categories.

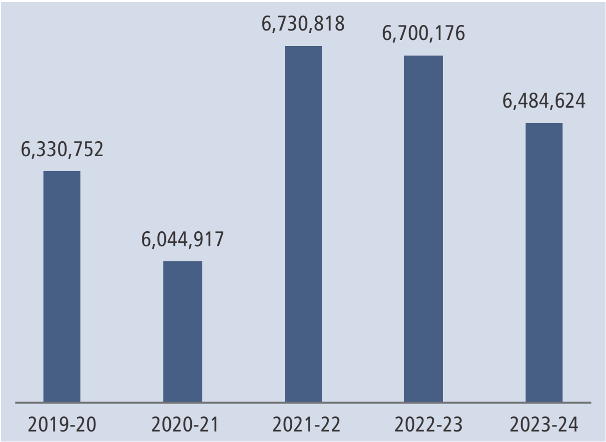
Case Study: Achieving Limestone Supply Amidst Adversity

Our mining team have successfully met the limestone demands of our plant amidst various constraints. Challenges included increasing face reject due to stringent quality requirements, limited space for mining operations encroached by reject dumps, and the heterogeneous nature of deposits necessitating selective mining. Moderate limestone quality further pressured cost controls and operational efficiency.

Through a concerted effort, our mining team implemented strategic initiatives. Extensive exploratory core drilling in FY 2021-22 and FY 2022-23 provided crucial data for planning and operational optimisation. Utilising small-size backhoes and dumpers improved efficiency and maintained quality standards. Management's decision to procure high-grade limestone supplemented production during periods of lower quality discoveries, mitigating rejection rates.

Critical approvals for dewatering arrangements enabled production in inundated benches, crucial during peak periods like June 2023. The installation of a 250 TPH M sand Crusher marked a transformative step, repurposing face reject for future gains and easing reject handling challenges.

These measures underscore our capacity to not only sustain production but also fortify operational resilience, positioning us to navigate future challenges effectively.



JKLC – Durg

Mining Strategies:

Our mine is being developed according to the Mining Plan for conservation of mineral and sustainable development. Generally, our mining strategy is to operate mines through scientific methods, with bench heights of 9 meters and 6 meters and bench widths of 15 - 25 meters as per DGMS guideline for safety of man & machineries and for blasting we use SME (Site Mix Emulsion), Nonel, Detonating Fuse, Cast Booster, Prime, Gel, and Electronic Detonator. To reduce ground vibration, noise, and optimal utilisation of Explosive energy. In mines ramps are 1:16 gradient for Limestone transportation from Pit to Crusher.

Production is achieved by all 5 Benches to cop plant requirement with quality & quantity. Dispatch of crushed limestone is accomplished through tippers (articulated and static) with a fleet of 8 km to stacker that pass through public roads. On an average we have potential to dispatch 9000+ Tonne in a day with safety.

Responsible Mining:

- We often involve local stacker holders (village) school students to participate in our Safety Week and MEMC Week celebrations in Mines in the form of poster & slogan competitions,
- Also providing to the students a platform in which to showcase their dancing talents at function along with breakfast and lunch which have a smooth relationship with them.
- Water supply from Dewatering of Mines to local village for daily use and irrigation has been greatly appreciated by them since water is one of the most important aspects of human life.
- In order to minimise dust emission, round-the-clock water sprinkling is conducted and that water is taken from the mine pit only.
- Since the last five years, we have had zero rejection of Limestone demonstrating commitment to environmental stewardship and Mineral conservation.

Awards: This year we have received 09 awards in Annual Safety Week 2023 in different category and 04 awards MEMC week celebration 2023-24.

Last Five Year Limestone Dispatch:

Yearwise	Dispatch (Million Tonne)
2019-20	2.68
2020-21	2.47
2021-22	2.51
2022-23	2.64
2023-24	2.95

Sustainable Logistics

In the financial year, our Sustainable logistics initiatives prioritised three key areas: capability enhancement, stakeholder engagement, and process digitisation. These efforts aimed to bolster operational efficiency, foster collaborative partnerships, and integrate digital solutions, underscoring our commitment to sustainable practices and industry leadership.

1. Capability Enhancement:

- Fleet Management: Proactively working towards making the most out of peak season demand in cement industry. Fleets at all the plants were arranged and managed in such a way that every day was a stock-out day at each of our plant.
- Commencement of Rail Siding project at our Durg Plant in Chhattisgarh
- EV Onboarding: Finalisation of a contract to integrate electric vehicles (EVs) into our operations. This initiative underscores our dedication to reducing carbon emissions and embracing eco-friendly transportation solutions.

2. Stakeholder Engagement:

- Promoting Driver's well-being: Conducted CSR activities at all our plants to improve the lives of our drivers, including organising free medical camps, distributing essential items, conducting road safety awareness programs, and providing educational support for their children. Plans are in place to offer scholarships to their wards in FY25.
- Employee Rewards & Recognition Framework: Established a transparent and comprehensive rewards and recognition framework for our employees. This framework incorporates various performance metrics to evaluate and reward top performers, fostering a culture of excellence and motivation across the organisation.
- Transporter's Conclave - SAARTHI: Hosted the Transporter's Conclave for the second consecutive year to recognize the invaluable contributions of our transporter partners to our business success.
- Transportation Service Survey: Conducted to receive feedback from our channel partners, further strengthening our service levels and enhancing customer satisfaction.
- Infrastructure Development: Renovated and built shelters and rooms for our drivers at various plants.

3. Process & Digitisation:

- SOPs & Proper Auditing: SOPs were rolled out to foster transparency, clarity, control and compliance contributing to overall efficiency & effectiveness.
- System inefficiencies were identified & streamlined like dead freight, Cut & Torn, Back-unloading, Demurrage & Wharfage, etc. This helped enhance efficiency and effectiveness; also paved way for thought on similar lines.
- Cost optimisation through route optimisation, rail-road mix change, e-bidding, etc. These initiatives collectively contributed to enhancing financial efficiency while maintaining service quality.
- Stabilised best in class TMS system that will pave way for further optimization of logistics cost and improvement in services for better customer experience.

FY	2023-24 JK Lakshmi Cement Ltd.
No. of Depots	261

Transporter's CONCLAVE - SAARTHI - A platform to build partnership

Human Capital

From Talent to Triumph

Empowered Talent. Responsible Growth.

Key Material Topics

- **Occupational Health & Safety**
- **Employee Diversity**
- **Employee Training & Development**
- **Human Rights Practices**

SDGs Impacted

At JK Lakshmi Cement, our people adeptly embrace dual roles with unwavering focus. They serve as both catalysts for growth and champions of change, driving success by embodying the ethos of our business at its core. This underscores why our company is not solely measured by the reputation of our products or the efficiency of our operations but encompasses the satisfaction of our talent pool. The primacy of caring for our people remains a cornerstone of our values. From talent acquisition to retention, training to talent development, we take pride in the indispensable role our workforce plays in driving sustainable growth deep into the very essence of our organisational journey.

HR Values:

- **Care** ■ **Compassion** ■ **Attitude** ■ Respect ■ Encouragement

Core Focus Areas:

- Building People and Organisation Capability
- Quality of Manpower Resources
- Talent Management and Improvement in Quality of MCS
- Performance Management and Goal Setting
- Employee Engagement, Well-being, Benefits, Recognition and Retention
- Enhancing Company External HR Brand Value
- Health and Safety
- Diversity and Inclusion
- Human Rights

Highlights FY 2023-24

In FY 2023-24, our central focus continued to be cultivating a diverse and highly motivated workforce, enhancing their well-being, and providing opportunities for skill and leadership development. We also continued to make significant progress in furthering the digitisation of our HR operations, aiming to establish more robust processes.

Dr. Tapomoy Deb
Sr. VP, HR

"At JKLC human resource serves as the cornerstone of organisational success. By harnessing and nurturing them, we achieve outcomes that exceed individual capabilities to foster growth and innovation for sustained competitive advantages."

Focus Areas FY 2023-24

- Embracing diversity for sustainable growth
- Investing in healthcare for employee well-being
- Empowering people and building organisational capability
- Driving efficiency through digital HR operations
- Providing enabling infrastructure for success
- Advocating social reform for a better tomorrow

Key Numbers FY 2023-24

- 1388 Permanent Employees and 233 Permanent Workers
- Zero Man-days Loss
- 4.1 Man-days / Person Training
- Highest Engagement Level across JKO @ 89%
- Conferred with the "Dream Companies to Work for - Manufacturing - Cement 2022" by ET Now and World HRD Congress

Human Capital - Strategy and Priorities

With Potential comes Productivity

Our carefully crafted HR framework is upheld with utmost professionalism. Our HR strategies are regularly scrutinised and refined through a process of gathering and comprehending external environmental trends, as well as collecting relevant needs and expectations to formulate action plans. This process is meticulously deliberated and executed with the full support and involvement of the Senior Leadership Team, ensuring thoroughness and effectiveness in the development of our HR strategy.

In FY 2023-24, we reinforced our focus on enhancing human and organisational capabilities for business expansion, driving operational synergies through restructuring, and investing more in digital initiatives and skill acquisition to propel growth.

Key Human Resource Drivers and Goals (Short/Medium/Long)

Drivers	KRA	Focus Area / Leading Action	Target / KPI
Be Amongst TOP 5 Companies in Terms of EBIDTA / Ton	Organisation of Future / Future Readiness	• Study, analyse and implement new age aspects for future readiness of the organisation through recommendation of Ernst & Young HR Study	• Implementation of E&Y recommendation in the agreed timeframe with full involvement of stakeholders
Raising Performance Bar in the Company	Best-in-class Productivity of MCS	• Hired candidate's performance in cluster 1/2 (over 1 year) • Improvement in age profile	• 80% (60% in cluster 1 & 20% in cluster 2) • Average age (JKLC) targeted at 38 years
		• Attrition rate	• Talent attrition ≤ 1% Voluntary attrition ≤ 8%
		• Continue to groom 3rd & 4th internal talent as successor to leadership positions	• Every strategic role to have two choice of successors of younger age
Maintaining Harmonious Industrial Relations	Zero Man-days Loss	• Man-days loss due to IR issues • Tactfully ascertaining changing aspiration of nearby community	• Zero Man-days loss • HR and CSR partnership to prepare effectively for future requirements.
Raising Human Capital Capability in the Company	Rapid Skill Building	• Development of competitive skill and product knowledge amongst employees such as critical thinking, digital skills, soft skills, etc.	• Training Man-days ≥ 5 days per person per year
		• Customised skill development and multi-skilling programmes with focus on increasing productivity particularly on following areas: a. Customer Orientation b. Electrical to Instrumentation and Vice-Versa c. Operations to Projects	• 16 hours of dedicated programme for concerned employee per year • 1 Training per Quarter for all Sales and Technical Services Team on basics of cement, sales and business orientation
		• Greater exposure of functional / technical / managerial skills	
		• Greater integration of MCS in new operation zones	
Digitisation for an agile organisation	Automation for higher productivity	• Project Sudhar: A process excellence initiative for integration and synergy in various systems running parallelly like SAP, Sales Force, E-joining Portal, etc.	• Time saving and cost saving
		• Statutory Compliances	• Automation of statutory compliances (labour laws)
		• Strengthening of existing Contract Labour Management System	• Strengthening of following areas: a. Masking b. Central Database c. Detailed Deployment Report

Attracting and Nurturing Talent

In a competitive business landscape, the ability to attract and nurture talent stands as a cornerstone of sustainable success. At JK Lakshmi Cement, we recognise that hiring individuals with the right ethos is just as crucial as hiring those with the requisite capabilities. Our approach spans from meticulous selection processes to comprehensive nurturing initiatives, ensuring that we not only bring onboard talent with right skills and clear intentions, but also cultivate an environment where individuals can upskill, thrive and return to their homes with heads held high.

A glimpse of our talent acquisition and culture cultivation approach is as highlighted below:

Attracting Right Talent

- Candidates up to the level of DGM undergo a rigorous screening process, including online assessments and panel interviews.
- GM and above candidates participate in an Assessment Centre with external assessors and interviews, including one with Senior Management.
- Skill and culture fitment tests are also conducted to assess candidates' overall suitability and long-term growth prospects with the Company.
- e-joining and robust onboarding/induction processes are in place for a welcoming new joiner experience.
- We have established a robust organisational system for expedited hiring, seamless onboarding, and high-performance delivery to stakeholders.

Ensuring Right Opportunities

- Following successful induction and two performance appraisals, high-performing employees are offered the chance to partake in a Mini Assessment Centre. This centre assesses and enhances their competencies in line with the JKO Emerging Leadership Competency Model.
- Additional development initiatives encompass individual development plans, training sessions, job rotations, project assignments, exposure to CSR activities, and themed team competitions.

Talent Acquisition & Development

Workforce details

S. No.	Particulars	Total	Male		Female	
		(A)	No.(B)	%(B/A)	No.(C)	%(C/A)
EMPLOYEES						
1	Permanent (D)	1388	1373	99%	15	1%
2	Other than Permanent (E)	0	0	0	0	0
3	Total employees (D+E)	1388	1373	99%	15	1%
WORKERS						
4	Permanent (F)	233	233	100%	0	0
5	Other than Permanent (G)	2040	1927	94%	113	6%
6	Total employees (F+G)	2273	2160	95%	113	5%

New employee hires in FY24

Permanent Employee (Hired)

Location	Year	Total	Age group			Gender		Region	
			Below 30	30-50	50 and Above	M	F	Rural and Semi Urban	Urban and Metropolitan
JKLC	2021-22	265	86	176	3	264	1	51	214
	2022-23	210	58	143	9	209	1	48	162
	2023-24	318	95	214	9	317	1	47	271

Permanent Workers (Hired)

Location	Year	Total	Age group			Gender		Region	
			Below 30	30-50	50 and Above	M	F	Rural and Semi Urban	Urban and Metropolitan
JKLC	2021-22	0	0	0	0	0	0	0	0
	2022-23	28	20	8	0	28	0	28	0
	2023-24	18	10	8	0	18	0	18	0

There has been an uptick in hiring in the age group of 30-50 years over the past three years

Employee turnover in FY24

Summary for Employee Separated (Permanent Employee)

Location	Year	Total	Age group			Gender		Region	
			Below 30	30-50	50 and Above	M	F	Rural and Semi Urban	Urban and Metropolitan
JKLC	2021-22	138	29	97	12	138	0	49	89
	2022-23	149	36	107	6	147	2	51	98
	2023-24	203	61	138	4	201	2	59	144

Permanent Worker (separated)

Location	Year	Total	Age group			Gender		Region	
			Below 30	30-50	50 and Above	M	F	Rural and Semi Urban	Urban and Metropolitan
JKLC	2021-22	1	0	1	0	0	0	1	0
	2022-23	3	0	3	0	3	0	3	0
	2023-24	1	0	1	0	0	0	1	0

The increase in turnover rate in the rural regions is on a lesser rate than the urban areas; however, the rate has reduced for the age group of 50 years and above

Retention Rate in FY24

Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A	N.A	N.A
Female	100%	100%	N.A	N.A
Total	100%	100%	N.A	N.A

JKLC has successfully maintained a 100% retention rate for women

Human Capital - Employee Benefits

The Company is dedicated to holistic employee well-being, offering comprehensive support programs and a welcoming work environment. This commitment includes providing flexible working hours and prioritizing work-life balance. The Company conducts regular health check-ups, provides extensive life and health insurance, offers maternity and paternity leave and childcare facilities for all of its employees

Investing in Capability Building

In the financial year, JK Lakshmi Cement remained committed to nurturing talent with a focus on fostering innovation, strategising effective talent management, leveraging human capital to support business objectives, enhancing engagement through training, and cultivating employees as brand ambassadors. In the pursuit of strategic alignment, structured processes guide every facet of our company's leadership development and performance enhancement approach. Decisions in this direction are driven by a Strategic Business Plan, Goal Setting Workshop, and various Management Committee Meetings.

Our talent development plans and programmes are meticulously aligned with the company's Strategic Business Plan (SBP) to ensure the seamless integration of developmental initiatives with business objectives.

Learning & Development

The training content, developed by internal and external experts, undergoes validation by HODs and HR to elevate operational excellence across key parameters including production, sales volume, profitability, net sales realisation, dealer network, and fostering innovation and creativity.

Our Talent Management System aims to identify, develop and motivate talented employees. It follows the "Grow Your Timber" philosophy for internal leadership pipeline, aligning talent with future company needs and bridging gaps through strategic planning and action. Once selected, the identifed candidates undergo development centres in partnership with world leaders at various levels.

Training Man-days:
4.1 man-days / person

One Training Per Quarter is conducted for all Sales and Technical Services Team on basics of cement, sales and business orientation

Training Details

FY	Training Summary for permanent Employee		Training Summary for permanent Worker	
	Avg Training Hrs (M)	Avg Training Hrs (F)	Avg Training Hrs (M)	Avg Training Hrs (M)
2021-22	35.7	31.4	12.3	0
2022-23	35.6	29.9	41.1	0
2022-24	35.6	29.7	5.6	0

* Head count of Female worker is 0 in Permanent Worker

The average training hours of female employees has reduced over the past three years.

Connecting with Future Talent

At JK Lakshmi Cement, we remain dedicated to building strong partnerships with educational institutions, offering students valuable insights through lectures, presentations, seminars, job fairs, and industrial training opportunities. Throughout the financial year, the Company initiated several initiatives aimed at attracting top talent from esteemed B-Schools and Engineering Colleges.

Senior Executives' Visits:

Delivering presentations at educational institutions, conferences and workshops on management, technical fields and industry practices

Industry Tours:

Organising plant visits for B-schools and Engineering Colleges students for practical exposure to real-world applications and processes

Thought Leadership:

Holding key positions in prestigious associations such as FICCI, CII, QCFI and ISTD

Job Fair Participation:

Actively engaging in local job fairs to attract fresh and experienced talent

Performance Management & Goal Setting

Our Performance Management System rests on four foundational pillars: Performance Planning, Performance Management, Performance Appraisal, and Performance Development. Adhering to the 80-20 Rule, we place equal emphasis on business and individual development through collaborative target setting, fostering inter-departmental collaboration, offering constructive feedback, and promoting self-reflection.

It is significant to observe that regular dialogues with superiors and HR facilitators serve to guide and support personal and organisational growth. Towards this end, at JK Lakshmi Cement, performance evaluations are conducted semi-annually and annually by superiors and HR facilitators to bolster individual and organisational development.

JK Lakshmi Cement distinguishes itself with the highest engagement performance across JKO, reaching an impressive 89%. This remarkable figure reflects the Company's outstanding employee morale, motivation, and loyalty.

Performance and career development reviews

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	%(B /A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	1373	1373	100%	1461	1461	100%
Female	15	15	100%	15	15	100%
Total	1388	1388	100%	1476	1476	100%
Workers						
Male	233	233	100%	223	223	100%
Female	0	0	0	0	0	0
Total	233	233	100%	223	223	100%

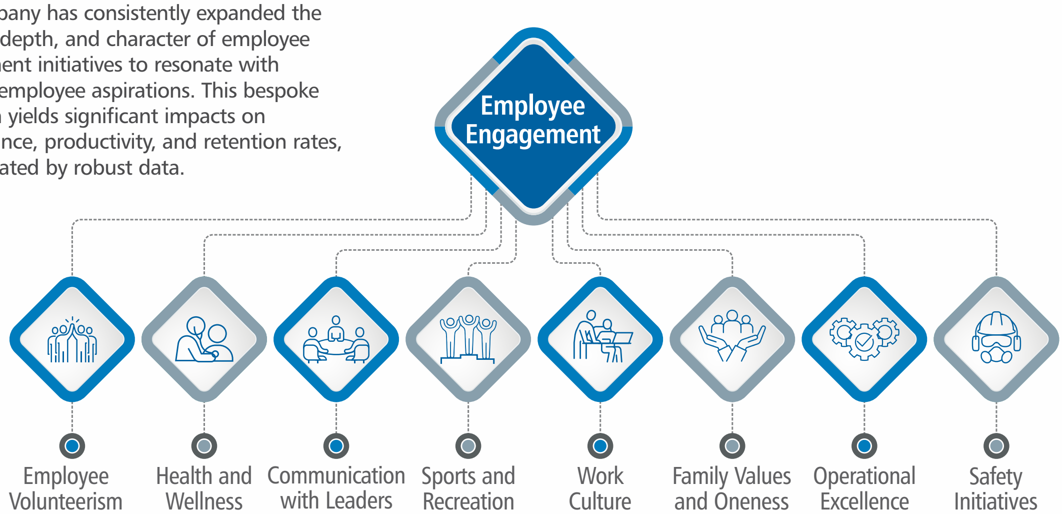
100% of JKLC's employees are subjected to performance and career development reviews

Transition assistance programs

JKLC strives to provide transition assistance to all their ex-employees.

Employee Engagement

Our company has consistently expanded the breadth, depth, and character of employee engagement initiatives to resonate with evolving employee aspirations. This bespoke approach yields significant impacts on performance, productivity, and retention rates, substantiated by robust data.



Creating a Vibrant Workplace Culture

Offering talent recreation opportunities is crucial for maintaining their engagement at work and fostering a strong sense of belonging within the company.

At JK Lakshmi Cement, every occasion is celebrated, fostering diversity and nurturing vibrant environment. By arranging diverse celebrations such as National Fire Service Week, Road Safety Week, Diwali festivities, Independence Day, World Environment Day, Navratri and more, employees not only feel appreciated but also actively contribute to the company culture.

These events cultivate a sense of ownership, encouraging individuals to play an integral role in the company's success while enjoying a dynamic and inclusive workplace environment.

Diversity, Equity & Inclusion

Accessibility of workplaces

JKLC's premises are accessible to all employees, workers and visitors. The Company is committed to being an equal opportunity employer and ensures an inclusive workplace for all.

Non-discrimination at JKLC

The Company is committed to create a workplace free from harassment and discrimination, where co-workers are respected and provided an appropriate environment so as to encourage good performance and conduct. This is engraved in their Diversity and Inclusion policy and the commitments are clearly outlined in the policy.

There have been no discrimination cases in JKLC for the past three years

Embracing diversity fuels our business success. At JK Lakshmi Cement, we integrate talent from diverse backgrounds, cultures, and abilities to drive innovation and excellence. Our commitment to equality ensures an inclusive work environment where all individuals thrive.

Equality in Action
We are committed to equality, promoting an inclusive work environment regardless of culture, gender, race, or religion.

Ensuring Dignity for All
Our Human Rights Policy is continually monitored and improved to uphold diversity and inclusion at all levels.

Fostering Inclusivity
We prioritize creating a supportive workplace culture that celebrates differences and supports the well-being of our diverse workforce.

FY 2023-24 | Key Performing Indicators

- 1.11 % of Female Employees 9.18% of Female Workers
- 16 hours of dedicated programme for the concerned employee per year

A diverse combination of academic and professional talents has also been fostered at the Board level. The Board of Directors comprises directors from several industries, including banking and insurance, corporate / business, audit services, public policy and political history, cement sector, emerging markets and finance, legal services, technology and IT.

Our dedication is evident, highlighted by the remarkable leadership of VCMD Smt. Vinita Ji Singhania. A trailblazer in the manufacturing sector, she paves the way as the first female president of the Cement Manufacturers Association. Honoured with numerous accolades, she have created an enduring impact through her exceptional contributions to both industry and society.

We encourage our staff to take maternity and paternity leave to share parental responsibilities. Values such as inclusion and ethical behaviour, instilled by senior management, create a pleasant, safe, and inclusive workplace, fostering freedom of expression and independent thinking.

No incidents of racism or violence were reported in the prior fiscal year.

Key Initiatives:

- Established mentorship programme for the female executives in our organisation to provide them platform to excel
- POSH compliance and ICC to safeguard the interest of women 4 Induction of female staff at shop floor
- Hiring based on merit
- Recruiting people from nearby villages and small towns, and educate them by giving various required training for their betterment
- Fresh campus recruitments of GETs / MTs from across India providing equitable opportunities
- Equal treatment for contractual / outsourced employees with access to organisation facilities (canteen, transport, dispensary, health check-up, etc.)
- Equal opportunities provided to employees on various occasions such as Energy Conservation Day, World Environment Day, National Safety Week, Mines Safety Week, etc. to showcase their unique skills of creativity

Sirohi Shines: Recognised for Growing Responsibly

Honoured with the Best Employer Award for 2023 by the Employer Association of Rajasthan. This recognition reflects our dedication to fostering a supportive work environment. The award underscores our commitment to excellence, collaboration, and inclusivity.

Proudly received the JKO Chairman People Management Award for the 2022-2023 period, presented by Shri Bharat Hari Singhania, Chairman of JK Lakshmi Cement. This accolade signifies our ommitment to exemplary people management practices.

Occupational Health & Safety

Introduction

At JK Lakshmi Cement, driving responsible growth begins with the preservation of our most valuable asset: our workforce. As a frontrunner in India's cement industry, we prioritise OHS measures to mitigate hazards, promote a safe work environment, and uphold our commitment to employee welfare and industry benchmarking. Safety is ingrained in our processes at JK Lakshmi Cement, guiding every action to create a secure work environment with zero risks.

Measures like safety training, awareness building and safety processes ensure a secure work environment; preventing accidents, injuries and illnesses. The Company also encourages its subsidiaries, vendors and dealers to implement health and safety measures. A proactive hazard identification process is in place to conduct SAP-based Hazard Identification and Risk Assessment.

Safety systems are constantly monitored, including HAZOP study and fire load assessment, with control measures implemented. Regular safety committee meetings are held to ensure Occupational Health and Safety (OHS) and address identified hazards.

JK Lakshmi Cement is aligned to various ISO standards

ISO 9001:2015	for Quality Management System
ISO 14001:2015	for Environment Management System
ISO 50001:2018	for Energy Management System
ISO 45001:2018	for OH&S Management System

OHS Policy

JKLC has adopted the following OHS policy and procedure to improve the OHS performance of the organisation.

OH&S Vision

To be a recognised leading company promoting healthy and safe workplace for achieving goal of 'Zero Harm'

OH&S Mission

To develop and implement user-friendly and effective OH&S Management System that fits to the organisation and drive Risk Prevention Culture

At JK Lakshmi Cement, safety isn't just a slogan, it's a standard.

Safety Head Safety audit committee	Training & Capability building	Standard & Procedure
Contractor Safety	Incident Investigation	Logistics Safety

Occupational Health & Safety System adopted at JKLC

- OH&S management in accordance with ISO 45001:2018
- Use of user-friendly digital system for OH&S management
- Digital PTW & LOTOTO system
- Learning kiosk for self-assisted learning
- Digital behaviour-based safety management module comprising of Hazard identification and Risk Assessment, Pre-job safety briefing (TBT), On the Job behaviour-based safety observation, reporting Near Miss and monitoring of Safety KRA.
- Digital system for periodical inspection and maintenance of fire-fighting equipment and extinguishers.
- Mobile apps for Vehicle inspection, Portable tools and equipment inspection, safety visit, PPE compliance monitoring, contractor safety management.
- Digital system for plant safety inspection & emergency management.
- Safety campaign – National Safety week, Fire service week, Road Safety month, Electrical safety week.
- Workplace monitoring and Occupational health check-up
- OH&S training – Induction, need based, emergency preparedness, on-the job, toolbox talk, demonstration, self-assisted learning, safety skit.
- Display of visuals
- Safety committee meeting (Apex & Departmental)
- Safety audits and Inspection
- Emergency mock-drills

Winning Appreciation

Our unwavering dedication to fostering a culture of safety excellence ensures that our workforce remains protected and our operations thrive, earning us prestigious safety awards year after year.


FICCI Safety Systems Excellence Award (Durg)


IEI Safety Innovation Award 2024 Jhajjar Unit


CII SHE Excellence Award 2022-23 (Durg Unit) Conferred by Honorable Governor of CG

International Safety Award - Durg Unit


Growcare Safety Award 2024 Kalol & Jhajjar Unit

Occupational Health & Safety (Performance & Recognition)

FY	LTIFR	Fatality	Occupational Disease
2021-22	0.18	0	0
2022-23	0	0	0
2023-24	0	1	0

Work-related injuries- Employees

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
Total recordable work-related injuries	Employees	0	0
No. of fatalities	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0

Work-related injuries- Workers

Work-related injuries	FY24	FY23	FY22
Number and rate of fatalities as a result of work-related injury	1	0	0
Number and rate of high-consequence work-related injuries (excluding fatalities)	0	0	0
The number and rate of recordable work-related injuries	0	0	2
The main types of work-related injury	Fall from height	0	Fall from height

JKLC has reduced its worker related injuries by 100% for the past three years.

Statistically Speaking

Aligned with our unwavering commitment to Occupational Health & Safety, we've reinforced our accountability by transparently reporting our ongoing quest for safety excellence. While our Lost Time Injury Frequency Rate (LTIFR) and occupational disease prevention performance proudly remain at zero, we mourn one fatality in FY 2023-24. Taking prompt action, we are reinforcing safety protocols to underscore our steadfast dedication to safeguarding our workforce.

Work-related ill health

JKLC has maintained zero work-related ill-health injuries for employees and workers; however, one worker fatality was experienced.

Incidents of non-compliance concerning the health and safety impacts of products and services

No incidents of non-compliance with regulations resulting in any fines/penalties for the past three years.

equipment inspection, safety visit, PPE compliance monitoring, contractor safety management.

Assessment of the health and safety impacts of product and service categories

OH&S Life cycle assessment is done for the 100% products manufacturing and Material Safety Data Sheet for Cement is developed and being shared to the customer for necessary precautionary measure at their end.

100% of JKLC's plants were assessed for health & safety and working conditions

Risk Mitigation Actions

- Emphasis on critical error reduction techniques.
- Analysis of first aid and near miss cases and implementation of learnings
- HIRA Review and implementation of control measures

S.No.	Plant	Initiative	Impact
1	Sirohi & Kalol	Dedicated lane for LNG Vehicle	Enhanced safety
2	Sirohi	PPE Booth	Enhanced PPE Compliance
3	Durg	Installation of lifeline structure near raw material yard for safety during tarpaulin removal from truck	Prevention of Drivers fall from height
4	Durg	Installation of audio alarm in Dumpers to alert the operator while dala is in raised condition	Drivers mistake proofing and prevention of dumper toppling / hit with overhead structure
5	Durg	Installation of water tank	Washing facility
6	Kalol & Cuttack	Construction of Drivers Rest Room	Proper rest & enhances efficiency and safety due to fatigue prevention
7	Kalol	Platform for sample collection Near Bulk Loading	Prevention of Drivers fall from height
8	Surat	Installation of lifeline structure for safety during Bulker Door Opening & Closing and tarpaulin removal from truck	Prevention of Drivers fall from height
9	Surat & Amethi	Construction of Shed for loading / Unloading Trucks in rainy Season	Prevention from rain

Initiatives

Safety Measures at Operations: FY 2023-24 Highlights

In FY 2023-24, JK Lakshmi Cement reaffirmed proactive measures, implementing advancements to bolster workplace safety and ensure the well-being of its workforce.

- Implementation of Wireless Remote Control for wagon loading machine at Sirohi Unit.
- Installation of Safe Load Indicators in the hydra at Sirohi Unit.
- Installation of a Blower for exhausting hot air from Kiln#1 Pan Conveyor tunnel at Sirohi Unit.
- Deployment of a Sprinkler System in the shredder unit and AFR feeding system at Sirohi Unit.
- Installation of a Fire Door in the bag godown at Sirohi Unit.
- Development of a system to prevent radiant heat during kiln cowl shell and inlet inspection by enabling remote inspection using cameras at Durg Unit.
- Deployment of Earthing static charge confirmation relay with unloading pump operational interlock for safe unloading of liquid alternative fuel at Durg unit.
- Installation of CO_2 Flooding Systems in substations at Surat, Kalol & Jhajjar Units.
- Implementation of Smoke Detectors & Sprinklers in the mustard husk storage area at Jhajjar Unit.
- Deployment of ‘EAZY KLEAN BLOWER’ in packing plants for removing dust at Kalol & Surat units.
- Installation of Nitrogen injection Fire Protection Systems for transformers at Kalol & Surat units.
- Review & update of Safety Standards, including Safety Standards SOP Manual, Scaffolding Standard, Oxy-fuel Cutting and Welding, Onsite Emergency Plan, Rigging and Hoisting Standard, Machine Guarding, Permit to Work and LOTOTO, and Contractor Capability Assessment and Passport System.

Promotion of worker health

#OHS Services

- Identification of occupational health hazard
- Work place hygiene monitoring (Dust, Noise, illumination, vibration) and Control
- Occupational health check-up - X-ray (300mA), audiometry, spirometry, pathological examination, eye examination, colour vision test etc.by qualified doctor and paramedical staff at occupational health centre.
- Occupational health centre equipped with 300mA digital x-ray machine, path lab, spirometry machine, audiometry machine, audiometry booth, ECG and other general facilities.

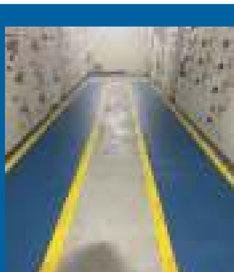
Preventive measures

- Engineering Controls: Dust suppression systems water mist & sprinkler system, ventilation system, ESP & Dust extraction system, covered belt conveyor, covered material storage shed, vibration damping pad, air conditioned cabin and enclosures to minimise exposure to airborne contaminants and noise.
- Administrative controls: SOPs, work instruction, permit to work system, display of PPE matrix, Display of posters and banners, display of do & don'ts, display of caution boards, display of MSDS
- Personal Protective equipment: Dust mask, cartridge mask, ear plug, goggles, hand gloves, apron, chemical suit & chemical gloves, .
- Decontamination facilities: Safety shower, eye shower, blower for cleaning of dust from human body

#Training and Awareness

- Respiratory hazard and silicosis prevention
- Noise and protection from hearing impairment
- Heat stress and prevention
- Material Safety data sheet and chemical safety

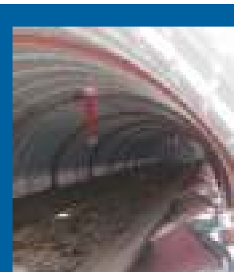
Occupational Health & Safety (Glimpses of Best Practice)



Insulated paint

Arc flash suit

Dust removing blower



Sprinkler

IoT for Fire Hydrant

#Forums for participation and consultation

- Apex safety committee constituted and functioning in accordance to the Factories act 1948 and State Factories Rules.
- Departmental / Sectional Safety committee constituted and functioning beyond legal requirement.
- Participation in HIRA (Hazard identification and Risk Assessment)
- Safety suggestion scheme
- Participation in Near Miss reporting
- Participation in TBT (Safety oath & briefing of HIRA/JSA/SOP)
- Participating in On-job observation
- CFT (Cross functional Team) meetings
- DSO (Departmental Safety officers) meeting
- Safety mass meeting: safety skit, safety talk, safety address by Unit head/Function Head, distribution of pamphlet based on monthly theme and OH&S Policy.
- Safety campaigns: National Safety week, Road Safety month, Fire Service week, Electrical Safety Week, World environment day
- Informal shop floor meetings
- Participation in OH&S training and Demonstration
- Participation in incidence investigation
- Sharing of learnings from near miss, first aid cases and accidents.
- Participation in emergency mock drill.

Prevention and mitigation of occupational health and safety impacts

- Hazard identification and Risk Assessment is carried out to identify health risks posed by exposure to dust, chemicals, noise, and other hazards inherent to cement and value added product production.
- Regular Exposure Monitoring for dust, noise, illumination, and vibration is carried out to ensure that they are within safe limits.
- Engineering Controls like water mist and spray system for dust suppression, proper ventilation, ESP, Bag house, dust collectors, enclosed shed for storage of raw material, covered conveyors are put in place to minimize exposure to airborne contaminants. Isolated rooms are constructed for inherently noise producing equipment like compressor, air conditioned cabin of HEMM and equipment operation panel further help to limit the exposure. Vibration damping pad are provided in powered had tools.
- administrative control like training and awareness, display of caution signs, SOP, Do's and Don'ts are put in place.
- PPE like dust mask, respirator, ear plug, ear muff, chemical suit, chemical gloves etc. are used for prevention from occupational diseases.
- Regular health check-ups and medical examinations to detect early signs of occupational diseases, particularly respiratory conditions like silicosis and hearing loss due to noise exposure is carried out.

#Safety Measures at Value Chain

All integrated plants and grinding units are ISO 45001:2018 certified. 100% of employees and contract workers working in the plant and marketing are in the scope of ISO 45001:2012. **Safety Measures at Value Chain: FY 2023-24 Highlights**

In FY 2023-24, our value chain partners prioritised safety, implementing a range of measures to safeguard employees and enhance workplace safety across their operations.

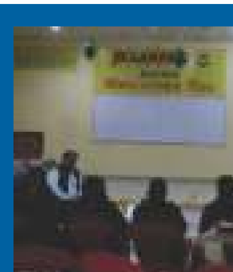
- Implementation of dedicated lane for LNG Vehicles at Sirohi & Kalol units.
- Establishment of PPE Booth for drivers at Sirohi unit.
- Installation of lifeline structure near raw material yard for safety during tarpaulin removal from trucks at Durg unit.
- Deployment of audio alarm in dumpers to alert operators at Durg unit.
- Installation of water tank in truck yard for drivers at Durg unit.
- Construction of Drivers Rest Room at Durg, Kalol & Cuttack units.
- Installation of platform for sample collection near Bulk Loading at Kalol unit.
- Installation of lifeline structure for safety during Bulker Door Opening & Closing and tarpaulin removal from trucks at Surat unit.
- Construction of shed for loading/unloading trucks in rainy season at Surat & Amethi units.

Safety campaign

Safety Mass Meeting

VCP Capacity Building

Chai pe charcha



Safety Meeting

All JKLC's integrated plant occupational health centers are equipped with path lab, digital x-ray machine of 300mA, audiometry test facility, ECG facility, oxygen concentrator, medical oxygen, bed etc. and qualified doctors and paramedical staff where employees and workers are provided with non-occupational health services. In addition to this, health camps are also being organised.

Safety Training

Worker training on occupational health and safety

#Criteria for Training Need Assessment

- Job description and work environment assessment
- Legal requirement
- Emergency preparedness
- Learning from incidents and accidents
- Need identified by employee / worker
- OH&S systems and standards
- Findings from audits and inspection

Forums of occupational health & safety training

- Safety induction, Need based OH&S training, TBT (Tool-box-talk), on the job training & demonstration

Infrastructure for training

- Training hall equipped with projector, computer/laptop, sound system and furniture
- Kiosk for self assisted learning
- Display at shop floor
- Safety park

#Training topics

- Occupational health and safety management system
- Hazard identification and Risk assessment
- Behaviour Based observation
- Permit to work system & LOTOTO
- Scaffolding and work at height
- Occupational health hazard and its prevention
- Rigging & Lifting
- Safety in storage and handling of gas cylinders
- Safety in oxy-fuel cutting and welding
- Electrical safety
- Chemical safety
- Fire safety
- On-site emergency plan
- Emergency response and First aid
- Defensive driving
- Critical error reduction techniques

100% of JKLC employees have been trained on health & safety measures.

Hazard Identification

Introduction

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Measures like safety training, awareness building and safety processes ensure a secure work environment; preventing accidents, injuries and illnesses. The Company also encourages its subsidiaries, vendors and dealers to implement health and safety measures. A proactive hazard identification process is in place to conduct SAP-based Hazard Identification and Risk Assessment.

Safety systems are constantly monitored, including HAZOP study and fire load assessment, with control measures implemented. Regular safety committee meetings are held to ensure Occupational Health and Safety (OHS) and address identified hazards.

Hazard identification, risk assessment, and incident investigation

- Hazard identification and Risk Assessment in accordance to ISO 45001:2018 Clause 6.1.2.1.
- The HIRA is performed by the cross functional team of sectional heads and experienced worker.
- HIRA review is done on regular basis based on feed forward from the on-job observation, management of change w.r.t. design, process, man & material. learning from incidence and near miss, findings of audits & inspection, safety suggestions, work place monitoring and occupational health check-up results.
- Display of visuals & SOP at shop floor in Hindi, Training modules in Hindi language with pictorial representation, nukkad natak by workers in regional language, safety training videos in Hindi, TBT by shop floor engineers and workers, display of caution boards, PPE matrix, emergency exit, CPR etc. in Hindi language are the processes to eliminate the obstacles faced by the workers vulnerable to work related injury and ill health.
- Workers are encouraged and rewarded for reporting unsafe act/ conditions, reporting near miss cases and giving safety suggestions. Emergency management training is imparted to all employees and workers for do & don'ts during any emergency and hazardous situations.
- Workers are trained and sensitised to remove themselves from the situation that may cause harm to them and action to be taken for safe shutdown of plant / process in emergency situations.

Natural Capital

Key Material Topics

- Climate Change & GHG Emissions
- Energy Conservation
- Waste Management
- Water Management
- Circular Economy
- Product Stewardship
- Biodiversity & Land Use

SDGs Impacted

6, 7, 12, 13, 15

From preservation to rejuvenation

Cleaner Resources. Lighter Footprint.

Nature's irreplaceable value makes climate change the defining challenge of our time. Protecting our natural capital demands a concerted, all-hands-on-deck approach driven by decisive action and collective dedication.

At JK Lakshmi Cement, sustainability forms the cornerstone of our core vision and values. As India's trusted cement producer, we are conscious of the impact of our operations, therefore, our resolve to reinforce green efforts is stronger than ever. Embracing a rigorous ethos of earth-friendly growth in our processes, policies, and products ensures a legacy of abundance for generations to come.

Cement production is inherently resource-intensive and energy-demanding. To effect meaningful change, JK Lakshmi Cement prioritises resource conservation, responsible consumption, and environmental rejuvenation across our operations. Each year, we steadfastly advance our environmental stewardship, implementing strategies more robust than ever to mitigate our impact on the Mother Earth.

Highlights FY 2023-24

- 38% Share of Green Power in Total Power Requirement
- 5.48 X Water Positive
- Total Water Discharged (in kilolitres): 0
- GHG Emissions: 584 Kg CO_2e / Ton Cement
  - Total Scope 1 Emissions: 5756316 $MTCO_2e$
  - Total Scope 2 Emissions: 186551 $MTCO_2e$
- Thermal Substitution Rate: 7.0%
- Total Electricity Consumption (Renewable Energy): 965077 GJ
- Total Waste Reused and Recycled: 37363.52 MT
- 65% Blended Cement

Highlights FY 2023-24

We recognize the environmental impact of our production processes, product utilisation, and end-of-life product disposal, especially in our challenging 'hard-to-abate' sector. By embracing circularity principles, we have integrated environmental sustainability deeply into our business operations.

Focus Areas FY 2023-24:

Climate Change

- Reducing our Carbon Footprint
- Emissions Management
- Thermal Substitution Rate
- Increasing Share of Renewable Energy

Circular Economy

- Waste Management
- Recycled or Reused Input Material
- Industrial Waste as an Alternative Fuel
- Industrial Waste to Blended Cement
- Municipal Solid Waste as an Alternative Fuel
- Concrete Recycling

Water Management

- Water Conservation
- Water Recycling
- Zero Water Discharge
- Water Efficient Technologies
- Rainwater Harvesting
- Water and Sanitation

Energy and Emissions

- Energy Efficiency
- Environmental Impact Assessments
- No Net Loss

Biodiversity

Natural Capital - Climate Change

With innovation comes conservation

Driving transformative change being our pathway to progress, our climate action strategy mirrors this commitment.

We are transitioning to alternative fuels and raw materials, installing solar and wind power plants, adopting Waste Heat Recovery Systems (WHRS), and sourcing renewable energy through Power Purchase Agreements (PPAs). A strategic roadmap has been devised to decrease our carbon footprint and achieve sustainable growth.

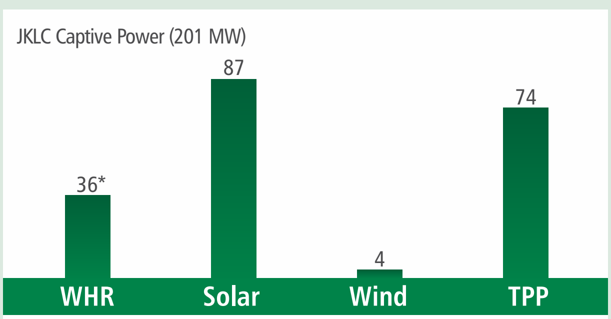
Elucidated in the following pages are highlights of JK Lakshmi Cement's financial year performance on key environmental parameters.

Reducing Carbon Footprint

Our operations' main contributors to Greenhouse Gas Emissions (GHG emissions) are cement production and the transportation of raw materials and finished products. With this in mind, we have implemented a comprehensive climate action roadmap with clear targets to align our efforts and intentions towards achieving a low-carbon future and enhancing resilience to climate change.

Renewable Energy Share

Share of Renewable Energy in Total Installed Captive Power Capacity (MW) at JK Lakshmi Cement



Share of green energy in total power requirement is **38%** at JK Lakshmi Cement Limited

*WHRS Capacity as per Turbine Designed Capacity and 56 MW Solar in Open access group captive mode

In FY 2023-24, JK Lakshmi Cement met 38% of the Company's total power needs through renewable energy. We are pleased to share significant progress towards surpassing the 50% milestone by 2025, aiming to achieve 80% or greater share of renewable energy by 2030.

Green Power Projects in Action

When it comes to contributing to low-carbon commitment, every watt of green energy counts. Each of our facilities harnesses renewable energy through on-site solar power plants. Furthermore, we've also partnered with leading wind and solar power suppliers to replace conventional coal-generated electricity with clean alternatives.

CDM and Verified Carbon Standard (VCS) Projects

JK Lakshmi Cement is registered with Clean Development Mechanism (CDM) and Voluntary Carbon Standards (VCS) [now Verra] projects with United Nations Framework Convention on Climate Change (UNFCCC); working proactively towards mitigating climate change. Our environmental targets are well aligned with the commitments made by India at the UN Climate Change Conference COP27 in 2022.

CDM Projects:

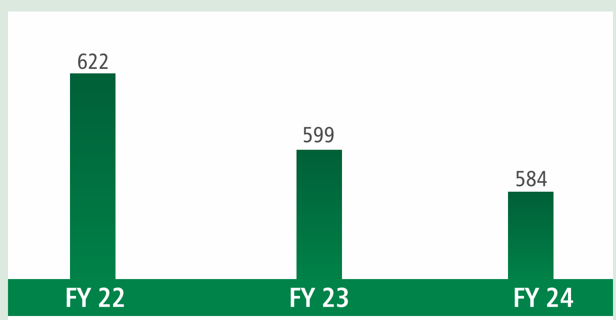
- Switching from fossil fuel to biomass in Pyro-Processing
- Generation of 15 MWp Waste Heat Recovery Power
- Generation of II6 MW Solar Power

Verra (VCS) Projects:

- Bundled Manufacturing Solar PV-based power plants
- AAC Blocks

GHG Emissions Performance

Reduction in GHG emission (Scope1+scope2) in last 3 years



Net CO2 in Kg CO2e/Ton Cement

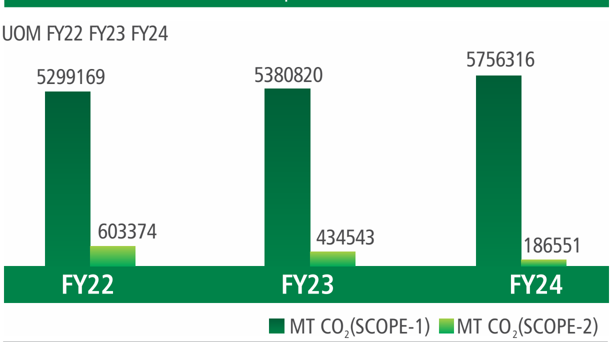
In recent years, JK Lakshmi Cement has made significant strides in reducing emissions. To accelerate our reduction of Scope-I&II CO_2 emissions, we are focusing on decreasing our dependency on conventional options by maximising the use of alternative fuels and in our efforts has resulted in reaching 7% TSR in FY23-24, we have also focused on enhancing our renewable energy contribution in total electrical energy requirement and in the FY23-24 we have met 38% of our total electrical energy requirement through renewable energy. Additionally, we are prioritising local procurement to minimise transportation distances between sources and project sites. The deployment of LNG trucks in our logistics operations is helping us effectively lower our Scope-III CO_2 emissions.

Greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	Unit	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	Gross - 5827444.13 Net - 5756316 *	5380820
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	186551	434543
Total Scope 1 and Scope 2emissions per rupee of Turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Kg CO_2/Rs Turnover	0.0940 (based on Net CO_2)	0.09579
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	Since we are not exporting any product, hence revenue earned is in INR only and PPP adjustment is not applicable		
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Kg CO_2e / Ton of Cement	584 (based on Net CO_2)	599
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

*We have considered GHG Emissions from our own TPP.

Reduction of GHG emissions (Scope 1 & 2 emissions)



The scope 2 emissions have reduced by **32%** over the last three years.

Total Scope 3 emissions & its intensity

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	MT of CO_2 equivalent	136442	125528	132557
Total Scope 3 emissions per rupee of turnover	Kg / Rs. of Turnover	0.0021590	0.0020676	0.0026297

For FY2023-24 under Scope 3 emissions, we have considered CO_2 emissions generated through (i) upstream & downstream logistics operations, (ii) employee commute and (iii) Business commute.

However, in FY 2022-23 under Scope 3 emissions, we have considered CO_2 emissions generated from: (i) upstream & downstream logistics operations, and; (ii) employee commuting only.

The scope 3 emissions have reduced by 6.36% over the past three years.

Air emissions (other than GHG emissions)

Parameter	UoM	FY 2023-24	FY 2022-23	FY2021-22
NOx	Ton/Annum	7005	1342	1313
SOx	Ton/Annum	6553	258	289
Persistent matter (PM)	Ton/Annum	574	17	28

- In 2022-23 Avg emission taken
- In 2023-24 Total emissions taken

Third party monitoring by an external agency for stack monitoring, calibration of Stack and monitoring for emission during Co-processing of AFR. External agency is approved by MoEFCC/CPCB/ SPCB.

Emissions Reduction Projects in Action

We have embarked on two transformative initiatives aimed at reducing its carbon footprint and embracing renewable energy sources. These initiatives underscore JKLC's commitment to mitigating climate change impacts while ensuring long-term operational resilience and sustainability.

Internal Carbon Pricing

JKLC is prioritising internal carbon pricing in its long-term strategy planning to transition to a carbon-neutral future. This helps the company assess opportunities and risks related to greenhouse gas regulations and move towards net-zero emissions. Carbon pricing drives low-carbon investments in energy-efficient technologies and alternative fuels, lowering JKLC's product carbon footprint. The company integrates carbon pricing into its CAPEX policy to evaluate investments related to climate change. This includes analysing financial risks associated with increasing carbon costs and assessing each CAPEX project's impact on achieving decarbonisation goals.

Renewable Energy Focus

A significant milestone in transitioning to clean and sustainable energy sources, is the implementation of solar power plant across all our manufacturing units. We have commissioned 56 MWp solar project in Open Access Group Captive mode for our Durg unit, which has helped us to meet 80% of our total electricity requirements through renewable energy at JKLC-Durg after commissioning of this solar project. We have also ordered 7 MW Solar project at JKLC-Sirohi in FY23-24 which will further increase the renewable energy contribution of the group.

Circular Economy

Circular economy is a holistic approach that not only conserves natural resources but also fosters innovation, resilience, and long-term economic growth. At JK Lakshmi Cement, adopting circular economy principles has transformed our operations, allowing us to maximise resource efficiency, minimise waste, and pioneer sustainable practices.

In FY 2023-24, we continued to bolster ongoing practices and spearhead new programs throughout all our operations that strengthened our contribution to environmental stewardship. By reducing waste disposal in landfills, we actively contribute to preserving natural resources and mitigating climate change. Our firm focus remains on producing environmentally beneficial slag-based cement, reinforcing our commitment as a sustainable manufacturer.

Key Highlights

- All hazardous waste generated from auxiliary processes (such as used oil, used grease, etc.) is recycled through authorised recyclers approved by the Central/State Pollution Control Board.
- Solid organic waste is converted into nutrient-rich compost and vermicompost.
- All domestic wastewater generated undergoes treatment in Sewage Treatment Plants (STPs), and the treated water is used for plantation and greenbelt development.
- All fly ash generated as waste from captive power plants is utilised in producing blended cement.

Our Sirohi Unit received appreciation award for the contribution to co-processing as well as Gold Award for TSR at the 13th International Conference on Solid Waste Management & Circular Economy Global Forum 2023.

Processes in place to safely reclaim products for reusing, recycling and disposing at the end of life

JKLC believe in "waste to wealth" and from the very beginning of the project and manufacturing process, we adopted the "Reduce -Reuse -Recycle (3Rs)" principle. JKLC is utilising recycled material from other industrial waste. The company follows circularity principles in its all stages of manufacturing.

Key Highlights

a. **Plastic (Including packaging):-** JKLC is registered as a Brand Owner and as an Importer for the Extended Producer Responsibility (EPR) under Plastic Waste Management Rules 2016 & as amended till date. As per the EPR guidelines, we have completed 100% target for FY 2023-24. The major product of JKLC is Cement, which is packed in cement bags. Plastic packaging bags are also recycled by authorised recyclers.

   Extended Producer Responsibility (EPR) is applicable. We submitted the EPR action plan during registration as a Brand Owner and an Importer, which is in line with the EPR Guideline. As per the guideline, the company has reached 100% target for FY 2023-2024.

b. **E-waste:-** There is no E-waste generated from the manufacturing process. However, the only E-waste generated is from the office operations and E-Waste generated is stored at designated places & sold to the CPCB registered recyclers.

c. **Hazardous waste and (d) other waste:-** During cement manufacturing, only used oil (Hazardous Waste) generated from operational machinery from our plant. Used oil is stored at identified and isolated locations with all safety measures. Used Oil sold to SPCB/CPCB authorised recyclers. Moreover, we are utilising hazardous waste as an alternative fuel and raw materials (AFR) in our cement manufacturing process, generated as waste/byproduct from other industries.

Waste Management

JK Lakshmi Cement is committed to achieving zero waste to landfills through proactive waste minimisation and strategic investments in recycling technologies. Our continuous efforts to reduce waste are complemented by the integration of sustainable practices across our operations. A key highlight is our comprehensive on-site treatment of organic waste, including food waste, garden waste, and STP sludge, embodying a true net-zero waste philosophy. Embracing the ethos of 'waste to wealth,' we have embraced the Reduce-Reuse-Recycle (3Rs) principle since the project's inception.

Waste Generation vs Recycling	FY 2023-24	FY 2022-23
Total Waste Generated (MT)	38,174.00	33,646.44
Total Waste Recovered (MT)	37,363.52	30,827.20

This year 97.87% of the waste was recovered

Waste management

Parameter	FY 2023-24	FY 2022-23	FY 2021-22
Total Waste generated (in MT)			
Plastic waste (A)	97.98	29.53	41.69
E-waste (B)	3.61	0.186	3.52
Bio-medical waste (C)	0.23	0.192	0.180
Construction and demolition waste (D)	0	0	0
Battery waste (E)	7	14.40	8.13
Radioactive waste (F)	0	0	0
Other Hazardous waste Please specify, if any. (used oil) (G)	23.84	33.51	30.75
Other Non-hazardous waste generated (H). Please specify, if any. (Fly Ash & MS Scrap) (Break-up by composition i.e. by materials relevant to the sector)	38041	33568.63	66521.77
Total (A+B+C+D+E+F+G+H)	38174	33646.44	66606.01
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	6.04	5.54	-
Waste intensity in terms of physical output (MT waste/MT of cementicious materials)	0.004014	0.003586	
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste- Diverted from disposal			
(i) Recycled	0	16.70	-
(ii) Re-used	37363.52	30810.50	-
(iii) Other recovery operations	0	0	-
Total	37363.52	30827.20	-
For each category of waste generated, total waste disposed by nature of disposal method (in MT)			
Category of waste- Directed to disposal			
(i) Incineration	0.23	0.19	-
(ii) Landfilling	0	0	-
(iii) Other disposal operations	616.62	2815.71	-
Total	616.85	2815.90	-

Total waste generation has reduced by CAGR of 17% over the past three years.

Outlined below are key waste management initiatives implemented by the Company during FY 2023-24:

Our cement is packaged in Polypropylene (PP) bags that serve secondary purposes in construction and storage post-use. While we do not reclaim these materials directly, we ensure their responsible recycling through authorised waste recyclers. We also efficiently utilise discarded plastic bags as Refused Derived Fuels (RDFs) in our cement kilns. These actions ensure consistent achievement of our environmental targets with the support of CPCB-certified recyclers.

S/4HANA SAP system. Furthermore, their closed-loop cement manufacturing process ensures efficient utilisation of any waste generated during production within their cement operations.

JKLC applied for Extended Producers Responsibility (EPR) registration under the Plastic Waste Management (PWM) Rules 2016 as amended. We have achieved the 25% target for FY 2021-22 and are working to meet the 70% target for FY 2022-23.

Our cement manufacturing process is free from e-waste generation. However, e-waste from our office operations is responsibly sold to CPCB-approved registered recyclers.

To minimize paper waste, JKLC has adopted paperless processes through the JKLC has implemented the Vermicompost process at their plant to convert organic waste into nutrient-rich Vermicompost. Additionally, we have repurposed 5-year-old lab-tested cemented cubes to create walkways.

JKLC utilizes used oil generated by operational machinery in our cement manufacturing process. This used oil, classified as hazardous waste, is stored at designated locations within our plant. They responsibly sell this used oil to recyclers authorized by the State Pollution Control Board (SPCB) or Central Pollution Control Board (CPCB). Furthermore, we incorporate hazardous waste from other industries as alternative fuels and raw materials (AFR) in our cement manufacturing operations.

Management of waste-related impacts

Hazardous waste generated like lubricant oil and greased is managed through authorized recyclers under Hazardous Waste Management Rules, 2016 and as amended.

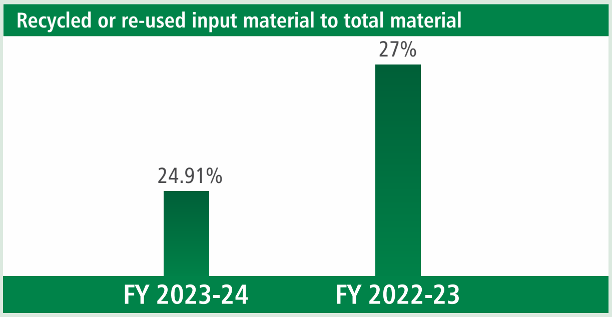
Wastewater after domestic use is being treated in STP. STP sludge is being reused as a manure. Treated water is being used in machineries cooling and plantation.

Deployment of road vacuum sweeping machine for fugitive dust emissions control.

Alternate Raw Materials

Recycled or Re-used Input Material

We remain vigilant in conserving resources by replacing hazardous and toxic chemicals in our products with environmentally-friendly alternatives. We have successfully integrated alternative raw materials such as fly ash, chemical gypsum, and granulated slag into our cement production processes. Consequently, our products are entirely free from harmful substances.



Recycled or reused input material

Indicate input material	Recycled or Reused input material to total material	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Recycled and Reused Material from Industrial Waste	24.91%	27.0%

Note: FY 2023-24 - Values in % ratio for Total Input AFR (Recycled) and on Total Input Raw Material.

70% of the raw materials used for cement production, such as Fly-ash, Gypsum and Slag, are sourced sustainably. This sustainable sourcing eliminates the need for an equivalent amount of virgin natural resources. The Company has a policy in place for sustainable sourcing and utilizes a digital vendor registration process. This process requires vendors to provide information on sustainability aspects such as social accountability, ESG (Environmental, Social and Governance) factors, waste management and ISO registrations. Vendors can only proceed with registration upon successful completion of the survey.

Reclaimed products and their packaging materials

JKLC as brand owner manufacture Cement and Clinker where only Polypropylene (PP) bags are being used to pack cement products. We do not reclaim the same material used in our product packaging material but through CPCB authorized recyclers, we recycle the plastic packaging materials as per the guidelines of Extended Producer Responsibility (EPR). The PP bags used in packaging are also used for storage of multiple items like sand, gravel, food grains.

Product is cement and the packaging is not reclaimed as cement bags are re-used by the end users. However, plastic packaging material which were used for Cement packaging was recycled – EPR Target for FY 2023-24: Qty. 24.56 MT for Category I and 13324.72 for Category II Plastic (100% total Plastic packaging material (pre consumer + post-consumer) in market for FY: 2021-22 & 2022-23).

As a part of sustainable sourcing, the company prefers local and indigenous material as per the availability. In FY 2023-24, 24.91% of input raw material (AFR - Recycled) used for production of cement is recycled in nature from industrial waste.

Product Category	Reclaimed Products and their PackagingMaterial as % of Total Products sold in respective Category
Cement and PP Bags	25% (FY 2021-22) 70% (FY 2022-23) 100% (FY 2023 -24)

Sustainable Sourcing

Sustainable sourcing in cement manufacturing ensures environmental responsibility and long-term viability by minimizing ecological impact and promoting resource efficiency. JK Lakshmi Cement's commitment to ethical and eco-friendly sourcing is a continuous practice, spanning four core key areas:

Sustainable Vendor Selection

When finalizing vendors, JK Lakshmi Cement considers safety and environmental aspects alongside commercial considerations.

Low-Lead Raw Material Sourcing

We strive to source raw materials from optimized, low-lead sources to minimize environmental impact.

Rail Transportation Priority

We prioritize transportation via rail whenever feasible to further minimize our carbon footprint.

Efficient Industrial Waste Co-processing

We engage in efficient co-processing of various industrial wastes, effectively replacing virgin raw materials and natural resources to mitigate environmental hazards and risks.

JK Lakshmi Cement prioritises suppliers who reduce their environmental impacts and compliance with applicable laws and regulations. We also hold the right to exclude suppliers who do not exhibit the aforesaid measures. We realize that sustainable sourcing is an ongoing process that continually evolves and are committed to upholding practices in line with these evolving standards.

Sustainable Sourcing Process

JK Lakshmi Cement Ltd. (JKLC) has developed and implemented sustainable sourcing for its all kinds of input materials. The company has developed a sustainable supply chain with utilization of Green Procurement criteria for vendor assessment. The company prefers those vendors which are ISO certified and have robust policies for environment and sustainable development.

Sustainable sourcing is part of JKLC sourcing & Suppliers Business Partner Management practices. JKLCL is having digital vendor registration process in place with which vendors being surveyed while registration on sustainable system in place with them like “Social accountability, ESG aspects, wastes management, ISO's registration, etc.”. On successful completion of survey, vendors can only proceed further for registration. The Company is committed to conducting business only with those business partners who can align with the filtering criteria laid down during the on-boarding process.

100% of inputs were sourced sustainably.

Energy Efficiency

Embracing energy efficiency stands as both an imminent responsibility and a compelling opportunity. Through revolutionising traditional processes, exploring renewable energy sources, and integrating advanced technologies, we are ushering in a new era of sustainable production across our facilities. This strategic approach not only minimises our ecological footprint but also enhances productivity and profitability.

Total energy consumption (in Giga Joules) and energy intensity

Parameter	FY 2023-24	FY 2022-23	FY 2021-22
From renewable sources			
Total electricity consumption (A)(GJ)	965077	839377	-
Total fuel consumption (B)(GJ)	1557564 (Through AFR)	1040895	-
Energy consumption through other sources (C)	-	-	-
Total energy consumed from renewable sources. (A+B+C) (GJ)	**2522641**	**1880272**	**-**
From non-renewable sources			
Total electricity consumption (D)(GJ)	1572120	1583703	-
Total fuel consumption (E) (GJ)	21908305	21309695	-
Energy consumption through other sources (F)	-	-	-
Total energy consumed from non-renewable sources (D+E+F) (GJ)	**23480425**	**22893398**	**-**
Total energy consumed (A+B+C+D+E+F) (GJ)	**26003067**	**24773670**	**26451422**
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)(GJ/RS)	0.000411	0.0004080	0.000525
Energy intensity in terms of physical output	70	68	-

Remarks: For Total Energy consumption (In GJ Electrical +Thermal) data: The boundary is all Cement plants of JKLC (2 Integrated units+ 4 Grinding units) and the RMC business. Under total energy consumption figure "The total electrical Energy data above is the total energy subtracting the auxiliary consumption from Grid for TPP start-up / WHRS start-up/Solar power auxiliary, project, energy consumed in Colony and Transport Nagar".

Reduction of energy consumption

UOM	FY22	FY23	FY24
kWh/MT Cement	69	68	70

Major Conservation Measures:

We have implemented a range of measures across multiple units, affirming our steadfast commitment to conserving energy.

- Installing Iteca Seal in the kiln to reduce the ingress of false air through the kiln inlet seal
- Upgrading the motors of the cement mill from IE0 (low-effciency with IE3 (high-efficiency) motors
- Replacing low-efficiency ID fans with high-efficiency fans in the Waste Heat Recovery System (WHR) to enhance performance
- Installing a Waste Heat Recovery System to capture and utilize waste heat generated
- Converting CPH (Condensing Pre-Heater) coils to economizer coils in the WHR system to improve heat recovery
- Incorporating a Variable Frequency Drive (VFD) in the bag filter fan of the packing plant to reduce power consumption
- Optimising the thermal power plant at low load conditions through fuel mix optimisation and size reduction measures
- Replacing conventional lights with LED (Light Emitting Diode) lights for energy efficiency
- Optimising the kiln cooler for improved efficiency

Total GHG avoided by the Energy Efficiency Measures (MTCO2e)	2,915.2
Total investments (₹ Crore)	32.96

In FY 2023-24, several external agencies conducted independent assessments and evaluations:

- National Productivity Council (Across JKLC locations)
- Bureau Veritas (India) Pvt. Ltd. (For Kalol and Surat Plants)
- DN.VGL (Across locations)
- TUV NORD CERT GmbH (For Durg and Cuttack Plants)
- Vexil Business Process Services Pvt. Ltd. (For Sirohi and Jhajjar Plants)

Our Surat Plant has consistently demonstrated excellence in energy management and sustainability, receiving prestigious accolades such as the Energy Efficiency Gold Award in April 2023, Excellence in Energy Management Award in September 2023, and the SEEMS Silver Award in September 2022. Inf FY 23-24,, our Sirohi Unit was also recognised by CII with Energy Excellent Unit Award 2023.

PAT Scheme

JKLC-Sirohi & JKLC-Durg are registered as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) scheme of the Government of India.

JKLC – Durg was registered in PAT III cycle with base line year 2015-16 under which the assessment year was 2019-20. All the targets were complied in cycle III. At present we are in PAT cycle VII-A, in which the base line year is 2019-20 and assessment year is 2024-25. Under PAT cycle-VII-A we have been given the target of 6.36 % reduction.

JKLC Sirohi- During PAT Cycle-1 we were given the target to reduce SEC by 4.91% against that we have reduced SEC by 14.77%. We got 38987 certificates exceeding the target. In PAT cycle-2 we were given the target to reduce SEC by 4.8% but we have reduced only 2.33% & Banked certificates in PAT Cycle I is used for compliance in shortfall. Now we are in PAT Cycle-VII, we have to reduce SEC by 3.4% and to achieve this our Road map includes increase in usages of renewable energy; increase in usages of AFR and plant energy efficiency improvement. The M&V audit is to be conducted in FY25-26.

Water Positivity

Water Management

Efficient water management both within our premises and in the surrounding areas is pivotal to our environmental performance and sustainability strategy. Conserving water resources not only safeguards our ecosystem but also ensures resilience in the face of global water challenges. Our management approach and policy reinforce our dedication to preserving water resources in and around our sites, focusing on quantity conservation and maintaining water quality. We are committed to minimise freshwater withdrawal and consumption by implementing recycling systems and promoting responsible and efficient water usage and discharge practices. The specific water usage at the Sirohi and Durg sites was 0.16 and 0.07 / ton of cement, respectively.

Water Withdrawal

Parameter	FY 2023-24	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)			
(i) Surface water	367663	419357	577718
(ii) Ground water	716229	731891	614255
(iii) Third party water	0	0	0
(iv) Seawater / desalinated water	0	0	0
(v) Others	0	797	539
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1083893**	**1152045**	**1192512**
Total volume of water consumption (in kilolitres)	**1085419**	**1152045**	**1192512**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL/Rs. Turnover)	0.0000172	0.0000190	0.0000237
Water intensity in terms of physical output (KL/Ton of Cement Production)	0.1141	0.1228	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The name of the external agency is National Productivity Council.

Water intensity has reduced by 10% over the last three years.

Water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(I) To Surface water		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)	**NIL**	**NIL**

Zero Liquid Discharge Mechanism

Cement manufacturing is a dry process thus there is no direct utilization of water in the process. Water is only being used for industrial cooling purpose. And there is no wastewater generated from cement manufacturing process. JKLC is maintaining Zero Water Discharge Unit status. The company has placed Sewage Treatment Plants (STPs) for domestic sewage, Effluent Treatment Plants (ETPs) for wastewater generated from automobile workshops and N Pit for Waste Heat Recovery Power Plant & Power Plant. Recycled 100% treated water is reused in Machineries' cooling, Dust suppression, Greenbelt development etc. within Unit's premises.

Water Positivity

FY 2023-24	FY 2022-23	FY 2021-22
5.48	4.36	4

The water positivity has increased by 11% over FY22.

Specific Water consumption (M3 / MT of Product)

FY 2023-24**	FY 2022-23*	FY 2021-22*
0.106	0.089	0.095

Note:
FY 2023-24 - Specific Water Consumption Calculated as M3 / MT of Cement Equivalent (Value increased due to calculated as Per MT of Cement Equivalent)
FY 2022-23 & 2021-22 - Specific Water Consumption Calculated as M3 / MT of Cement Product

None of the 2 cement production unit and 4 grinding units fall under water stress zones.

Water Recycled (Unit in KL)

FY 2023-24	FY 2022-23
1,21,189	1,35,366

Water Conservation Projects in Action

JK Lakshmi Cement remains steadfast in entrenching the ethos of water conservation deeper into every facet of operations.

Our people champion water conservation through practices such as harnessing rainwater for cooling towers, institutionalizing zero water discharge policy, installation of advanced cooling tower designs, 100% wastewater recycling, and full reuse of treated water. In FY 2023-24, 20% of energy at our Kalol unit came from renewable sources, including a 500 kW solar plant and wind energy.

As a water-positive company with a 4.0(P) index, we exceed water production needs, ensuring sustainable operations and environmental stewardship. Looking ahead, we are poised to achieve a five-fold increase in water positivity by 2025 through strategic planning and innovation.

Thermal Substitution Rate

In the FY 2023-24 we commissioned Pre& Co processing system at JKLC-Sirohi and we could achieve an impressive TSR% of 7.0 in FY23-24 for JK Lakshmi cement Limited. The goal is to elevate the TSR% to 20% by FY 2029-30.

Biodiversity

Nurturing biodiversity is nurturing life. Maintaining the ecological balance of our planet is crucial for bolstering resilience, directly impacting vital factors such as water supply, food availability, natural resources, and temperature regulation.

It also serves as a cornerstone for sustaining business operations and supply chains, presenting us with substantial risks. We prioritize biodiversity preservation as an essential component of our business decisions, enhancing our commitment to stakeholders, particularly local communities. The Company is implementing various Corporate Social Responsibility (CSR) activities in the villages near the plants, providing support to other stakeholders in their development.

Operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required

JKLC's at Ghantikhal Unit at Radheshyampur, Cuttack, Odisha is located close to an ecologically sensitive area.

Significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Below are the major impact & mitigation measures of Wildlife Conservation Plan of our plant for which the information has been provided below.

Major Impact

- Impact on Soil & Air due to sound & pollution arising from plant operation.
- Sound from machinery and heavy vehicles may hamper natural movement of wildlife animals.
- The dust emission from plant may hamper the life of flora and fauna.

Some of the major mitigation and remedial measures undertaken by the Company are as below-

- 16.29-hectare area developed as green belt which balance the emission and prevent topsoil corrosion.
- One vehicle provided to the Forest department to watch & monitor elephant movement for the purpose of anti-depredation.
- Company is implementing various CSR activities in the plant nearby villages and providing support to other stakeholders in their development initiatives.
- Corpus fund of ₹4.06 Crores provided to the Forest department to undertake activities to prevent wildlife depredation and related activities.

Tree Plantation

We recognize that trees offer an effective solution to mitigate Green House Gas (GHG) emissions. As part of our plantation drive initiative, we distribute free plants and saplings not only to schools but also to villages, police stations, and communities. Furthermore, we provide free tree guards to safeguard these plants.

	FY 2023-24	FY 2022-23	FY 2021-22
Cumulative Tree Planted (In Nos.)	4,99,800	4,93,708	4,89,496
Amount of CO2 sequestered (In Tons)	11,40,738.88	11,40,114.9	11,39,915.167

Environmental Impact:

No such IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization

There is no significant adverse impact to the environment, arising from the value chain of the entity because JK Lakshmi Cement Ltd. prefers to procure from suppliers who are proactive in reducing their environmental impacts and expects its suppliers to comply with relevant laws and regulations.	Our products are Greenpro certified, and our first preference is to buy Greenpro Certified Products.	We prefer to buy local products, to ensure low emission and embodied energy in products and more benefits to local supply chains.
We buy Refrigerant free from CFC / HCFC / Halons and asbestos free products.	We Buy low VOC paints, sealants and adhesives.	Conserve resources - Buy materials having more recycled content.
Avoid products having hazardous materials & encourage companies meeting safety standards & reliability.	Maximize purchase of nationally or internationally or IGBC certified sustainable products.	

Environmental impact assessments

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web Link
Expansion of Integrated Cement Plant Clinker 1.98 MTPA to 5.0 MTPA, Cement 5.0 MTPA to 6.0 MTPA, CPP 20 mw to 40 MW, WHRB 10 MW to 25 mW, Limestone 4.8 MTPA to 8.0 MTPA	As per EIA Notification 2006	Wednesday, July 15, 2020	M/s Anacon Laboratoris Nagpur	Draft EIA Report Submission is pending from JKLC. Will be communicated after grant of EC.	Draft EIA Report Submission is pending from JKLC. Will be communicated after grant of EC.
For Expansion in production capacity of captive limestone mine (Mine Lease I of area 267.695) from 4.8 MTPA to 8 MTPA from Both mine lease with existing crusher and with additional crushing capacity of 1500 TPH at village - Semaria Ghikuria and Nandinin Khundini Durg District	As per EIA Notification 2006	20-Jan-21	M/s Anacon Laboratoris Nagpur	Amendment In existing TOR application to be submitted in the month of May	Amendment In existing TOR application to be submitted in the month of May
For expansion of production capacity of lime stone mine (Mining Lease II area of 252.105 ha.) production capacity from 0.3 MTPA to 1.35 MTPA at village Semaria, Ghikuria and Nandini Khundini, Durg District)	As per EIA Notification 2006	20-Jan-21	M/s Anacon Laboratoris Nagpur	Amendment In existing TOR application to be submitted in the month of May	Amendment In existing TOR application to be submitted in the month of May
Amendment in Environment Clearance issued by MoEF & CC, New Delhi vide letter no. J-11015/266/ 2013-IA.II (M) dated 09.08.2016 for Lakshmi Cement Limestone Mining Project (M.L. No. 10/99) of J K Lakshmi Cement Limited located in an area of 390.625 ha. near villages Basantgarh, Rampura and Rohida, Tehsil - Pindwara, District - Sirohi, Rajasthan.	As per EIA Notification 2006	04.09.2023	JM Environet (P) Ltd, Jaipur	Environment Clearance Granted	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=8986246

Case Study

Reducing SOx & NOx Emissions at Sirohi Power Plant

Flue Gas Desulfurization (FGD) and Selective Non-Catalytic Reduction (SNCR) implementation

Opportunity:

We undertook a project to comply with the emission norms specified by the Ministry of Environment, Forest and Climate Change (MoEFCC) under notification S.O. 3305(E) dated 7th December 2015. The main objective was to reduce sulphur dioxide (SO2) and nitrogen oxides (NOx) emissions from its captive thermal power plants (CTPP) Specifically, the targets were to achieve emissions below 600 mg/Nm3 for SO2 and below 300 mg/Nm3 for NOx.

Intervention:

To meet these objectives, we commissioned the installation of Flue Gas Desulfurization (FGD) and Selective Non-Catalytic Reduction (SNCR) units.

1. **Flue Gas Desulfurization (FGD) Unit:** Designed to reduce SO2 emissions to less than 600 mg/Nm3. This unit was integrated with the existing boilers (Boiler 1, Boiler 2, and Boiler 3) to treat the flue gas through wet FGD technology.
2. **Selective Non-Catalytic Reduction (SNCR) Unit:** Installed to lower NOx emissions to below 300 mg/Nm3. The SNCR system was implemented across the 40 MW (2x20 MW) and 18 MW (Boiler 3) units of the CTPP.

These interventions were chosen to ensure compliance with the amended environmental norms without requiring additional land, utilizing the existing infrastructure effectively.

Outcome:

The outcomes of the project will be significant in terms of achieving environmental compliance. JKLC will successfully meet the emission limit values set by MoEFCC, achieving SO_2 emissions below 600 mg/Nm^3 and NOx emissions below 300 mg/Nm3.

Success Story

Powering Forward by Energizing Efficiency at Cuttack Plant

Area-Based Compressed Air Utilization through Auto Operation of Butterfly Valve: The implementation of automatic butterfly valves and pressure transmitters in key areas like Cement Silos and the Cement Mill Section has optimized compressed air distribution. Controlled from the Central Control Room (CCR), valves open or close based on operational requirements, enhancing energy efficiency and reducing maintenance costs. This initiative has lowered compressor loading-unloading pressures by 0.2 bar, resulting in significant annual power savings of 51,200 units and cost savings amounting to ₹ 358,400.

Auto Operation of Plant and Street Lights: This initiative automated the operation of internal plant lights, MRSS lights, and street lights using PLC systems. By optimizing lighting schedules and operations, it has increased overall plant utility system efficiency while reducing energy consumption and waste. This improvement has also enhanced workplace safety, visibility, and operational convenience. The initiative achieves annual energy savings of 13,046 units, translating to ₹ 91,322 in cost savings.

Replacement of HPSV Lights with LED: By replacing 350 conventional HPSV lights with LED technology, the plant has significantly reduced energy consumption and maintenance costs. This switch has also contributed to a substantial decrease in the plant's carbon footprint. The initiative results in an impressive annual energy saving of 788,400 units, equivalent to ₹ 5,518,800 in cost savings.

These initiatives collectively represent a significant step forward in aligning with our goals of reducing environmental impact and optimizing resource utilization.

Energy Excellent Unit Award-2023, National Energy Leaded Award-2023 by CII

Social and Relationship Capital

Key Material Topics

- Product Quality Standards
- Community Development
- Supply Chain Management
- Human Rights Practices
- Social License

SDGs Impacted

Aligning CSR to Business Strategic Ambition

Empowered Stakeholders. Enduring Relationships.

In today's interconnected world, the power of communities, customers, and suppliers not only plays a pivotal role in driving sustainable business success but also holds the key to shaping the very fabric of society itself.

Social and relationship capital emphasizes the importance of nurturing these connections to prioritize stakeholders' interests. This approach not only strengthens reputation, infuses adaptability and drives brand loyalty but also ensures that decisions are aligned with broader societal objectives, promoting a harmonious integration of profit and purpose.

JK Lakshmi Cement places utmost importance on the impact of stakeholder dynamics resulting from our business operations. Our stakeholders include employees, partners, customers, suppliers, government bodies, investors, and local communities, each with unique requirements and expectations. Listening to our stakeholders and responding to their needs is not only a responsibility but also an opportunity.

We lead a range of systematic initiatives on an ongoing basis to address their diverse needs.

During FY 23-24, JK Lakshmi Cement continued its commitment by investing in crucial areas of social impact, positively influencing both the local community and broader stakeholders. The Company also marked significant milestones by expanding its engagement platforms and enhancing the loyalty programme to foster broader reach and deeper connections.

Highlights FY 2023-24

₹ 10.48 Crore of Investment

Directly impacted lives of 2,66,786 Beneficiaries

Empowering people and building organisational capability

More than 50% of CSR Beneficiaries are Vulnerable and Marginalised Families / Individuals

1st Cement Company to reach 600K Followers on Facebook

92% dealers covered in loyalty programme

Focus Areas FY 2023-24

Community: Working towards the overall well-being of the Society

Customers: Working towards customer satisfaction and loyalty

Supply Chain: Working towards a mutually beneficial and sustainable business relationship

Social and Relationship Capital - Community

With Impact Comes Inclusivity

JK Lakshmi Cement is committed towards enhancing community well-being. Through strategic initiatives and partnerships tailored to address diverse needs, from education and healthcare to social infrastructure and economic empowerment, we ensure meaningful and lasting outcomes.

At our core, we uphold ethical values and strive for economic development while enhancing the lives of our workforce, their families and the wider community. From pregnant mothers to infants, children, youth, adults and the elderly, we have designed and delivered impactful CSR initiatives for everyone in need.

We firmly believe that the long-term sustainability and value creation of our company rely on our impact within the communities we serve. Each initiative undergoes meticulous planning, guided by a comprehensive life cycle approach. Our management, CSR team, and employee volunteers bring passion and professionalism to every project, ensuring precise delivery of even the smallest initiatives.

In FY 23-24, we formulated a new CSR vision statement and strategic objectives. The approach to institutionalise their implementation involves integrating them into functional KRAs and activities outlined in the Annual CSR Plan. This approach will ensure the successful achievement of social impact milestones.

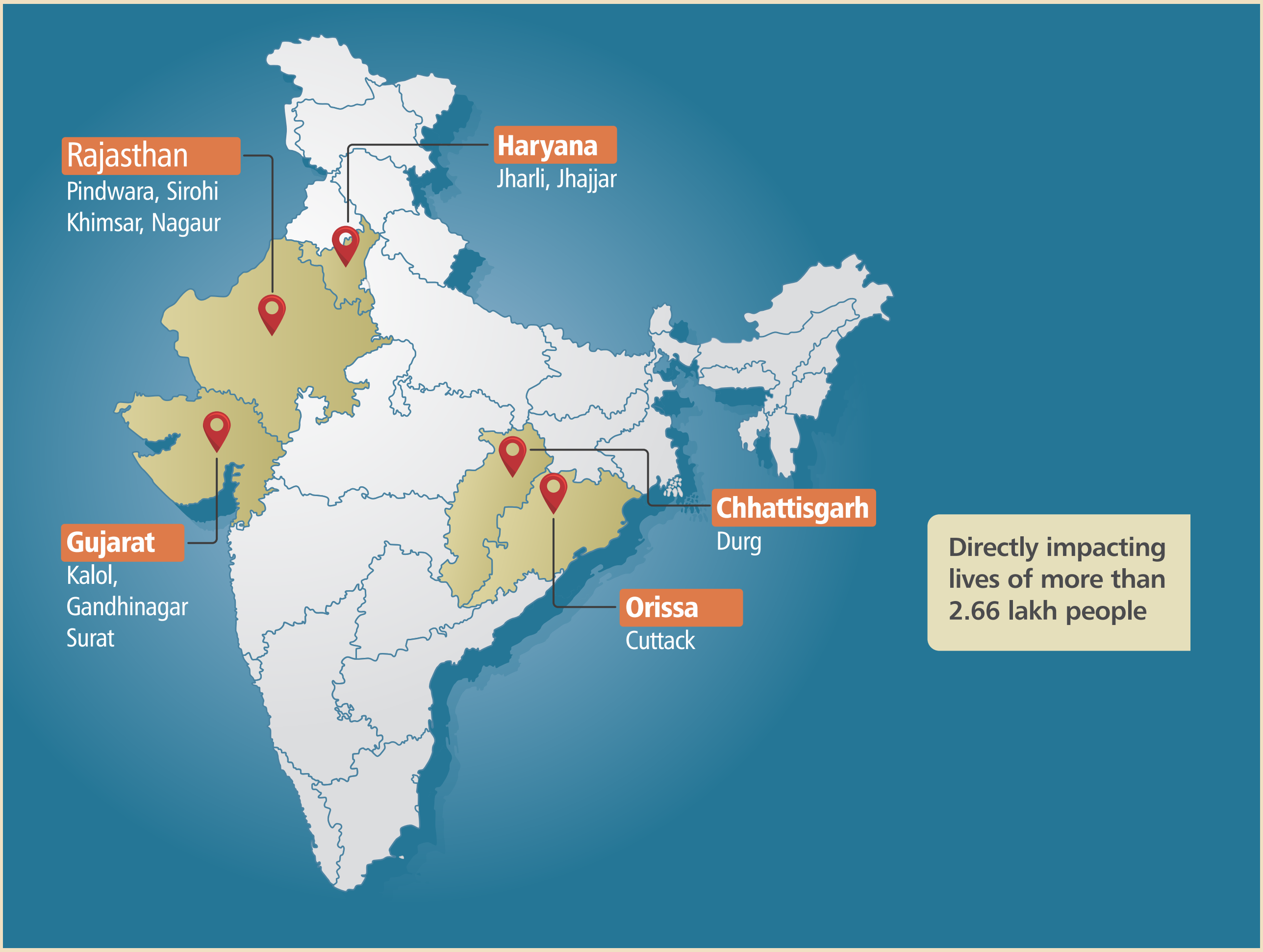
CSR Vision Statement:

"To be an environmentally & socially conscious corporate citizen, harmoniously coexisting with its empowered and prosperous communities and delivering unparalleled experience for its stakeholders for a sustainable and shared future."

Strategic Objectives:

- To implement responsive, inclusive, need-based and innovative community projects.
- To strengthen internal stakeholder engagement on CSR.
- To achieve operational excellence through collaboration and digitisation.
- To integrate CSR projects for Environmental & Social performance and value creation for stakeholders & influencers.
- To leverage CSR projects for brand positive image building for the Company.

Since our inception, long before CSR laws were in place, we have been committed to serving society and improving the lives of communities.



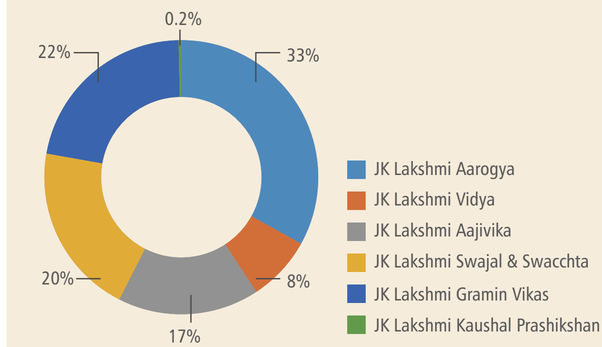
Sh. Sanjeeva Kr. Jha,
Head CSR & Sustainability

> At JKLC, CSR is designed & implemented for creating transformational impact in the communities around our business footprints and it addresses some of key social material issues for the business thereby creating social license to operate.

	FY24	FY23	FY 22
CSR Amount spent	10.48 Cr.	9.39 Cr.	4.69 Cr.
Beneficiaries	2,66,786	1,84,281	2,25,000

our initiatives include like heath camps, supporting with supplies & equipment, school infrastructure improvement, remedial classes, youth employability & skilling, watershed development & conservation, community infrastructure development, like construction of roads, community halls, multiactivity centre among others.

Beneficiaries in FY24



More than 60% beneficiaries are from vulnerable & marginalised groups

Investment & Beneficiaries

Majority of our beneficiaries are from vulnerable and marginalised groups. Our purpose-driven projects not only make a tangible difference in people's lives but also contribute to the Sustainable Development Goals 2030. By addressing community needs and aligning with the SDGs, we create lasting impact and contribute to global goals.

Key Areas of Intervention

Health

- Maternal & Child Health Care
- Health Camps
- Holistic Development of Adolescents

Water & Sanitation

- Drinking Water in Nearby Villages
- Water Conservation
- Watershed Management
- Waste Management

Education

- Scholarship to Needy & Meritorious
- Career Counseling
- Teacher Support to School
- Infrastructure Support to Schools
- Remedial Coaching Classes
- Library Facilities

Skill & Livelihood

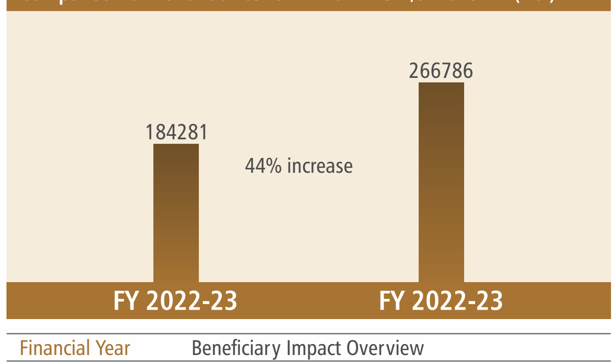
- Support to Small Businesses
- Agriculture Training
- Livestock Development
- Employability Training
- Vocational Training
- Mobile Veterinary Unit

Rural Development

- Infrastructure Support
- Construction of Community Halls etc.
- Plantation

Impact Investment Snapshot

Comparison of Beneficiaries for FY 2022-23 V/s. 2023-24 (No.)



Infrastructure investments and services supported

As a part our local development initiative under CSR the Company is implementing community development projects in the thematic areas of health, education, livelihood & skilling, sanitation, water & environmental conservation around our business footprints.

Under CSR the Company spent an amount of ₹ 10.48 cr. during the reporting year, which directly impacted the lives of more than 2.66 lakh people.

For FY23 & FY22, the Company spent an amount of ₹ 9.39 cr. and ₹ 4.69 cr. during the reporting year.

Potential negative impacts on local communities:

The Company follows the existing mitigation plan developed during the EIA process and approved as EMP & SMP. Further, the Company has made several investments to comply with the statutory requirements put forward under EC and CTO. Any potential negative impacts, are mitigated through these mechanisms.

In addition, the Company manages multiple channels of grievance redressal, which may be tapped by external communities for registering their grievance.

The Company through its multiple initiatives have been taking initiatives for bringing positive changes in the lives of the families with a special focus on vulnerable and marginalised groups.

Indigenous community impact

No indigenous communities are present around any of Company's plant locations or its vicinity.

Healthcare: JK Lakshmi Aarogya Project

JK Lakshmi Aarogya Project provides timely, high-quality medical services to communities near plants, aiming to improve overall well-being, reduce infant mortality, promote maternal health, and support MDR-TB patients. Through medical camps, home visits, training sessions, and nutritional support, the project has made significant strides in healthcare accessibility and outcomes for thousands.

Key Interventions:

- Reaching out 35,857 patients in Sirohi, Durg,Kalol, Surat, Jharli, Cuttack and Nagaur through 1072 medical camps.
- Providing prenatal, postnatal, and neonatal care to numerous individuals in Sirohi & Nagaur by undertaking 8657 home visits.
- Implementing daily door-to-door garbage management, benefiting more than 15000 families in Durg.
- Supporting the holistic development of adolescents through a series of awareness sessions and health camps.
- 500+WHO-recommended food kits provided to the most needy and neglected Multi Drug Resistant (MDR) TB patients.
- 6 Aanganwadis renovated and developed (Sirohi & Nagaur).


Conducting 1072 medical camps for 35,857 beneficiaries

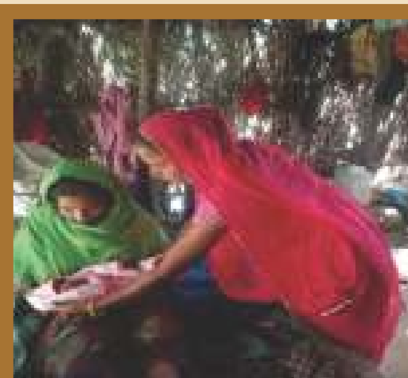

Naya Savera Project for improving mother and child health


National Nutrition Week


Awareness Session


Baby kit distribution

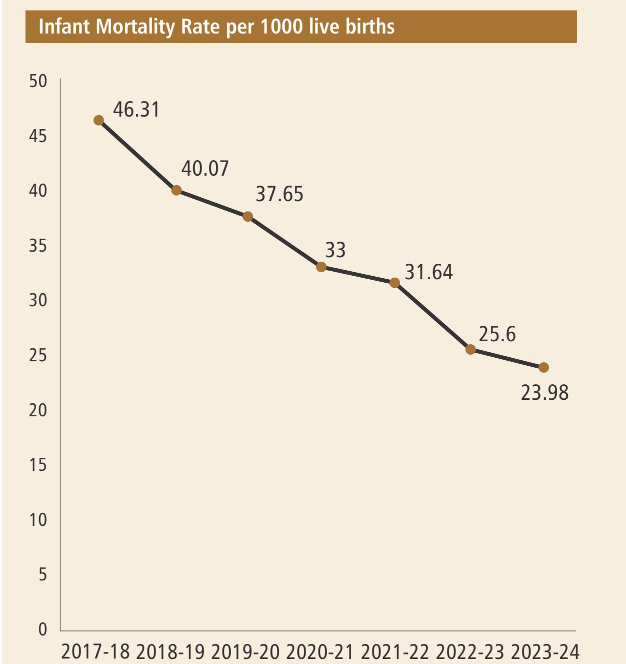
Eye camp benefitting 655 students

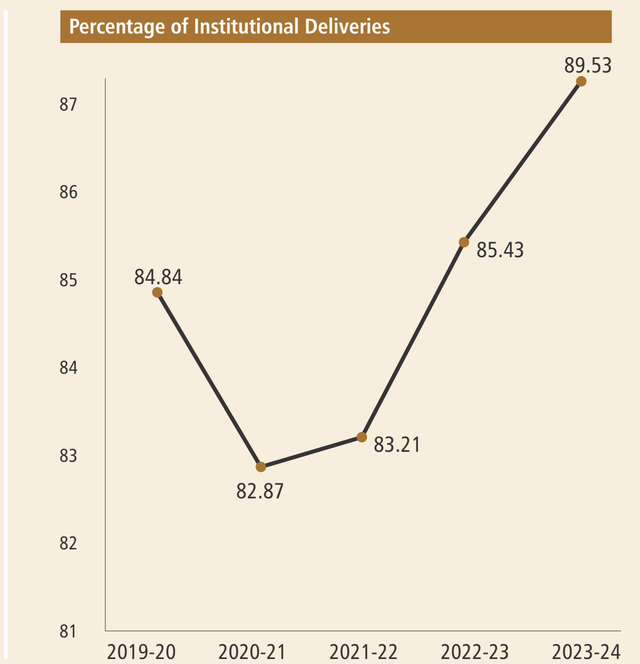

New born care

'Naya Savera' project for improving mother & child health (Sirohi):

The Naya Savera project aims to enhance overall well-being, reduce infant mortality rate (IMR), increase early registration of expecting mothers for Antenatal Care (ANC) in the first trimester, promote institutional deliveries, eliminate maternal mortality, and promote family planning methods.

Transformative Outcome:





Naya Savera Project selected for Presentation at 3rd International Conference on CSR

Presented at the 3rd International Conference on Corporate Social Responsibility (ICCSR), a collaborative event by Chandragupt Institute of Management, Patna, TERI, and NABARD on December 8-9, 2023, in Patna.

The research paper titled "Addressing the Needs of Newborns in the Community and at Home" has been selected for publication.

Empowering Adolescents for Holistic Development through Project Aarogya

Key Issues: Early marriage leading to early pregnancy; Anemia; Hormonal changes induced ARSH Issues; Low Life Skills to manage various changes in life; Substance abuse like Gutkha, Cigarette; Non completion of education)

Project Objective: Holistic development of adolescent (14-19 years of age)

- Awareness on ARSH – 6527 adolescents- Male +Female of govt. schools benefitted from regular sessions by a Trained Educators.
- Eye camp benefitting 655 students.
- Hemoglobin Test of 588 girls.
- Dental camp - 2814 Adolescent
- 5 Awareness camps - personal hygiene, health, age at marriage, Population control etc.
- Blood group check-up camps – 150
- 714 Reusable sanitary napkins distributed

Girls Haemoglobin Check Up Camp

Eye Check Up camp

Education: JK Lakshmi Vidya Project

Universalizing schooling, mentoring drop-out students, improving quality learning, scholarships and career counselling.

JK Lakshmi Cement's Project Vidya has made a substantial impact on education through comprehensive interventions aimed at enhancing learning opportunities and supporting student development.

Key Interventions:

- Enrolling tribal children, including girls, in formal schooling, ensuring access to education.
- Supporting dropouts to complete their education, empowering them with essential skills.
- Sponsoring teachers to improve the teacher-student ratio, benefiting students and enhancing learning quality.
- Providing meritorious scholarships to deserving students, fostering academic excellence and career aspirations.
- Offering career counseling and guidance for students of Std 10+2

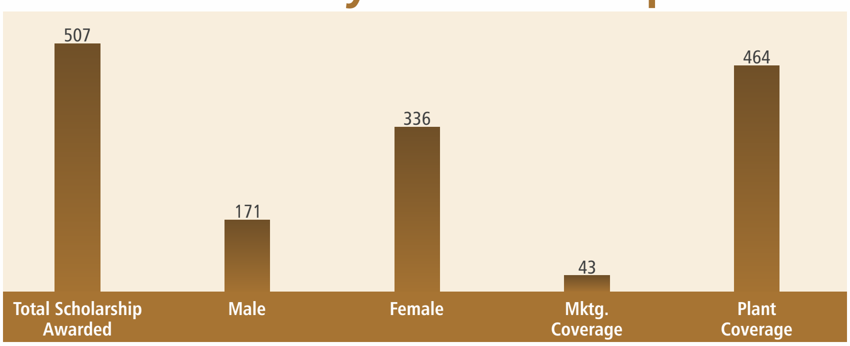
Transformative Outcome of project Vidya:

Indicator	Progress
Support to Pre-school Education	• Supported number of Anganwadi centres for making them child-friendly
Universalizing 12 years of schooling and supporting drop-outs for completing education	• Out-of-school enrolment for 98 tribal children Supported no of drop-outs, empowering them to complete their education
Supporting Government Schools for quality learning	• Sponsored 7 teachers for improved Teacher-Student ratio benefiting 671 students • Provided 241 test papers to XthBoard students, facilitating their exam readiness • Distributed 4746 school bags in Government schools to facilitate better learning • 15 schools are supported for promotion of Digital education • Supported to 140 Anganwadis for TLM for overall development of children
Improving learning and supporting students for sustaining education	• Recognition progressive 146 students of Class 5 to 12 to continue their education • Organize Navodaya Coaching Classes with materials for 146 students • NMMSE Coaching Program was organized for 162 students with 18 students passed and received the scholarship. • 104 Students were provided computer learning program • Provide Scholarship to 21 students for higher technical education (BSTC, B.ed, Nursing, ITI etc.) • 89 youths have prepared in library cum job readiness centre
Infrastructure Support	• Iron Furniture, Kids sliders, Tin shade at government schools. • Kitchen Shed Construction to support the Girls hostel of 70 tribal girls. • Construction of Atal Tinkering Lab at Govt. Higher Secondary School, Nandini Khundini.
Career Counseling and Guidance Programme	• More than 2000 students from standard X to XII benefitted from structured Career Counseling workshops

Career Counseling & Guidance for Students of Std X-XII

- Offline Workshops
- 61 One day Workshops organized
- More than 2000 students participated
- Career Plan Document
- JK Lakshmi Vidya Career Counselling Guide
- Completion Certificate
- 5 Online Sessions & Personalized counselling

JK Lakshmi Vidya Scholarship Status 2023-24



Total scholarship - 50 Lakh

Total Students - 507

Higher / Technical - 166 / 21 Lakh

Upto 12th Scholarship - 341 / 29 Lakh

School bags distribution in Schools

Scholarship provided under JK Lakshmi Vidya

Atal Tinkering Lab

Furniture Distribution in School

Skill Development and Livelihood Generation: JK Lakshmi Aajivika Project

Empowering skilling development and facilitating income generation.

JK Lakshmi Cement's Aajivika Project has successfully bolstered livelihoods, stimulated income generation, and empowered individuals and communities. Through targeted skill development, business support, and agricultural initiatives, the project has significantly uplifted beneficiaries, fostering a sustainable and self-reliant society.

Key Interventions:

- Supported 96 individuals for small business- Tailor, Beauty Parlour, Tea-stall, Barber shop; Cobbler; Kirana Store; Tent house; Motorcycle & Cycle Repairing; Fruit Shop etc. (Durg, Sirohi, Cuttack, Kalol & Surat)
- Supported 3 Self Help Groups (SHGs – 23 women beneficiaries) for Gothan (Chhattisgarh Govt.) Project like Poultry; Vegetable cultivation & Fishery
- Provided training & support to 30 families (224 beneficiaries) on Poultry & Goatry.

Shripati Singhania Skill Centre, Jaykaypuram (Rajasthan) - laying foundation for inclusive skilling & shared future

The Company has built state-of-the-art Shripati Singhania Skill Centre to give impetus to youth empowerment through imparting education and skilling, at our integrated plant in Rajasthan. This centre embodies our motto of "Transformation through skilling" and offers a range of educational and skilling opportunities such as coaching, mentoring, employability training, career counselling, digital literacy, and capacity building, among others. The centre was inaugurated by our CMD Smt. Vinita Singhania on 22nd February 2024. This reflects Company's commitment for inclusive development of the communities around our plant location.


Safety Officer


Training Centre


Tailoring shop


Tyre Puncture Shop

Captivating Success Stories from JKLC's CSR Initiatives

Kamlesh (Name Changed), 19-year-old, 8th Std. pass from SC community of project intervention area, was a tyre puncture shop worker earning Rs. 3000/month. With JKLC's CSR support, he now owns his own shop and earns Rs. 8000-9000/month. His entire family is grateful to JKLC

Rahul (Name Changed), 21-year-old, underwent JKLC's Employability Training for 3 months and secured a good position at reputed company as a Safety Officer. Earing around 25K. He thanks to JKLC for giving a life full of hope

Sharda Manek (Name Changed), a housewife with no income from project intervention area, started a tailoring shop with JKLC's CSR support, now managing "Women All Shop-Saheli" and earning 12-13 K/month. Example for women empowerment through JKLC CSR.

Neha (Name Changed), 21-year-old, from the project area, joined JKLC's Employability Training and overcame constraints to become an Assistant Trainer, inspiring local girls. Neha's story is truly inspirational and it shows how Company is creating local "CSR Impact Leaders".

Transformative Outcome of JK Lakshmi Aajivika Project

Empowering youths through Employability Training	• In partnership with Head Held High Foundation, a 4 months employability linked training program conducted at Durg, Jaykaypuram, Jhajjar and Kalol units. 265 youths successfully completed training and out of which 219 youths were offered job in various companies . • Around 20 Youths were trained and supported for Entrepreneurship Development though 21 days rigors training on entrepreneurial competencies.
Agriculture Development	• 1609 farmers were provided awareness & training on improved agriculture practices through technical training and introduction of improved seeds for farming. Exposure visits cum trainings were organized for 165 farmers to resources places like Model Agriculture Farm, KVK etc. • 219 farmers were supported as per their requirement of seeds, fruit bearing plants & agriculture equipment. 25 farmers trained in advance fennel farming and supported for the quality fennel seeds
Livestock development	• 396 Vaccination Camp of FMD, PPR and HS disease were organized across locations. Door-step treatment provided to animals from 4372 households. Training were organized to create awareness among rearers for vaccination, balance diet, disease control and clean milk production. • 224 farmers were trained on Poultry & Goatry and supported with improved breeds and cage/ goat shed.
Mobile Veterinary Unit	• MVU provided doorstep veterinary services for comprehensive livestock care and benefitted 21343 animals across locations.
Trainings for Youth Livelihoods & Income Generation	• 96 youths were trained for RSCIT computer certificate course, 729 youths trained in vocational skills like Mobile Repair, Electrician, Motorcycle Repair, Diamond Polish, stitching and beautician etc. • 32 youths were trained in Car Driving skills and 1000 youths were trained in Mahbubani Painting; Tailoring; Beautician Trainings and Computer Literacy etc.

Mobile Veterinary Van

Vaccination Programme for Animals

Farmer's Training

Vermi Compost Unit

Stitching & Tailoring Training

Motor Driving Training

Community Infrastructure Development: JK Lakshmi Swajal and Swacchta Project

Enhancing water infrastructure to elevate public health and quality of life in rural communities

We have implemented several initiatives to combat water scarcity in villages. By supplying water tanks to numerous communities experiencing shortages during peak summer, we've ensured reliable water access. In remote areas, we've established water huts for convenient water provision. Our efforts also include enhancing water conservation through cleaning and deepening existing ponds for increased storage capacity. Additionally, we've renovated check-dams and reservoirs to improve water management and sustainability. These comprehensive measures aim to alleviate water challenges and bolster community resilience in accessing essential resources.

Implementation:

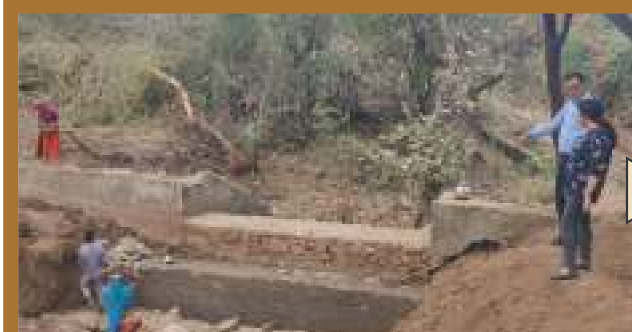
- **Drinking water was supplied to 220 families through tankers during the summer season.**
- **Renovated the existing water conservation structures, which facilitated 9,750 villagers in Sirohi and Durg.**
- **Garbage management supported around 10,000 people.**
- **Installation of water huts helped around 4,500 people to get water during the summer heat wave.**

Impact:

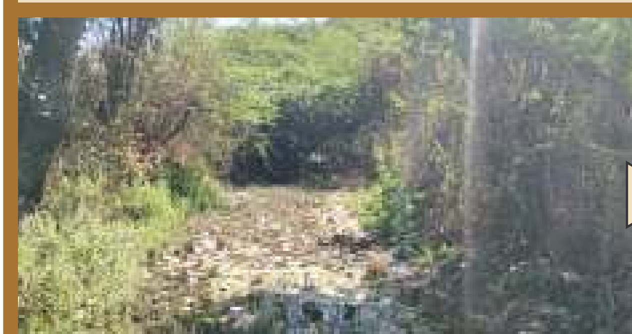
- Enhanced Public Health: Decreased incidents of waterborne diseases, providing significant community health benefits.
- Effective Water Management: Improved conservation and utilisation practices for sustainable resource use.
- Empowered Communities: Fostered healthier lifestyles and personal growth among residents.
- Environmental Preservation: Contributed to the preservation and restoration of the local ecosystem.

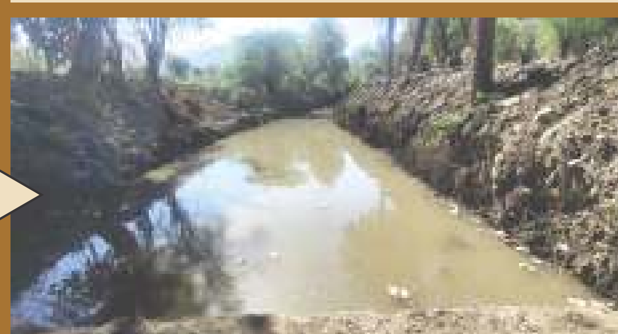

Pre-storage was nil due to complete damage


Post-intervention, there is now 13 million liters of storage and recharging capacity.


Pre - Work in Progress


Post ~ 1450 m3 (1.45mLt storage & recharging capacity

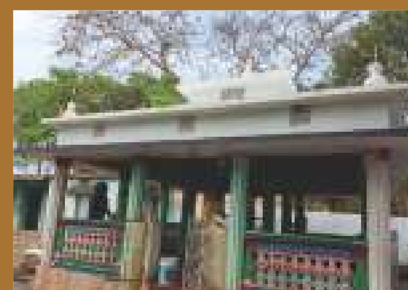

Pre - Work in Progress


Intervention~ 13992.56m3 (13 million Lt of storage & recharging capacity


Muskan Program for Senior Citizen


Plantation Program


Muskan Program for Senior Citizen


Drinking Water Tank at Primary School


International Womens Day Celebration


Eye Camp for Drivers

Rural Development: JK Lakshmi Gramin Vikas Project

Strengthening community engagement through strengthened relationships.

The Gramin Vikas Project prioritises rural development by actively engaging stakeholders to enhance quality of life through improved infrastructure, connectivity, productivity, and market linkages.

Implementation:

- Development of Community Park
- Project Muskaan for Elders
- Construction of a Community Hall

Impact:

- Improved the Physical Infrastructure
- Fostered a sense of social cohesion within the villages, resulting in a more dynamic and empowered rural society

CSR Projects Impact Assessment by an External Agency

The agency conducted an Impact evaluation of interventions in areas such as Education, Livelihood, Skill Development, and Rural Development using the REEIS (Relevance, Effectiveness, Efficiency, Impact, and Sustainability) framework of OECD. Respondents including farmers, teachers, parents, students, PRIs, and the CSR team assessed outcomes of community interventions planned between 2019 to 2023.

Our social interventions have significantly improved the quality of healthcare in the village, with key highlights including:

Impact:

Lives Impacted:

- Benefited approximately 7,099 individuals and 7,935 households directly, impacting a total population of 40,813 over three years.

Enabling Education:

- Significant improvements in student learning and awareness led to increased school re-enrollment.
- Provided scholarships to over 5,000 students for higher studies, with infrastructure support and career counselling.

Empowering Employability:

- Imparted job-oriented skills like stitching, grooming, two-wheeler servicing, mobile repairing, welding, and plumbing to youth, fostering entrepreneurship.
- Offered livestock rearers timely treatment and doorstep vaccination, reducing livestock mortality and enhancing economic stability.

Elevating Wellbeing:

- Contributed to the Har Ghar Nal Yojana under Jal Jeevan Mission, ensuring clean drinking water availability in nearby villages.
- Enhanced healthcare access for tribal communities through timely doorstep services, reducing families' out-of-pocket expenses.
- Improved access to government facilities, making healthcare services more accessible at home, particularly benefiting maternal and child health.
- Increased institutional deliveries in the area, supported by the enhanced skills of Village Level Workers (VLMs) through effective training.
- Nutritional awareness and counselling resulting in improved dietary habits among women, who now include fruits, green vegetables, and pulses in their daily diets.

Key Takeaway:

Our CSR interventions have been centered around an Integrated Rural Development Approach. JKLC intends to persist with this strategy, as it has enhanced the knowledge and capacities of targeted communities.

CSR projects undertaken by entity in designated aspirational districts as identified by government bodies:

As a part our local development initiative under CSR the Company is implementing community development projects in the thematic areas of health, education, livelihood & skilling, sanitation, water & environmental conservation around our business footprints.

Under CSR the Company spent an amount of ₹ 10.48 cr. during the reporting year, which directly impacted the lives of more than 2.66 lakh people.

For FY23 & FY22, the Company spent an amount of ₹ 9.39 cr. and ₹ 4.69 cr. during the reporting year.

S.No	State	Aspirational District	Amount spent (In INR)
1.	Rajasthan	Sirohi	2,81,48,692

Details of beneficiaries of CSR Projects -

As a part our local development initiative under CSR the Company is implementing community development projects in the thematic areas of health, education, livelihood & skilling, sanitation, water & environmental conservation around our business footprints.

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For FY23 & FY22, the Company spent an amount of ₹ 9.39 cr. and ₹ 4.69 cr. during the reporting year.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	JK Lakshmi Aarogya Project	88238	67%
2	JK Lakshmi Vidya Project	20608	37%
3	JK Lakshmi Aajivika Project	44655	82%
4	JK Lakshmi Swajal & Swacchhta Project	54220	80%
5	JK Lakshmi Gramin Vikas Project	58484	64%
6	JK Lakshmi Kaushal Prashikshan Project	581	68%

Social Impact Assessments (SIA) of projects are in the process of being undertaken in the upcoming financial year

Mechanisms to receive and redress grievances of the community-

The CSR team visits communities on a day-to-day basis and meets various stakeholders, including beneficiaries, panchayat representatives, and others. The process of continuous engagement with the community is ongoing. The frequency of the engagement and interaction depends on the nature of the stakeholder; for example, interactions with project beneficiaries in local communities happen on a daily and weekly basis, whereas interactions with panchayats and government line departments occur on a fortnightly and monthly basis. These day-to-day interactions help the CSR team to gather feedback and complaints, if any. The feedback is used to improve and modify CSR projects. This system is informal and has helped to resolve issues and respond to the demands of stakeholders to their satisfaction. The Company also undertakes materiality analysis from time to time as part of its sustainability reporting initiatives. Based on this, respective departments undertake engagement and activities to address materiality issues. Plants have a system of monthly review of all departments that have external stakeholder interfaces.

Customers

With Loyalty Comes Longevity

The strength of a company's reputation depends on its customer satisfaction level. Committed to fostering lasting relationships and exceeding expectations, JK Lakshmi company strives for customer satisfaction and loyalty through professional service, innovative solutions, and continuous improvement initiatives. By listening to feedback, delivering quality products, and maintaining transparency, we aim to build trust and ensure our customers' needs are consistently met.

Highlights of FY 23-24:

- Became the first cement company to reach 600k followers on Facebook
- Recognised as a Super Brand for 2023-2024
- 93% dealers covered in loyalty programme

Advancing Customer Satisfaction and Loyalty

Through dedicated efforts in performance-driven brand building, the Company has cultivated a significant reputation among customers, leaving a lasting impression. Our commitment to maintaining brand recognition and a premium position in the market remains steadfast.

Breaking Views: Capturing Attention

In the financial year, JK Lakshmi Cement amplified the brand's presence by capturing the attention and Mindspace of the Indian audience through strategic sponsorships and innovative campaigns.

- Proudly served as an Associate Sponsor for Black & White, with laptop branding featured on the Special Report on Aaj Tak, capturing substantial brand visibility during prime time.
- Associated as Co-powering sponsors for Sau Baat Ki Ek Baat, a prime time show on News18, enhancing brand exposure.
- Executed impactful campaigns, including Special Days-based L Band Campaigns during State Elections and the Ayodhya Ram Mandir Inauguration.
- Introduced innovative initiatives like the channel flipping Bug and Channel Banners on Tata Sky and Airtel DTH during the IPL season, significantly boosting brand visibility.

Product Information:

Requirements for product and service information and labelling are as per the BIS Regulatory requirements. We follow BIS Regulations for the product packaging and information to be contained in the product packaging.

However, in few cases product benefits are also displayed on the cement bag. The Company has various channels to gather information from the customers on its products.

Additionally, the cross functional team visits the markets and takes feedbacks from various customers and stakeholders on regular intervals. All necessary information as per regulatory requirements are disclosed on all our products. Information on cement bags is governed by BIS.

No instance of product recalls has been undertaken in FY24 on account of safety issues.

Cementing Championship: Welcoming Cricket Captain as our Brand Ambassador

Continuing our longstanding association with Indian Cricket, we were honoured to welcome the Indian Cricket Team Captain 'Rohit Sharma' as the brand ambassador for JK Lakshmi Cement. Furthermore, our strategic campaign, "India Ka Best Performer," resonated deeply with our audience, showcasing the exemplary performances of both JK Lakshmi and Rohit Sharma in their respective domains.

Our digital brand-building initiatives focused on captivating the target audience through impactful campaigns, engaging contests, and compelling content.

Brand building outcomes on Digital Media:

- JK Lakshmi Cement became only the First Cement Company to reach 600 k followers on Facebook with 27% increase in followers during the year.
- 20% increase in followers on LinkedIn with 7th position in industry
- 15% increase in followers on Instagram with 7th position in cement industry
- Listed more than 3500 Dealers on Google My Business for better reach and Engagement.

On-ground Buzz: Outdoor Communications Initiatives

Given the critical importance of visibility near our plant locations, we strategically invest in extensive outdoor advertising. This approach ensures heightened brand awareness locally, reinforcing our presence and fostering deeper connections with our community stakeholders.

- 1.7 Crore+ sq. ft wall painting/ shop painting.
- 17.28 Lakh+ sq. ft Impact wall paintings.
- OOH campaigns at airports – Ahmedabad, Raipur and Udaipur.
- Innovative low floor bus campaign at Udaipur.
- Installed the biggest (bag size 26ftx16ft) innovation on such a huge height of approx. 50ft from ground level. We have placed bag to give 3D effect/emboss with LED light effect from back side.
- 238 walls wrapped at major route.
- Boat branding at Varanasi Ghats for more visibility.

Gathering Attention. Garnering Recognition

The above initiatives taken by JK Lakshmi Cement were recognised and notably awarded. Some of the awards bestowed on the company in the year 2023 are mentioned below:

- JK Lakshmi Cement has the most number of followers on Facebook in cement industry.
- JK Lakshmi Cement awarded as the Super Brand of the Year 2023.
- JK Lakshmi was recognized as Economic Times Iconic Brand of the year 2023.
- JK Lakshmi was recognised as Third fastest growing Indian cement company in the large category at the 6th Indian Cement Review Awards.
- JK Lakshmi Cement Ltd. was awarded MTM Star Award 2023

Technical Service Cell

Our Technical Service Cell comprises a proficient team of qualified civil engineers dedicated to supporting customers throughout the pre- and post-sales processes. Their primary objective is to foster brand awareness and stimulate demand. Technical officers regularly conduct on-site visits to discern the requirements of individual house builders and implement corrective measures based on market feedback, thus enhancing product attributes. The TSC team is committed to resolving customer complaints promptly, with site visits typically conducted within 24-36 hours. Team brings product attributes through live demonstrations, emphasizing structural durability by offering services such as the application of cover blocks and shuttering tapes to prevent cement slurry leakage, slab supervision with comprehensive checklists, and guidance on optimal construction practices including cement and concrete ratio. Moreover, we provide customized Design Mix of concrete tailored to locally available materials at construction sites. These endeavours have resulted in significant demand generation, evidenced by the conversion of numerous sites from competing brands to ours over the past year.

Additionally, we operate Mobile Concrete Labs (MCL) in key markets, offering an array of technical services including quality assessment of construction materials and testing of fresh concrete and concrete cubes directly to consumers at their construction sites.

Engagement with the Technical Team

As a regular practice, JK Lakshmi Cement organises training sessions and meetings for users of cement through its efficient team of civil engineers in its Technical Services Cell. Communication on best construction practices is shared time to time.

These events serve as a means of skill development for influencers, enabling them to stay updated on best construction practices & new construction techniques while contributing to the progress of India.

Also, by his site guidance visits he helps consumer in best construction practises and extends his support for his construction supervision.

Various demand generation activities done 23-24 are listed below:

- **2.60 lakh+ Site visits**
- **3500+ Site guidance activities**
- **17000+ Product quality demos**
- **14000+ Slab supervisions**
- **370+ Individual household builder meets.**
- **2.16+ lakh ton conversion**
- **1100+ Road Shows**

Data Privacy

Our cyber security and data privacy is available on:
//www.jklakshmicement.com/privacy-policy/

Number of consumer complaints :

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	No compliant received	0	0	No compliant received
Advertising	0	0	No compliant received	0	0	No compliant received
Cyber-security	0	0	No compliant received	0	0	No compliant received
Delivery of essential services	NA	NA	-	NA	NA	NA
Restrictive Trade Practices	NA	NA	-	NA	NA	No compliant received
Unfair Trade Practices	NA	NA	-	NA	NA	No compliant received
Others (Related to Consumers)	194	0	Resolved	178	0	Resolved

Channel Partner's Support:

We focus on delighting our channel partners by ensuring that they remain motivated, engaged and satisfied by working with us. We ensure brand visibility around the catchment areas of their shops through wall and shop painting. In addition to that, In-shop branding, merchandising items, display standees and boards help to maintain the brand visibility on their shops.

Some of the initiatives undertaken in FY 2023-24:

- 2500+ Dealer boards
- 3000+ Retailer and small consignee boards
- 440+ Dealer shop hoarding
- 500+ Inshop branding

We engage with our channel partners in various ways to motivate, incentivise and reenergise them by conducting various engagement events like live matches in stadium, live screening of matches in multiplexes, Meet & Greet Event with Brand Ambassador, festive meets, annual dealer conferences at exotic locations, One such noteworthy event was "Achiever's Conclave" that was organised at Turkey, where high-performing sales promoters were felicitated along with their spouses.

Loyalty Programme:

We have combined all-dealers programs, which were formerly known as JK Lakshmi SKY (JK Lakshmi Cement) and Bhagyashree (JK Sixer) Sankalp (UCWL), and clubbed them into one program, SKY: Climb to Success. The new avatar of SKY program is designed in 2023 to ensure that our valuable members are benefited more through better rewards, higher engagement, more recognition opportunities and seamless support at each stage. Easy to use technology processes – Earning, Member Management, Redemption, Allocation.

Highlights of FY 2023-24:

- 64% Active dealers are part of Loyalty program members.
- Unified App for all three brands Program (JK Lakshmi Cement, JKLC Sixer and UCWL)
- Attractive Look of new App with Inbuilt Functionality of rewards and Redemption window.
- Members of President Club flown to turkey tour that have organized by JK Lakshmi Cement. 86 Members have participated in this tour.
- Redemption Window enabled for all dealership with attractive rewards in Nov'23
- 5.5 Crores points were redeemed during the redemption window in Nov'23
- Engagement Campaign - Republic Day Quiz and contest. 355 dealers have participated in this contest.
- Early Bird Schemes to get additional Points benefits on placing orders in first 15 days of Month.
- Visibility of earned points very next day of invoicing.
- Push Notification and in app notification in SKY App.

Influencers' Relationship:

In our ongoing commitment to fortify relationships and foster stronger bonds with masons and contractors, we have implemented a mobile app-based loyalty program for our brands, boasting over 1.5 Lac members. This initiative serves to incentivize masons and contractors to advocate for our products to end users, with ongoing efforts to enhance engagement. Among our endeavours is the organization of quiz programs within the JK Lakshmi Vishwas App, tailored specifically for masons and contractors. These programs aim to augment their technical proficiency, refine their craftsmanship, and cultivate enduring connections. Additionally, we have hosted various competitions for the children of Vishwas members, enriching the community experience. Furthermore, we extend accidental insurance coverage to Vishwas program members through group personal accident (GPA) policies, with the company covering the premium on behalf of members and providing coverage up to Rs 2 Lacs, subject to insurance company terms and conditions.

As part of our standard practice, JK Lakshmi Cement conducts training sessions and meetings for contractors through our proficient team of civil engineers within the Technical Services Cell. These events serve as platforms for skill enhancement, enabling influencers to remain abreast of best construction practices and emerging techniques, thereby contributing to India's progress. These sessions have garnered significant participation, underscoring JK Lakshmi Cement's steadfast dedication to supporting influencer skill development. Additionally, we organize Health Camps and Career Counselling sessions for the families of masons and contractors under our CSR policy.

To recognize and commend the contributions of architects and engineers in elevating the JK Lakshmi Cement brand to prominence, we have established the "JK Lakshmi SAMMAN" loyalty and rewards program, with over 5000 architects and engineers enrolled. Moreover, we have facilitated a series of Knowledge Sharing Sessions (KSS) tailored for architects and engineers, fostering invaluable exchanges of insights and expertise. Influencer engagement activities done in the year 2023-24.

- 1100 + Mason meets.
- 1200 + Contractor meets.
- 4000 + Shop counter meets of contractors & masons.
- 1300 + Concrete labour gang meets.

Suppliers

Proportion of spending on local suppliers

More than 80% (except fuel) are sourced from local suppliers. Material such as PP bags, spares & raw material comprises of the input materials which are sourced locally.

Procedures for sustainable sourcing:

JK Lakshmi Cement Ltd. (JKLC) has developed and implemented sustainable sourcing for its all kinds of input materials. The company has developed a sustainable supply chain with utilization of Green Procurement criteria for vendor assessment. The company prefers those vendors which are ISO certified and have robust policies for environment and sustainable development.

Sustainable sourcing is part of JKLC sourcing & Suppliers Business Partner Management practices. JKLCL is having digital vendor registration process in place with which vendors being surveyed while registration on sustainable system in place with them like "Social accountability, ESG aspects, wastes management, ISO's registration, etc.". On successful completion of survey, vendors can only proceed further for registration. The Company is committed to conducting business only with those business partners who can align with the filtering criteria laid down during the on-boarding process.

As a part of sustainable sourcing, the company prefers local and indigenous material as per the availability. In FY 2023-24, 24.91% of input raw material (AFR - Recycled) used for production of cement is recycled in nature from industrial waste. 100% of inputs were sourced sustainably.

The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the JKLCL in all their business affairs. No specific assessment in respect of value chain partners has been carried out other than certain covenants where some of these parameters are being monitored closely. While inducting any new suppliers they are assessed on above parameters and also the same is the part of every contract/Purchase order.

Percentage of input material (inputs to total inputs by value) sourced from suppliers:

		FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	PP Bags	75%	71%
	Spares	11%	11%
	Raw Material	5%	2%
Directly from within India	Fuel	67%	69%
	PP Bags	100%	100%
	Spares	90%	83%
	Raw Material	100%	100%

A preferential procurement policy is being developed by JKLC.

Negative social impacts in the supply chain and actions taken:

To mitigate risk, JKLC included the following clause in the Purchase Order (PO): no use of child labor, no use of forced or compulsory labor, no use of corporal punishment, mental or physical abuse, or abusive language, no discrimination against employees, and compliance with applicable laws and industry standards, including government regulations on working hours and minimum wage requirements.

Assessments of value chain partners:

	% of value chain partners (by value of business done with such partners) that wereassessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others - please specify	-

Health & Safety assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	No assessments were conducted during FY 2023-24. However, these considerations are standard terms of our contracts to maintain the best standard of health & safety practices.

Addressing significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

S. No.	Plant	Initiative	Impact
1	Sirohi & Kalol	Dedicated lane for LNG Vehicle	Enhanced safety
2	Sirohi	PPE Booth	Enhanced PPE Compliance
3	Durg	Installation of lifeline structure near raw material yard for safety during tarpaulin removal from truck	Prevention of drivers falling from height
4	Durg	Installation of audio alarm in Dumpers to alert the operator while dala is in raised condition	Drivers mistake-proofing and prevention of dumper toppling / hit with overhead structure
5	Durg	Installation of a water tank	Washing facility
6	Kalol & Cuttack	Construction of Drivers Rest Room	Proper rest & enhanced efficiency and safety due to fatigue prevention
7	Kalol	Platform for sample collection Near Bulk Loading	Prevention of Drivers fall from height
8	Surat	Installation of lifeline structure for safety during Bulker Door Opening & Closing and tarpaulin removal from truck	Prevention of Drivers fall from height
9	Surat & Amethi	Construction of a Shed for loading / Unloading Trucks in rainy Season	Prevention from rain

Security

Security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security.:

FY24	FY23	FY22
100	95	90


JK LAKSHMI CEMENT
Superbrands 2023-24
INDIA'S BEST PERFORMER
JK Lakshmi Cement, India's Best Performer, plays a long innings in ensuring the durability and strength of every construction, be it your dream home or any construction need.
Best Durability
Best Strength
Best Finishing
Best Quality
JK LAKSHMI CEMENT
JK LAKSHMI PRO+ CEMENT
India, Ab Soch Karo Buland.
Customer Helpline: 1800 102 5097 | Vaani 2.0 (Virtual Assistant): 8448454964
www.jklakshmicement.com

Note on Assurance

The Integrated Annual Report for JKLC, for period 1st April 2023 to 31st March 2024 has been externally assured on non-financial ESG parameters, covered under organization's material topics, by Bureau Veritas (India) Pvt. Ltd. in-line with GRI universal standards 2021, 'with reference' reporting criteria, following AA1000AS V3 assurance standard for Limited Assurance.

The Integrated Annual Report for JKLC, for period 1st April 2023 to 31st March 2024 has been externally assured on nonfinancial ESG parameters, by Bureau Veritas (India) Pvt. Ltd. in-line with SEBI-BRSR core criteria, following ISAE 3000 assurance standard on Limited Assurance.

The Carbon footprint (Scope 1 & Scope 2) report for JKLC, for period 1st April 2023 to 31st March 2024 has been externally assured by Bureau Veritas Industrial Services (I) Pvt. Ltd. in-line with ISO 14064-1:2018 at limited level assurance.

The Original Certificates can be viewed on:
https://www.jklakshmicement.com/assurance-certificate/

BOARD'S REPORT

Dear Members,

Your Directors have the pleasure in presenting the 84th Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended 31st March 2024.

FINANCIAL RESULTS

₹ in Crore

Particulars	2023-24	2022-23
Sales & Other Income	6,383.78	6,133.28
Profit before Interest, Depreciation & Tax (EBIDTA)	927.76	766.50
Profit before Depreciation & Tax (PBDT)	840.53	675.00
Profit after Tax (PAT)	425.37	330.23

DIVIDEND

Yours Directors are pleased to recommend for your approval a final Dividend of ₹ 4.50/- per Equity Share (90%) on the Equity Share Capital of ₹ 58.85 Crore for the Financial Year ended 31st March 2024, in addition to the Interim Dividend of ₹ 2/- (40%) per Equity Share already paid during the year, aggregating a total Dividend payout of ₹ 6.50/- per Equity Share (130%) for the aforesaid year. Total Dividend outgo for the year is ₹ 76.50 Crore.

RESERVES AND APPROPRIATIONS

The amount available for appropriation including Surplus for the Year stood at ₹ 2,025.23 Crore. The Directors propose this to be appropriated as under:

₹ in Crore

Particulars	2023-24	2022-23
Dividend	67.66	58.84
Surplus carried to Balance Sheet	1,957.57	1,599.86
Total	2,025.23	1,658.70

PERFORMANCE REVIEW

The better-than-expected growth in Q2 of FY 2023-24 and the emergence of India as the fastest-growing major economy in H1 of FY 2023-24, improved the growth prospects and prompted various domestic and international agencies to upgrade real Gross Domestic Product (GDP) growth projections for FY 2023-24. After clocking real GDP growth of 7% in FY 2022-23, real GDP grew by ~7.6% during FY 2023-24. The urban component has strengthened consumption while rural demand is beginning to pick up. The Government Capex has increased the investment rate while private investment is showing promise. The strong domestic demand has consequently induced a significant increase in manufacturing and services value-add. Globally, however, trends are different. A tightened monetary stance has weakened global economic activity. Increase in policy rates have tapered inflation but not sufficiently low to meet the country targets. This may prolong monetary tightening and cause a still lower growth of the global output.

Demand growth is anticipated to moderate over the medium term, reflecting a recalibration from a high baseline. The year preceding elections, coupled with a pronounced emphasis on housing and robust capital expenditure allocations in the Union Budget for the fiscal year 2023-24, resulted in a growth of 9% in Cement demand over the previous FY. Significant capacity additions and moderation in cement volume growth are expected to constrain Pan India average capacity utilization levels below 70% over the medium term. Higher capacity additions, particularly by large players, are driven by the overall positive long-term growth story offered by India's macroeconomic factors. The initial price increases undertaken at the beginning of Q3FY24 have been predominantly reversed by the quarter's end, due to heightened competitive intensity among market participants and cooling off in cost components vis-à-vis the peaks witnessed earlier in FY23. Uncharacteristically for the cement industry, prices declined further in Q4FY24. It is anticipated that cement prices will continue to be subdued.

Cement volumes were higher by ~9% YoY at ~425-430 million MT in FY 2024, driven by demand from the urban housing and infrastructure sectors. Capacity additions increased by around 40 Million Tonnes Per Annum (MTPA) in FY2024, driven by healthy demand prospects. The capacity utilisation increased to 68% in FY2024 backed by higher cement volumes, however, the utilisation remained moderate, on an expanded base. At the start of Q3FY24, the industry reported price hikes in various regions, however, a large portion of it was rolled back by the end of Q3FY24 on account of demand growth moderation. Prices in February and March 2024 have registered de-growth by 2-4% from Q3FY24 exit levels. The average pan-India cement prices fell by 1.5% on a YoY basis during FY24. Cement manufacturers passed on the benefit of the reduction in input costs, partly to the end customers. Prices sliding in Q4 is a rare phenomenon in the cement industry as demand is generally at its peak and this is generally the strongest quarter in the industry. In 11M FY24, the prices of coal, pet coke and diesel were lower by 46%, 33% & 1% respectively, on a YoY basis.

The cement demand growth is projected to moderate to 7% - 8% during FY25 owing to the general elections and the new government taking shape in the first quarter, followed by the onset of monsoons in the second quarter. The realizations going forward are expected to largely remain flat or decline by 2-3%. Any sharper decline in the prices shall impact the earnings of the players and will impact return indicators. Any major supply-demand mismatch in the industry will further impact the prices and realizations of manufacturers.

During the FY 2023-24, the Company's Cement Production at 95.09 Lac Tonnes was marginally higher than 93.82 Lac Tonnes achieved during the last Financial Year. The Company's Sales during the FY 2023-24 were slightly up at 96.08 Lac Tonnes against 94.79 Lac Tonnes logged in the last Financial Year.

To reduce the surging cost impact on margins, the Company has been assiduously working on adopting innovative solutions such as waste heat recovery, solar or renewable energy and improving its operational efficiencies at all levels and maximizing its realisation per tonne by optimising the product mix, introduction of new brands and augmenting the distribution network and optimising its distribution cost. The Company could maintain its Net realization despite price corrections being seen in major markets.

The Company has always been committed to sustainable growth. In FY2023-24, our renewable energy share accounted for 38% of our total energy usage, one of the industry's best rates. We aim to increase this share to above 48% in FY 2024-25. Additionally, we are actively working to expand our use of Alternative Fuels and Raw Materials (AFR), minimize water consumption, and lower carbon emissions. Through various such efforts, we have successfully reduced CO_2 emissions, decreasing emissions to 586 kg per ton of cement equivalent in FY 2023-24 in Scope I & Scope II from 599 kg per ton of cement equivalent in FY 2022-23.

Our specific water consumption is also one of the lowest in the industry and we aim to become 5 times water positive in the FY 2024 -25.

These measures towards sustainable operations shall stand in good stead in time to come and help the Company to raise finances at a lower cost for its future growth plans and ambitions.

The Company registered an EBIDTA of ₹ 927.76 Crore as against ₹ 766.50 Crore in the previous Financial Year, while the Net Profit is at ₹ 425.37 Crore as against ₹ 330.23 Crore in the previous Financial Year.

SMART BUILDING SOLUTIONS

The Company progressive and innovative R&D facility continues to innovate and bring various Smart Building Solutions (SBS) to meet emerging customer demand proactively. Company's SBS has a vast portfolio of eight solutions designed to meet different stages of construction requirements. SBS, which account for 9% of our total sales, play an important role in driving the segment's growth. We recorded 15% Y-o-Y increase in sales of value.

SUSTAINABILITY

At JK Lakshmi Cement Ltd. (JKLC), sustainability has always been at its core of business strategy and operations. As a responsible corporation, JKLC is striving to drive its business sustainably through focussed action, collaboration, advocacy and thought leadership.

Your Company is committed to reducing carbon emissions and promoting resource efficiency throughout its operations. Environmental responsibility is our top priority and we have implemented a comprehensive strategy to minimize our footprints. The Company believe that sustainable practices lead to greater efficiency and we continuously look for ways to go green while optimising cement production. The Company is committed for net zero by 2047 and we are striving to achieve this by adopting energy-efficient technologies, utilizing alternative fuels and raw materials, doubling our energy productivity & increased use of renewable energy and actively conserving natural resources like limestone, gypsum, water and energy. We are increasing the use of renewable energy sources like solar power and Waste Heat Recovery (WHR) in our cement production processes. As a Company, we are currently at 40% renewable energy use for electricity, with a firm target of 100% by 2040. Our Durg plant is meeting nearly 80% of its energy needs with renewable sources like solar power. The Company is also focusing on blended cement to further reduce Greenhouse Gas (GHG) Emissions. Additionally, we have implemented pre and co-processing systems at our Sirohi plant to achieve this goal. Looking ahead, the Company is targeting a group-level Thermal Substitution Rate (TSR) of 20% by 2030, with our Durg plant already achieving 7%. The Company is also adopting LNG and electrical vehicles in its fleet to reduce CO_2 emission.

The Company has adopted a circular economy approach, incorporating alternative fuels and raw materials. Our dedicated research and development centre explores solutions for waste management and resource optimization. The Company utilizes industrial waste like fly ash, slag and gypsum, thereby not only reducing our dependence on virgin resources but also contributing to responsible waste disposal.

Various initiatives like above have helped the Company in reducing the carbon emissions over the years. These initiatives demonstrate your Company's commitment to build a sustainable future for generations to come.

Your Company has implemented several water conservation measures like rainwater harvesting, wastewater treatment and recycling. Additionally, green belts around our manufacturing units promote biodiversity and mitigate air pollution. Your Company is also approximately 4 times water positive. We are committed to responsible sourcing of raw materials to minimize our environmental impact and promote sustainable supply chain practices. We recognize that as we increase our production capacity, it is essential to ensure that our sourcing practices align with our sustainability goals.

As a responsible entity, the Company has always taken steps for community development through its various Corporate Social Responsibility (CSR) initiatives and the social performance improvement covers its entire value chain which has been the commitment of the Company.

DE-LEVERAGING AND INTEREST REDUCTION

The Company has been continuously focussing on reducing its Debt for the last 3-4 years and has been able to bring down its Debt from over ₹ 2,000 Crore in March 2018 to about ₹ 700 Crore as on 31st March 2024. Net Debt has been down from ₹ 1,560 Crore in March 2018 to a level of only ₹ 208 Crores as on 31st March 2024. Correspondingly, the Debt Equity Ratio has come down from 1.39 as of 31st March 2018 to 0.23 as of 31st March 2024 & Net Debt Equity Ratio has significantly reduced from 1.08 as of 31st March 2018 to a meagre 0.07 as of 31st March 2024. As a result of Deleveraging, efficient Working Capital and prudent Financial Management, the Interest Cost of the Company came down from ₹ 91.50 Crore to ₹ 87.23 Crore during the current Financial Year.

CREDIT RATING

Efficient Debt Management and improvement in various Operating parameters have enabled the Company to maintain its Long-term Credit Rating from CRISIL and CARE at AA (Double A) with a Stable Outlook. The Company continues to enjoy the highest possible rating of A1+ (A One Plus) from both CRISIL and CARE for its short-term borrowings.

Key Highlights: Financial Year 2023-24

During the Financial Year 2023-24, the Company has achieved several new landmarks, few of which are given hereunder: -

1. **Turnover crossed ₹ 6,000 Crore**
   - Turnover at ₹ 6,320 Crore increased by 4% during FY 2023-24.
   - All Grinding Units achieved record Production and Dispatches.
2. **Reduction in Debt**
   - Reduced Borrowings by ₹ 102.59 Crore. - Increased Liquidity.
   - Improved Leveraging and Other Financial Ratios.
   - Reduction in Interest Costs.
3. **Reduction in Interest Cost**
   - Interest Cost reduced from ₹ 91.50 Crore to ₹ 87.23 Crore.
   - Prepayment of Loans.
   - Efficient Working Capital Management.
4. **Green Initiatives**
   - 7 MW Solar Power Plant planned in the coming year.
   - Commissioned the first of its kind a Floating Solar Power Plant of 1 MW at Udaipur Cement Works Limited.
5. **Supply Chain Management**
   - Implemented OTM system for Efficient Logistics Management.
   - First Cement Company to deploy LNG trucks to reduce CO_2 emissions.
   - Deployed Bulk Containers for dispatches.
6. **Increased ESG Culture**
   - Reduction of CO_2 emission across Plants.
   - Share of Renewable Energy increased to 39% (consolidated).
   - Increased use of AFR.
   - Reduced Water consumption.
7. **Brand Building**
   - Increased share of premium products.
   - Leveraged Digital media and increased Customer connectivity across segments.
   - Increased Product positioning and Market share in key markets.
8. **Digitalization**
   - Rapid digitalization across functions.
   - Optimization of Systems and Processes.
   - Plant Efficiency improvement.
   - Efficient Capital Working Management.
9. **Focus on Smart Building Solution (SBS)**
   - SBS recorded 15% growth in Turnover to ₹ 551.27 Crore.
   - Increased Market Share
   - Focus on Market Penetration

AWARDS AND RECOGNITIONS

Your Company has been bestowed with prestigious awards on both national as well as international level. Some of the accolades and awards received during the year are as follows:

- Lifetime Achievement Award (2023) to Smt. Vinita Ji Singhania at the 7th Indian Cement Review Awards 2023.
- Smt. Vinita Ji Singhania has been recognized amongst '100 Most Influential Women' (2023) by Business World.
- Fastest Growing Cement Company (Medium Category) at the 7th Indian Cement Review Awards 2023.
- Surat Grinding Unit Awarded by CII - Energy Excellent Unit Award -2023

PROGRESS OF THE PROJECTS, EXPANSIONS AND ACQUISITIONS

Udaipur Cement Works Ltd. (UCWL)

During the Financial Year 2023-24, UCWL successfully commissioned its 2nd Clinker Line of 1.50 MTPA and Cement Grinding Unit with capacity of 2.50 MTPA, at its integrated Cement Plant in Udaipur, Rajasthan. With this, UCWL's total Clinker Capacity doubled to 3 MTPA and Cement capacity increased from 2.20 MTPA to 4.70 MTPA.

JK Lakshmi Cement Ltd. (JKLC)

During the Financial Year 2023-24, JKLC has acquired 100% Equity Shareholding of Hidrive Developers and Industries Pvt. Ltd. (HDIPL). HDIPL owns a Non-Agriculture Industrial Plot admeasuring 56,960 Sq. Mts. ('Land') located at Surat, adjacent to Grinding Unit of JKLC. The Land is being used for putting up an Additional Grinding Unit of 13.50 Lakh TPA over a period of two years. Thus, HDIPL has become Wholly Owned Subsidiary ('WoS') of JKLC during the year.

JKLC has acquired 20.80% Equity Shareholding of Amplus Helios Pvt. Ltd., a Special Purpose Vehicle (SPV) engaged in the business of setting up, generating and distributing power from solar power plants in India. This SPV is used for sourcing of Solar Power of 40 MWAC for Durg Unit under the Captive Power Plant Model under the Power Purchase Agreement entered into between SPV and the Company. Thus, the said SPV has become Associate of JKLC during the year.

JKLC has also acquired 85% Equity Shareholding of Agrani Cement Pvt. Ltd. ('Agrani'). Consequent to acquisition of Agrani, Trivikram Cement Pvt. Ltd., Mahabal Cement Pvt. Ltd. and Avichal Cement Pvt. Ltd., WOSs of Agrani have also become subsidiaries of JKLC. All these four Subsidiaries of JKLC are collectively referred as 'Trivikram Consortium'. The companies forming part of Trivikram Consortium have been jointly granted Mining Rights in Assam having Limestone Reserves of Approx. 335 Million Tonnes. Further, the Consortium will be utilised for setting up a Clinkerization Unit of 1 Million Tonne & Cement Grinding Unit of 1.5 Million Tonne in the First Phase. Thus, acquisition of Trivikram Consortium is in synergy with long -term strategic objective of the Company in the Cement business.

INTERNAL FINANCIAL CONTROLS

The Company has in place a strong Internal Financial Control System, Policies and Procedures which ensures accuracy and completeness of Accounting Records and helps also in timely preparation of the reliable Financial Statements. These Internal Financial Control Systems are designed for safeguarding the assets of the Company and for the prevention and detection of errors & frauds commensurate with the size, nature and complexities of the Operations of the Company. These Policies and Procedures were found by the Statutory Auditors of the Company to be adequate for smooth, orderly and efficient conduct of the business of the Company.

The Company has in place specific Standard Operating Practices (SOPs) for its various functions. These SOPs are periodically reviewed by the External and Internal Auditors of the Company and exceptions are reported for corrective actions.

The Internal Financial Control Systems are regularly reviewed to ensure their effectiveness, taking into account the essential components of Internal Financial Controls as stated in the Guidance Note on the Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on such assessments carried out by the Management, no reportable material weaknesses in the adequacy in the System of Operations of Internal Financial Controls were observed during the year.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is a socially responsible corporate citizen which truly believes that business priorities co-exist with commitment for inclusive development. The guiding principle of the Company has been to build foundation of compassion and inclusivity that strengthens not only our organisation but also the communities we serve. Since its inception and well before the CSR law came into existence, serving the society towards improving the quality of life of the communities at large has been a priority and commitment for the Company. The concept of socially responsible business is deeply ingrained in our corporate DNA right from the inception and we have been pioneering and delivering multiple need based and high impact CSR projects for needy & vulnerable communities and families living around our business operations. The Company's CSR core focus is to strengthen community relationship and to bring sustainable change in the quality of life of neighbourhood community through innovative solutions in Education, Health, Water & Sanitation, Skills Development, Livelihood Promotion and Rural Development. During the reporting period, CSR vision was modified to align with Company's purpose, vision and mission. Accordingly, Company's CSR vision is to be an environmentally & socially conscious corporate citizen, harmoniously coexisting with its empowered and prosperous communities and delivering unparalleled experience for its stakeholders for a sustainable and shared future.

The Company has adopted life cycle approach and designed & delivered various CSR projects for all age groups – pregnant mothers, infants, children, youth, adults and old age people. Through its various need based and high impact CSR projects, the Company has been able to directly impact and bring positive changes in the lives of more than 2.40 Lakh people spread across its business operations.

During the reporting period, the Company designed and implemented community need based CSR projects and targeted marginalised & vulnerable families with an aim to improve their lives through projects like JK Lakshmi Aarogya, Vidya, Aajivika, Swajal & Swachhta, Gramin Vikas, Kaushal Prashikshan, etc. To give big impetus to youth education, skilling & livelihoods, the Company inaugurated Shripati Singhania Skill Centre at its plant in Pindwara, Sirohi, Rajasthan with a motto of "Transformation through skilling". This skill centre aims at providing multiple educational improvement and skilling opportunities including coaching, mentoring, employability & job readiness, career counselling, digital literacy and other capacity building initiatives for bringing transformational changes in the lives of youth.

The Company demonstrated its commitment towards CSR and implemented several "Ongoing Projects" in thrust areas of Health, Water & Sanitation, Education, Skilling & Livelihood and Rural development. Under Project Aarogya, medical camps were organized, reproductive and child health services were delivered at the doorsteps to reduce maternal and infant's mortality among tribal communities, while at few locations, food kits were provided to Multi-Drug Resistant -TB patients from poor families to improve their nutritional status for speedy recovery. The Company undertook activities for holistic development of adolescents under Project Vidya and also organized bridge and remedial classes for out-of-school and school drop-out children for their mainstreaming into government schools, supported government schools for improvement in physical & classroom infrastructure and facilities, provided various types of support to students and continued our support to schools working for Special children and their families. The Company also initiated Navodaya Coaching at various plant locations with a focus on preparing Vth Standard students from rural families for admission in "Jawahar Navodaya Schools". Needy and meritorious students were provided scholarships to support their school, college and technical education like ITI, Polytechnic, Nursing and B. Ed. under JK Lakshmi Vidya Scholarship project. Number of students from schools and colleges were provided books and coaching support for various competitive examinations. Under JK Lakshmi Aajivika project, the Company undertook multiple on-farm and off-farm activities including small enterprise development, skill trainings and vocational trainings to support youth and families to ensure sustainable income. The Company has undertaken several activities for empowering youth and families with focus on women & girls in the areas of education and for income generation through providing trainings on various trades and skills like Madhubani painting, computer, stitching, beautician, motor driving etc. Under JK Lakshmi Aajivika Project, the Company undertook employability & entrepreneurship trainings and supported number of youth and families in setting up of small businesses for income generation. Under JK Lakshmi Gramin Vikas project, the Company supported infrastructure development in the nearby communities. Under JK Lakshmi Swajal and Swachhta project, the Company's initiatives include setting up water facilities for domestic use, repair of anicut for watershed development, pond deepening, setting up of water huts, provision of water tanks and recharging of water bodies, fogging, door to door garbage management, among others. These initiatives in the CSR benefited number of disadvantaged, vulnerable and economically marginalized communities like Scheduled Castes and Scheduled Tribes, Below Poverty Line families, small and marginal farmers, landless groups, women-headed families, special children, person suffering with chronic diseases like MDR-TB and youth with no skills for either employability or resources for small business. The Company also strategically endeavoured towards facilitating "last-mile-connectivity" for the poor to access various State and Central Govt. Schemes aimed at poverty alleviation. During the reporting year, the Company started Community Development CSR projects in the nearby villages around mines in Nagaur, Rajasthan.

During the year under review, the Company's CSR initiatives have been able to bring qualitative changes in the lives of the communities around its plant locations. One of the key impact has been empowerment of women due to improvement in their income resulting into their higher familial and societal status.

Your Company is also promoting employee engagement in various CSR projects to create socially responsible behaviour among its employees. Number of employees were provided appreciation certificates for their contribution to CSR activities. The Company received number of accolades, awards and appreciation letters for its meaningful and life-changing CSR initiatives during the year. The Company's CSR team made a presentation at 3rd International Conference on CSR (ICCSR) on "Addressing needs of newborn in the community and at home" project being implemented at Jaykaypuram Unit in Sirohi, Rajasthan. The Company's Jharli Unit in Haryana received most impactful livelihood initiative of the year Award at Indian CSR Awards 2023.

The Company has requisite Corporate Social Responsibility Policy in accordance with the provisions of the Companies Act, 2013 ('Act') and the Rules made thereunder, as amended. The CSR Policy along with brief description of CSR projects are disclosed on the website of the Company at www.jklakshmicement.com.

The Annual Report on the CSR activities undertaken by the Company during the Financial Year under review, in the prescribed format, is annexed to this Report as Annexure 'A'.

RELATED PARTY TRANSACTIONS

During the Financial Year ended 31st March 2024, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on an arm's length basis and were in compliance with the applicable provisions of the Act and the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Form AOC-2 containing the details of the material Related Party Transactions entered into during the Financial Year 2023-24 as per the Related Party Transactions Policy (RPT Policy) is annexed as Annexure 'B' to this Report and forms part of it. The RPT Policy is available on the website of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

The particulars of loans given, guarantees or securities provided, and investments made as required under Section 186 of the Act are given in the Notes to Financial Statements and forms part of this Report.

CONSERVATION OF ENERGY, ETC.

The details as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 are annexed to this Report as Annexure 'C' and forms part of it.

AUDITORS & THEIR REPORTS

(a) Statutory Auditors

In accordance with the provisions of the Act and Rules made there under, M/s S.S. Kothari Mehta & Co. LLP, Chartered Accountants, were re-appointed as Statutory Auditors of the Company for their second term of five consecutive years from the conclusion of the 80th Annual General Meeting (AGM) held on 28th August 2020 until the conclusion of the 85th AGM to be held in the year 2025.

The observations of the Auditors in their Report on Accounts and the Financial Statements, read with the relevant notes are self-explanatory. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. Further, no fraud has been reported by the Auditors to the Audit Committee or the Board.

(b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, the Board of Directors appointed Shri Namo Narain Agarwal, Company Secretary in Practice, as Secretarial Auditor to carry out Secretarial Audit of the Company for the Financial Year 2023-24.

The Report given by him for the said Financial Year in the prescribed format is annexed to this Report as Annexure 'D'. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

(c) Cost Auditors

M/s R.J. Goel & Co., Cost Accountants, conducted the Audit of cost records of the Company for the Financial Year 2022-23 and as required, Cost Audit Report was duly filed with the Ministry of Corporate Affairs, Government of India. The Company has duly maintained requisite Cost Accounts and Records pursuant to Section 148(1) of the Act.

The Audit of the cost records of the Company for the Financial Year 2023-24 is being conducted by the said firm and the Report will be duly filed.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the Financial Year 2023-24 have been prepared in accordance with the Act read with the Rules made thereunder and applicable Indian Accounting Standards. The audited consolidated financial statements together with Auditors' Report form part of the Annual Report.

In compliance with Section 129(3) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries and associates included in the consolidated financial statements is presented in a separate section in the Annual Report. Please refer AOC-1 attached to the financial statements in the Annual Report.

Pursuant to the provisions of Section 136 of the Act, the financial statements, the consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company. During the Financial Year under review, Hidrive Developers and Industries Pvt. Ltd., Agrani Cement Pvt. Ltd. and its WOSs i.e. Trivikram Cement Pvt. Ltd., Mahabal Cement Pvt. Ltd. and Avichal Cement Pvt. Ltd. become your Company's subsidiaries. Further, Amplus Helios Pvt. Ltd. become associate of your Company.

During the Financial Year under review, no other company has become or ceased to be your Company's subsidiary or joint venture or associate.

DEPOSITS

Pursuant to the approval of the Members by means of a Special Resolution passed at the AGM held on 4th September 2014, the Company continues to accept deposits from the public, in accordance with the provisions of the Act and the Rules made there under.

The particulars in respect of the deposits covered under Chapter V of the said Act, for the Financial Year ended 31st March 2024 are as under:-

(a) Accepted during the year: ₹16.03 Crore;

(b) Remained unclaimed as at the end of the year: ₹ 1.41 Crore;

(c) Default in repayment of deposits or payment of interest thereon at the beginning of the year and at the end of the year: Nil;

(d) Details of deposits which are not in compliance with the requirements of Chapter V of the said Act: Nil.

PARTICULARS OF REMUNERATION

Disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as Annexure 'E'. Further, particulars of employees pursuant to Rule 5(2) & (3) of the above Rules, form part of this Report. However, in terms of provisions of Section 136 of the Act, the Annual Report including Accounts for the Financial Year 2023-24, is being sent to all the Members of the Company and others entitled there to, excluding the said particulars of employees. The said information is available for inspection at the Registered Office of the Company during business hours on working days of the Company upto the ensuing AGM. Any Member interested in obtaining such particulars may write to the Company Secretary.

ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 of the Act read with Rules made thereunder is available on the website of the Company at https://www.jklakshmicement.com/annual-return.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 of the Act and Regulations 17(1A) & 27 of the Listing Regulations, the Members at the AGM held on 24th August 2023, approved re-appointment of Shri Bharat Hari Singhania (DIN: 00041156), as Director of the Company liable to retire by rotation and continuation of his appointment as Non-executive Director of the Company. During the Financial Year ended 31st March 2024, Shri Bharat Hari Singhania decided to curtail his close involvement in various businesses in which he has been associated for several decades. In light of the above, he expressed his desire to step down as Chairman and Non-executive Director of the Company with effect from 1st April 2024. The Board of Directors ('Board') acknowledged and appreciated his contribution in growth of the Company. Considering his long association, vast experience, knowledge and wisdom in the business of the Company and to continue to benefit from his rich and valuable experience, based on the recommendation of the Nomination and Remuneration Committee ('NRC') and Audit Committee, the Board appointed Shri Singhania as Chairman Emeritus for life time & Strategic Advisor to the Board for a term of five years with effect from 1st April 2024 and approved the remuneration/fee and facilities to be provided/ reimbursements payable to him subject to approval of Members of the Company, which was assented to by the Members through Postal Ballot on 24th March 2024.

In view of stepping down of Shri Bharat Hari Singhania as Chairman, the Board appointed Smt. Vinita Singhania as Chairperson and redesignated her as Chairperson & Managing Director of the Company with effect from 1st April 2024 on existing terms and conditions including remuneration.

Pursuant to Section 152 of the Act, Shri Arun Kumar Shukla (DIN: 09604989) retires by rotation at the ensuing AGM and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

Based on the recommendation of NRC, the Board has appointed Smt. Shwetambara Shardul Shroff Chopra (DIN: 07489205) as an Additional Director in the category of Independent Director on the Board of the Company, for a term of three consecutive years w.e.f. 1st July 2024. Smt. Shroff shall hold office up to the date of ensuing AGM. The Company has received requisite Notice under Section 160 of the Act from a Member proposing name of Smt. Shroff as an Independent Director and declaration from Smt. Shroff regarding her independence pursuant to Section 149 of the Act and Regulation 16 of the Listing Regulations. As an Independent Director, Smt. Shroff shall not be liable to retire by rotation. In the opinion of the Board, she possesses requisite expertise, integrity, proficiency and experience. Relevant details are given in the Annexure to the Notice of the AGM. The Board recommends her appointment at the ensuing AGM.

The Board has also taken on record the declarations and confirmations received from all the Independent Directors of the Company regarding their independence pursuant to Section 149 of the Act and Regulation 16 of the Listing Regulations.

There were no other changes in the Directors/Key Managerial Personnel of the Company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which could impact the going concern status of the Company and its future operations. Further, no application was made or no proceeding was pending as at the end of the year under the Insolvency and Bankruptcy Code, 2016.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

During the Financial Year under review, there was no change in the nature of business of the Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report of the Company for the Financial Year 2023-24 in the prescribed format, giving an overview of the initiatives taken by the Company for Environmental, Social & Governance perspective, is given in a separate section of the Annual Report and forms a part of it.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to the Listing Regulations, Management Discussion and Analysis and Corporate Governance Report along with Statutory Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of this Report as Annexure 'F' & 'G' respectively.

The Corporate Governance Report which forms part of this Report, inter alia, covers the following:

(a) Particulars of the four Board Meetings held during the Financial Year under review;

(b) Salient features of the Nomination and Remuneration Policy;

(c) The manner in which formal annual evaluation of the performance of the Board of Directors, of its Committees and of individual Directors has been made;

(d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism;

(e) Details regarding Risk Management Committee;

(f) Dividend Distribution Policy;

(g) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE OF SECRETARIAL STANDARDS

Based on the Secretarial Audit Report of the Secretarial Auditor, the Company has duly complied with the applicable Secretarial Standards on Meetings of Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Act, your Directors state that:-

(a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) such accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

(c) Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared on a going concern basis;

(e) The internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and

(f) The proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Board gratefully acknowledge the continuing faith reposed in the Company by the Financial Institutions, Banks, Government Authorities, Dealers, Suppliers, Business Associates and esteemed Shareholders, who have extended their splendid co-operation and support to the Company.

The Directors also take this opportunity to thank Company's valued Customers who have patronized its products. Last but not the least, the Board places on record its appreciation towards "Team JK Lakshmi" for their dedication and excellence displayed in conducting all operations of the Company and without whose wholehearted efforts and solidarity, the Company's consistent growth would not have been possible in these challenging times.

On behalf of the Board of Directors

Place: New Delhi
Date: 23rd May 2024

Vinita Singhania
Chairperson & Managing Director

ANNEXURE 'A' TO BOARD'S REPORT

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31st MARCH 2024 .

1. **Brief outline on CSR Policy of the Company:**

The philosophy of giving back to the society was laid down by the founding fathers of JK Group over a century ago and the group takes this as a moral responsibility to build a better society through contributing towards community services as well as working towards uplifting and empowering the disadvantaged sections of the society. The Mission statement of the Company unequivocally state to be a "socially responsible corporate citizen". For JK Lakshmi Cement Ltd., the business priorities coexist with the commitment for extending the help to the poor and the needy. This realization had given our organization a great opportunity to systematically develop and adopt an effective CSR approach to implement multiple interventions in the surrounding area of our business and plant locations.

The Corporate Social Responsibility Policy (the Policy or the CSR Policy) has been framed in accordance with Section 135 of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) as amended from time to time. The Policy shall apply to all CSR projects and activities to be undertaken by the Company and contains the approach and direction given by the Board of Directors, considering the recommendations of the CSR Committee. The CSR Policy also lays down the guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan to implement CSR Projects by the Company.

The CSR policy of the Company strongly reflects the commitment towards inclusive growth and development. During the reporting period, CSR vision was modified to align with Company' s purpose, vision and mission. Accordingly, the Company' s CSR vision is to be an environmentally and socially conscious corporate citizen, harmoniously coexisting with its empowered and prosperous communities and delivering unparalleled experience for its stakeholders for a sustainable and shared future.

The major CSR thrust areas of the Company are Health; Water & Sanitation, Education, Skill development and Livelihoods, Environment sustainability and Rural development.

The Company's CSR policy clearly delineates on formulation and implementation of CSR projects and activities, its approval by the Board, monitoring, documentation, impact assessment and disclosures.

2. **Composition of CSR & Sustainability Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR & Sustainability Committee held during the year	Number of meetings of CSR & Sustainability Committee attended during the year
1	Smt. Vinita Singhania	Chairperson/ Executive Director	2	2
2	Shri Arun Kumar Shukla	Member/ Executive Director	2	2
3	Amb. Bhaswati Mukherjee	Member/ Independent Director	2	2

Note: The Corporate Social Responsibility Committee has been rechristened as 'Corporate Social Responsibility and Sustainability Committee' w.e.f. 2nd November, 2023.

3. **Provide the web-link where Composition of CSR & Sustainability Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company:**

https://www.jklakshmicement.com/CSRCompositionPolicy.pdf

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub- rule (3) of rule 8, if applicable.:** Not Applicable

5. (a) **Average net profit of the company as per section 135(5):** ₹ 52,387.00 Lakh

   (b) **Two percent of average net profit of the company as per section 135(5):** ₹ 1,047.75 Lakh

   (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years.:** Nil

   (d) **Amount required to be set off for the financial year, if any:** Nil

   (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 1,047.75 Lakh

6. (a) **Amount spent on CSR Projects (both Ongoing & Other than Ongoing Projects):**

During the reporting period, the Company implemented Ongoing Projects such as JK Lakshmi Aarogya, JK Lakshmi Vidya, JK Lakshmi Aajivika, JK Lakshmi Kaushal Prarshikshan, JK Lakshmi Swajal & Swachhta and JK Lakshmi Gramin Vikas. A total amount of ₹ 1,002.28 Lakh has been spent on these Ongoing Projects.

   (b) **Amount spent in Administrative Overheads** : ₹ 46.00 Lakh

   (c) **Amount spent on Impact Assessment, if applicable** : N.A.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 1,048.28 Lakh

(e) CSR amount spent or unspent for the financial year : N.A.

Total Amount Spent for the Financial Year (in ₹/ Lakh)	Amount Unspent (in ₹ / Lakh)				
	Total Amount transferred to 'Unspent CSR Account' as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,048.28	N.A.	N.A.	N.A.	N.A.	N.A.

(f) Excess amount for set off, if any :

Sl. No. (1)	Particulars (2)	Amount (In ₹) (3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1,047.75 Lakh
(ii)	Total amount spent for the Financial Year	1,048.28 Lakh
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.53 Lakh
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.53 Lakh

7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section(6) of section 135 (in ₹/Lakh)	Balance Amount in Unspent CSR Account under sub-section(6) of section 135 (in ₹/Lakh)	Amount spent in the Financial Year (in ₹/Lakh)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹/Lakh)	Deficiency, if any
					Amount (in ₹/ Lakh)	Date of Transfer		
1.	2021-22	144.99	122.58	122.58	N.A.	N.A.	NIL	N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

◯ Yes ◉ No

If Yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):
Not Applicable .

Vinita Singhania
Chairperson, CSR & Sustainability Committee

Arun Kumar Shukla
President & Director

Place: New Delhi
Date: 23rd May 2024

ANNEXURE 'B' TO BOARD'S REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis for the Financial Year ended 31st March 2024 are as follows:

Sl. No.	Particulars		Details
(a)	Name (s) of the related party & nature of relationship	:	Udaipur Cement Works Ltd.- Subsidiary Company
(b)	Nature of contracts/arrangements/transaction	:	Sale of Clinker, Cement, Petcoke/Coal and Purchase of Cement etc.
(c)	Duration of the contracts/arrangements/transaction	:	Ongoing (Since June 2013 onwards)
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	:	On arm's length basis and in the ordinary course of business (at market rates): ₹ 1,058.76 Crores
(e)	Date of approval by the Board, if any	:	Since the above Related Party Transactions (RPTs) are in the ordinary course of business and on arm's length basis, approval of the Board is not applicable. However, it was approved and reviewed by the Audit Committee from time to time. The said material RPTs were also approved by the members of the Company at the Annual General Meeting held on 17th August 2022, in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as recommended by the Board at its meeting held on 18th May 2022.
(f)	Amount paid as advances, if any	:	None

On behalf of the Board of Directors

Place: New Delhi
Date: 23rd May 2024

Vinita Singhania
Chairperson & Managing Director

ANNEXURE 'C' TO BOARD'S REPORT

A. Conservation of Energy

(I) Steps taken for Conservation of Energy

Energy conservation dictates how efficiently a Company can conduct its operations. Energy conservation has always been in the top priority of the Company and recognized the importance of energy conservation in decreasing the harmful effects of Global Warming and climate change.

Major energy conservation initiatives/steps taken during 2023-24

- Reduction of False Air ingress by Installation of Kiln inlet Itica Seal in Kiln-2.
- Installation of High Efficient Burner in Kiln-1.
- Power Saving by Removal of Bag house fan inlet damper in RM-2.
- Installation of Variable Frequency Drive in CM 4 Separator vent fan.
- Installation of Variable Frequency Drive in coal Mill Bag house fan in coal Mill-2.
- Set up 56 MWp open-access solar power plant and commissioned 80% of energy requirement of the facility to be met through renewable energy.
- Focus on availability of Waste Heat Recovery system and maximum utilization of renewable energy through Waste Heat Recovery and Solar. In the FY-2023-2024 Waste Heat Recovery Availability is 100%.
- Optimization of Kiln and maintaining required process parameters for Waste Heat Recovery for getting higher power generation from Waste Heat Recovery System. In FY -2023-24 Waste Heat Recovery Gross generation is increased by 10 %.
- Installation of Variable Frequency Drive in cement mill air compressor, saving of 15646 KWH units which accounts for 11108 Kg CO2eq GHG reduction per year.
- To optimize idle running timing in packing plant for belt conveyor (from packer discharge to loader) saving an average of 12780 KWH units which accounts for 9074 Kg CO2eq GHG reduction per year.
- Motion sensors are installed in all load centers and staff toilets to control lighting circuits under power saving, resulting in power savings of 6015 KWH units which accounts for 4271 Kg CO2eq GHG reduction per year.
- Auto Temperature Control Operation of Load Center and MRSS P & V System.
- Automatic Operation of Packing Plant Section APFC Capacitor Panel for Improvised the Power Factor from 0.9814 to 0.9831.

(II) Steps taken by the company for utilizing alternate sources of energy.

- Increase in TSR from 4% to 7% by installation of solid AFR feeding system.
- Increase in use of Renewable Energy Like Solar & Waste Heat Recovery.
- Inhouse Developed low voltage Variable Frequency Drive panel of 30 KW motor and installed in AFR feeding belt for optimum feeding of solid AFR for Kiln operation. Achieved 4 % Thermal Substitution Rate (TSR), further Optimization is in progress for increasing up to 7 % Thermal Substitution Rate.
- Optimization and sustainable operation of 20 MW CPP, for reduction of fossil fuel consumption and maximizing AF %, Achieved 10 % (YTD) in FY23-24.
- 21.4% of the plant's total energy consumption per year comes from renewable sources 4,573,642 KWH from wind and 2780496 KWH from solar and this reduced greenhouse gas emissions by 5,265,563 Kg CO2eq.
- 20% of the plant's total energy consumption per year comes from renewable sources – 3695656 KWH from wind and 614928 KWH from solar and this reduced greenhouse gas emissions by 3086378 Kg CO2eq.

(III) Capital Investment on energy conservation equipment

Sr. No.	Equipment Name	Investment Amount (₹ in Lakh)	Saving/ year (₹ in Lakh)
1	Installation of High Efficient Burner in Kiln-1	150	8.88
2	Installation of Solid Alternative Fuel feeding System	4800	336.69
3	Installation of Kiln inlet Itica Seal in Kiln-2	17	18
4	Installation of Variable Frequency Drive for MH Bag Filter Fan,55KW	4.50	10.30

B. Technology Absorption

(I) **Efforts made towards technology absorption**

- Installation of High Efficient Burner in Kiln-1.
- **Improvement in own power generation and distribution circuit:-** In house modification in control wiring of GRID/20MW/Waste Heat Recovery to sustain 20MW TPP in house load during grid disturbance to avoid black-out condition.
- Nitrogen Fire Protection System installed in 9MVA power transformer for establishing equipment safety.
- PQM web page has been developed in house for real time data monitoring of cement mills like production, quality, power, Raw Material, Dispatch etc.
- Installation Auto Fire Suppression system (HFC 227EA) for MRSS All HT Panel and UPS-Battery Bank room is crucial for ensuring the safety of personnel and equipment in the event of fire.
- Implementation of Online Intimation (Auto email) on minimum stock of critical Equipment.
- Implementation QR Code for access for Panel Drawing, Manuals and Official Visiting cards.

(II) **Benefits derived like product improvement, cost reduction, product development or import substitution.**

- Reduction in Power Saving.
- Improvement in Productivity.
- Maximum utilization of Renewable energy through Solar power and Waste Heat Recovery and Increasing Renewable energy % continuously .
- Optimized & Enhanced Coal Firing Capacity for Kiln in reference to Alternative Fuel firing in calciner, resulting higher side utilization of Alternative Fuel for Kiln Operation.
- Operating with Cost-feasibility Fuel Mix including Alternative Fuel for KILN and Captive Power Plant.
- Reducing power cost by Operating of Power plant with feasible power Mix and Maximum use of Solar Power and Waste Heat Recovery power.
- Modification of coal firing system for consumption of low Calorific Value Coal in KILN.
- Maximum Production of COC, the % of COC production is 45 %.
- Increased Reliability factor and reducing breakdown.
- Upgrade Equipment by replacing it with Energy-Efficient Equipment (Variable Frequency Drive).

(III) **In case of imported technology (imported during the last three years reckoned from the beginning of financial year):**

a. The details of Technology Imported :

- Installation of 14 No's IOT Sensor for Cement Ball Mill and CA fan

b. The year of import : FY2022-23

c. Whether the technology has been fully absorbed: Yes

d. If not fully absorbed, areas where absorption has not taken place and reason thereof: **NA**

(IV) The expenditure incurred on Research and Development:

S. No.	Particulars	Amount (₹ in Crore)
1.	Capital Expenditure	0.33
2.	Revenue Expense	6.75
	Total	**7.08**

C. Foreign Exchange Earnings and Outgo

S.No.	Particulars	Amount (₹ in Crore)
1.	Foreign Exchange Earnings	-
2.	Foreign Exchange Used (CIF value of Imports of Fuel, Stores & Spares, Capital Goods, Consultancy Charges, Know-How Fee, etc.)	805.30

On behalf of the Board of Directors

Place: New Delhi
Date: 23rd May 2024

Vinita Singhania
Chairperson & Managing Director

ANNEXURE 'D' TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
JK Lakshmi Cement Limited
Jaykaypuram
District Sirohi - 307019 (Rajasthan)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JK Lakshmi Cement Limited** (CIN: L74999RJ1938PLC19511) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - (Not applicable to the Company during the Audit Period),

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- (Not applicable to the Company during the Audit Period);

(vi) Management has identified and confirmed the following laws as being specifically applicable to the Company and complied with:

(a) Mines and Mineral (Regulation and Development) Act, 1957 read with Mineral Conservation and Development Rules, 1988

(b) Mines Act, 1952 read with Mines Rules, 1955

(c) Cement Cess Rules, 1993 and

(d) Bureau of Indian Standards Act, 2016 and Cement (Quality Control) Order made thereunder

I have also examined compliance with the applicable clauses of the following:

(i) Mandatory Secretarial Standard 1 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India,

(ii) The Listing Agreement(s) entered into by the Company with the Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes that took place in the composition of Board of Directors with respect to Executive and Independent directors during the audit period, were in accordance with provisions of the Act and the SEBI Regulations.

Adequate Notice is given to all directors to schedule the Board / Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, except in case of two Committee meetings held at shorter notice in terms of proviso to section 173 (3) of the Act. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, the following major events have taken place:-

- Members of the Company, in terms of Sections 180 (1)(c) and 180 (1) (a) of the Act, authorised the Board of Directors for borrowing monies upto ₹ 7,000 Crores and creating security by mortgage or charge in favour of the lenders, vide Special Resolutions passed at their Annual General Meeting on 24th August, 2023.
- Members of the Company, in terms of Section 186 of the Act, authorised the Board of Directors to make investments, give loans / guarantees, or provide securities for an aggregate amount upto ₹ 2,500 Crores over and above the limits stipulated in Section 186 (2) of the Act, vide Special Resolution passed on 24th March, 2024, through Postal Ballot.
- Hidrive Developers and Industries Pvt. Ltd. became a Wholly Owned Subsidiary of the Company.
- Company acquired 85% stake in Agrani Cement Pvt. Ltd. at a total consideration of ₹ 325.11 Crores. Agrani Cement Pvt. Ltd. along with its 3 Wholly Owned Subsidiaries have been jointly granted Mining Rights having Limestone Reserves of approx. 335 Million Tonnes.

This report is to be read along with the following-

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi
Date: 15th May 2024
UDIN: F000234F000372452

Namo Narain Agarwal
Secretarial Auditor
FCS No. 234, CP No. 3331

ANNEXURE 'E' TO THE BOARD'S REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2023-24 ended 31st March 2024:

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Non-Executive Directors: Shri Bharat Hari Singhania, Chairman, 12.45; Shri Nand Gopal Khaitan, 2.32; Shri Ravi Jhunjhunwala, 2.14; Dr. Raghupati Singhania, 2.14; Shri Sadhu Ram Bansal,2.08 and Amb. Bhaswati Mukherjee, 1.88.

Executive Directors: Smt. Vinita Singhania, VC & MD, 284.65 and Shri Arun Kumar Shukla, President & Director,43.33.

B. The percentage increase/ (decrease) in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year – (i) Shri Bharat Hari Singhania, Chairman - (62.55%); (ii) Smt. Vinita Singhania, VC & MD - 27.88%; (iii) Shri Arun Kumar Shukla, President & Director, w.e.f. 01-08-2022 - 74.59% (iv) Dr. Raghupati Singhania - 18.68%; (v) Amb. Bhaswati Mukherjee - 19.80%; (vi) Shri Ravi Jhunjhunwala - 20.41%; (vii) Shri Nand Gopal Khaitan - 18.52%; (viii) Shri Sadhu Ram Bansal, Director, w.e.f. 01-07-2022 - 67.22%; (ix) Shri S.A. Bidkar, CFO - 12.84%; (x) Shri Amit Chaurasia, Company Secretary, w.e.f. 01-09-2022 - 84.97%.

C. The percentage increase in the median remuneration of employees is 2.65%.

D. The number of permanent employees on the rolls of Company - 1,593.

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – During the Financial Year 2023-24, on an average employee received an annual increment of 9% with individual increment varying from 0 to 20%. There was an increase of 15.84% in managerial remuneration during the current financial year.

F. Affirmation that the remuneration is as per the remuneration policy: We affirm that the remuneration paid during the Financial Year 2023-24 is as per the Nomination and Remuneration Policy of the Company.

On behalf of the Board of Directors

Place: New Delhi
Date: 23rd May 2024

Vinita Singhania
Chairperson & Managing Director

ANNEXURE 'F' TO THE BOARD'S REPORT
MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK FOR INDIAN ECONOMY, INDUSTRY STRUCTURE & DEVELOPMENTS

Despite uncertainty from adverse geopolitical developments and expansionary fiscal measures taken in the past, the Indian economy has demonstrated resilience and maintained healthy macroeconomic fundamentals. With macroeconomic stability and improvements in India's external position, particularly significant moderation in the current account deficit and revival of capital flows on the back of a comfortable foreign exchange reserves buffer has resulted in relative stability in the Indian Rupee during FY 2023-24. In the second quarter of FY 2023-24, the growth momentum of the first quarter was sustained and High-Frequency Indicators (HFIs) performed well in July and August of 2023. The better-than-expected growth in Q2 of FY 2023-24 and the emergence of India as the fastest-growing major economy in H1 of FY 2023-24, improved the growth prospects and prompted various domestic and international agencies to upgrade GDP growth projections for FY 2023-24. The momentum gained in Q2 of FY 2023-24 was sustained in Q3 as well. On the inflation front, with the stable downward movement in core inflation and continuing deflation in fuel inflation, the headline inflation Outlook is on a declining trend, notwithstanding temporary disruptions from food prices. RBI has projected inflation to average at 5.4% in FY 2023-24.

India's comparatively strong position in the external sector reflects the country's generally positive Outlook for economic growth and rising employment rates. After clocking real Gross Domestic Product (GDP) growth of 7% in FY 2022-23, growth during FY 2023-24 is estimated at ~7.6%. With strong domestic demand conditions, India remains the fastest-growing major economy and is now the fifth-largest economy in the world. In fact, in Purchasing Power Parity terms, India is already the third-largest economy.

The Union Budget 2023-24 laid down the blueprint for a prosperous and inclusive India @ 100 which recognizes the Infrastructure sector as a key contributor for achieving the vision of sustainable growth in Amrit Kaal. ₹ 10 Lakh Crore was allocated for development of the infrastructure sector which has been increased to ₹ 11.11 Lakh Crores in the Interim Budget 2024-25. A high capital outlay of ₹ 2.40 Lakh Crore allocated to Railways in the Budget 2023-24 has also been increased to ₹ 2.55 Lakh Crore in the Interim Budget 2024-25. The highest allocation was given to the Ministry of Road Transport and Highways at ₹ 2.78 Lakh Crore. 100 critical transport infrastructure projects with capital expenditure of ₹ 75,000 Crore identified for last and first-mile connectivity including ₹ 15,000 Crore from the private sector. 50 additional airports, heliports, water aerodromes and advanced landing grounds are to be revived to improve regional air connectivity. Policy announcement made to support Green Growth. Green Credit Programme to be notified under the Environment (Protection) Act, 1986 to incentivize environmentally sustainable and responsive actions. Coastal shipping will be promoted as energy-efficient and lower cost of transport, both for passengers and freight, through PPP mode with viability gap funding. Urban Infrastructure Development Fund will be established through the use of priority sector lending for creating urban infrastructure in Tier 2 and Tier 3 cities.

The newly established Infrastructure Finance Secretariat will assist with more private investment in the infrastructure sector. States and cities will be encouraged to undertake reforms and actions to transform cities into 'sustainable cities of tomorrow'. The 50-year interest-free loan to State Governments has been extended for one more year to spur investment in infrastructure and incentivize State Governments for complementary policy actions.

On the Industry front, India is the world's second-largest cement producer. Between FY 2011-12 and FY 2022-23, the installed capacity grew by 61% to 570 Million Tonnes (MT) from 353 MT in FY 2021-22. At present, the installed capacity of cement in India is ~ 640 Million Tonnes Per Annum (MTPA) with a production of ~427 MTPA. The industry's capacity is poised to increase by a record high of more than 60 MT during the FY 2024-25, with the top two players alone adding 60% of the projected capacity increase. However, incremental demand will fall short of the incremental capacity addition, impacting utilization levels during FY 2024-25. The Indian cement industry is likely to add more than 100 MT capacity by FY 2025-26 driven by increased spending on housing and infrastructure activities.

During FY 2023-24, cement demand registered a growth of 9% over the previous FY. During FY 2024-25, the demand growth is expected to moderate to ~6% to 7% on a high base of the previous three fiscals. However, in the next couple of years, the demand growth is projected at ~8% considering better demand prospects, led by infrastructure and housing sectors and increased consolidation in the industry.

India's cement production reached 392 MT in FY 2022-23, a growth rate of 8.7% year-on-year (YoY), and grew by 9% in FY 2023-24 driven by infrastructure-led investment and mass residential projects. Both the Central and State Governments are expected to go softer on Capex in FY 2024-25 vis-à-vis the last two years, with the Central Government's infrastructure budget spending growth reducing to 11% Y-o-Y in FY 2024-25 as per Interim Budget 2024-25 compared to 30% growth in Union Budget 2023-24.

Rural housing has seen significant growth over the recent past which is expected to slow down as the Government has completed a significant portion of its target and the next 20 Million rural housing units are expected to come over the next five years. On a long-term basis, infrastructure is expected to provide impetus to cement demand growth with a focus on roads, metros, airports, railways, irrigation, etc. Amidst the slowing demand growth due to ongoing General Elections when the construction activity generally slows down, coupled with the second quarter being a low season with the monsoons, demand is likely to pick up only in the second half of the current fiscal. However, Industry is on its path to add significant capacities over the medium term leading to balance tilting towards supply in the medium term. This along with intense competition amongst players to maintain their market share has been putting pressure on the realizations from H2 FY 2023-24. The cement prices have been subdued at the overall level, declining by around 1.5 % on average in the FY 2023-24 from the highs of FY 2022-23. Heightened competitive intensity due to the entry of new players, 40-42 MT of capacity additions and benign cost pressures catalysed the cement price correction in FY 2023-24 after four consecutive years of price rise at CAGR of 4 % from FY 2019-20 to FY 2022-23.

During FY 2024-25, continued capacity expansion and moderating demand are expected to limit any uptick and keep prices flat to marginal negative on Y-o-Y basis.

Fuel price uncertainty may continue particularly in view of developments in the Middle East. Analysts expect a recovery in industry profitability due to falling fuel prices and sustained projected volume growth of above 9% Y-o-Y. However, pricing is likely to remain weak as companies focus on volumes and market share gain. The potential for Merger & Acquisition and consolidation remains high in the cement sector. After successful acquisition of Sanghi's assets by Adani, India Cements Parli plant by UltraTech, Heidelberg Cement assets in India are on the block, with competing players in the race. Dalmia's deal to acquire Jaypee is presently under hold. Analysts are positive about the cement industry dynamics for the next few years considering sustainable demand prospects. General Elections in 2024 are a key catalyst for good cement demand in the FY 2023-24, also testified by the growth numbers in succession. Projections of 100 MT of capacity to be added by FY 2025-26, will take up the national capacity to 700 MT plus level.

Your Directors are fairly optimistic about the future of the industry in general and the Company in particular. Indian Cement Industry is an Oligopoly market, where large players have partial pricing control. The threat from substitutes is low in the cement sector. Indian cement companies are amongst the world's greenest cement manufacturers. Higher allocation for infrastructure apart from additional expenditure on green transition, is likely to boost the demand for cement.

FINANCIAL PERFORMANCE

During the Financial Year 2023-24, the Company's Cement Production at 95.09 Lakh Tonnes was marginally higher than 93.82 Lakh Tonnes achieved during the last Financial Year. The Company's Sales during the Financial Year ended 31st March 2024 were slightly up at 96.08 Lakh Tonnes against 94.79 Lakh Tonnes logged in the last Financial Year.

The Turnover of the Company during the Financial Year 2023-24 increased by 4% from ₹ 6,133 Crore in Financial Year 2022-23 to ₹ 6,384 Crore in Financial Year 2023-24. The Company registered an EBIDTA of ₹ 928 Crore as against ₹ 767 Crore in the previous Financial Year, while the Net Profit is at ₹ 425 Crore as against ₹ 330 Crore in the previous Financial Year.

KEY CHANGES IN FINANCIAL INDICATORS

The various Financial Ratios for the year under review as compared to the same of the previous Financial Year are given hereunder:

Sl. No.	Particulars	Unit	As at 31.3.2024	As at 31.3.2023	Comments
1	Operating Profit Margin	%	14%	12%	Increase in Operating Profit primarily due to softening of Fuel & Other Input Costs.
2	Net Profit Margin	%	6.73%	5.44%	Increase in Net Profit primarily due to softening of Fuel & Other Input Costs.
3	Return on Net-Worth	%	14.65%	12.76%	Increase in Net Profit primarily due to softening of Fuel & Other Input Costs.
4	Interest Coverage Ratio	Times	10.64	8.38	Increase in Operating Profit primarily due to softening of Fuel & Other Input Costs.
5	Debt Service Coverage Ratio	Times	2.60	2.72	Higher Debt Repayment Obligations during the Current Year.
6	Current Ratio	Times	0.92	1.39	Redemption of Current Investment & Increase in Current Liabilities.
7	Debt Equity Ratio	Times	0.23	0.30	Reduced Leverage through Debt Repayment.
8	Net Debt Equity Ratio	Times	0.07	-0.03	Redemption of Current Investment.
9	Net Debt to EBIDTA	Times	0.22	-0.10	Redemption of Current Investment.
10	Inventory Turnover	Times	9	10	Marginal Increase in Average Inventories.
11	Debtors Turnover	Times	161	164	Marginal Increase in Average Debtors.

OPPORTUNITIES AND THREATS

The demand of the Cement is expected to grow at 7-8% in the medium term primarily led by expanding housing, infrastructure, industrial and commercial construction. PM Gati Shakti -National Master Plan for multimodal connectivity will bring synergy to create a world-class, seamless multimodal transport network in India. This will boost the demand for cement in the future. Opportunities are available in housing, dedicated freight corridors, ports and other infrastructure projects. As per Invest India, the National Infrastructure Pipeline (NIP) expanded to 9,305 projects from 7,400 projects and have projects worth ₹ 102 Lakh Crore (US$ 14.59 Billion) for the next five years. Government has plans for 33.4% outlays for capital investments of ₹ 10 Lakh Crore (US$ 120 billion) and outlays for railways of ₹ 2.4 Lakh Crore (US$ 29.05 Billion). Also, Government has plans to build 100 new significant transport projects involving an investment of ₹ 75,000 Crore (US$ 9.04 Billion) for end-to-end connectivity of ports, coal, steel etc. As per the Union Budget 2023-24, the government approved an outlay of ₹ 2.78 Lakh Crore (US$ 32.57 Billion) for the Ministry of Road Transport and Highways.

India's cement market accounts for more than 8% of the global installed capacity. Cement consumption is expected to cross 500 MT by the end of FY 2026-27. Growth in Cement production and demand is supported by a high level of activity going on in real estate and high Government spending on smart cities and urban infrastructure. In October 2023, the real estate sector received the second-highest PE/VC investments at US$ 601 million across six deals. Housing and real estate sectors account for nearly 65% of the total cement consumption in India.

The demand for cement is intricately linked to construction activities. During economic downturns and decreased construction activities, there is a corresponding decrease in demand for cement products, adversely affecting the revenue of cement companies. Furthermore, advancements in construction materials and technologies pose a challenge to traditional cement products. Innovative construction methods have the potential to decrease the reliance on cement-based products.

In response to these challenges, companies are exploring new initiatives such as utilizing CNG/LNG vehicles for transportation, aiming to enhance efficiency and reduce costs associated with road transportation. This shift also aligns with environmental goals, contributing to a reduction in the carbon footprint.

Additionally, heightened competition is constraining the ability to increase prices. Consequently, manufacturers are prioritizing volume growth and implementing efficiency enhancement projects to maintain competitiveness in the market.

The long-term growth story of India supported by continuous thrust on infrastructure, revival in the real estate sector, and expected unveiling of industrial capex going forward has led to significant capacity addition plans, especially by large players but in the long term, the demand-supply balance is expected to be favourable sustaining a 7% to 8% growth.

RISKS AND CONCERNS

The cement industry, like many others, operates within a dynamic environment where numerous factors influence our operations, profitability and sustainability. Understanding and mitigating these risks are crucial for maintaining our competitive edge and ensuring long-term success. First and foremost, market demand fluctuations pose a significant risk to our industry. Our performance is intricately linked to economic activities, construction projects and infrastructure development. Therefore, economic downturns or slowdowns in construction activity can directly impact our sales volumes and revenue streams.

The energy-intensive nature of cement manufacturing coupled with stringent environmental regulations, presents dual challenges. Volatile energy prices and increasing compliance costs for environmental standards necessitate continuous efforts to optimize energy usage and adopt cleaner technologies. The Company is continuously employing various means to reduce the impact of fuel costs through improved fuel mix and the use of alternative fuels. A focus on achieving better operating efficiencies and reducing coal and power consumption continues as a way of life. The Company continues to evaluate and assess long term strategic solutions from waste heat recovery systems to solar energy, from alternate fuel to alternate sources, etc. to manage costs in the medium and long term.

One of the concern and expectation in Industry has is when each time, the GST council meets, the Industry eagerly hopes that the cement will be put under lower tax slabs than the sin slab of 28%. Ever since the introduction of GST, the council is periodically reviewing the tax rates and is consistently bringing more and more commodities under lower tax slabs. Cement is now one of the very few commodities that is in highest tax slab and understandably because it is not easy for the Government of the day to let lose the tax cow. Like always, the industry prefers to be positive and keep its hope alive for a favourable outcome.

The Company has a strong risk management framework that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. Our commitment to strong ethical values and high levels of personal and organisational integrity adds a further layer of risk mitigation to our operations.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The internal control systems includes the policies, processes, tasks, behaviors and other aspects of the Company, which when combined, facilitate effective and efficient operation, quality of internal and external reporting and compliance with applicable laws & regulations. The Company's objectives, its internal organisation and the environment in which it operates are constantly evolving and as a result, the risks it faces are continuously changing as well. To make its internal controls effective and sound, the Company thoroughly and regularly evaluates the nature and extent of such risks to which the Company is exposed.

The Company has a well-defined Internal Control System commensurate with the size, scale and complexities of the operations to support the Business Operations and also to ensure Statutory Compliances. These Internal Control Systems are periodically tested for their effectiveness by the Management and by the Statutory & Internal Auditors of the Company and were found to be operating effectively during the year.

The Company has retained the services of our past Statutory Auditors to conduct internal audit for its all-integrated plants and also some of the split location Grinding Units. In addition, the Company also has an Independent In-house Internal Audit Department which is manned by Experienced Professionals. This Internal Audit Department carries out the Internal Audit based on a Systematic Audit Plan covering all key functions and aspects of the Business. This Audit Plan is approved by the Audit Committee at the start of the Financial Year. The Company has also engaged services of certain External Audit Firms for conducting Audit of its key Regional Offices & Depots. The Internal Audit Reports, of the External as well as In-house Audit Teams, are reviewed by the Top Management and are placed before the Audit Committee of Directors. The Audit Committee undertakes a total review of the audit observations and the actions taken by the Management on all the findings of the Internal Auditors. The implementation of the recommendations of the Internal Auditors is regularly reviewed and monitored by the Senior Management and the Action Taken Report is placed periodically before the Audit Committee. The Company also has an Internal Risk Management Committee headed by President & Director and comprising of Functional Heads. This Committee meets on a quarterly basis to evaluate the risk as also the mitigation plan put in place to minimise the impact of various internal and external risks to the Company's business. In addition, there is a Risk Management Committee at the Board Level to review the various risks which impact the Company's operations and the management plan to meet those risks.

The Company also has a robust MIS and Budgetary Control System under which the operating and financial performances are reviewed on a monthly basis. The variations with the Budget are analysed and corrective actions are taken to minimize the variations with the Budget wherever shortfalls are noticed. Further, the Company has also put in place Legal Compliance Monitoring Tool to ensure timely compliance of all the applicable Statutes at its different locations.

HUMAN RESOURCE - "OUR PEOPLE, OUR BIGGEST STRENGTH"

Our people are our biggest strength and the cornerstone of our business which we have always strived and believed to create a work environment of care, trust and respect.

The Human Resource policies and guidelines of your Company have been designed to promote teamwork, a synergistic approach, agility, future readiness and enhance employee's experience. These policies and guidelines contribute to strengthening the leadership pipeline, attracting young talent, delivering results, growing market share and improving the operating profitability of the Company. Your Company's inclusive and progressive culture has played a crucial role in motivating employees and creating a positive work environment. It also helped in attracting and retaining talent with diverse skills and competencies necessary for growth and sustainability.

The Company has taken significant steps towards digitization in order to take on the challenges of the competition by enhancing latest digital capability building of our people through trainings and awareness programmes. HR processes like Individual Development Plan, Recruitment & E-Joining, Performance Management System, Confirmation and Separation have been digitalized for enhanced productivity and employee's experience.

To provide a thrust to our endeavor of leveraging the technology to create an environment of incessant communication with our employees at all levels, "Vaani HR" a conversational Chatbot has been initiated during the year. It is a single integrated platform covering various employees' areas like Leave application, Leave Balance, Leave History, Attendance Report, Pay-slip, Tax Projection, Holiday Calendar, etc.

As part of your Company's commitment to Excellence and Growth, New Purpose, Vision and Mission have been launched that encapsulate the essence of our shared aspirations and future plans focused on Growth, Human Capital, Customers, Innovation and Technology.

On Employee Engagement front, key initiatives taken are Sharing of Success Stories – To boost up morale and motivation of the best performer and to motivate other Team Members, Har Ghar Tiranga (Tricolour in every household) Programme on the occasion of India's 77th Independence Day, SANGAM - Interzone Quiz competition to create feeling of One Team One Family, Skip – Level meetings, BANDHAN – an employee connect initiative, UDAAN Competition, Virtual Family Engagement - "MANN KI BAAT", ensuring mental & psychological wellbeing of employees and their family members, Leadership & Personality Development, etc.

The journey of nurturing, grooming and preparing internal talents with the development opportunities, Company organized Development Centre in partnership with world leaders across the levels with post assessment support through world renowned assessment development centre agency for talent management to build a pipeline of young leaders for future readiness and strengthen its 'Grow Your Own Timber' approach for leadership roles by rewarding and providing a well-defined growth path.

Innovations in information and communication technologies have changed the way of working like Managing Director's Communication Meeting across all locations with all levels and of Top Leaders with the team members and other work groups using virtual platform, transition towards a more digital working, etc.

Augmenting our human capital and investing in our people towards their all-round development has always been a passion at JK Lakshmi Cement Ltd. In line with the same, Outbound Skill Development & Customer Orientation Programme, Technical & Behavioral trainings (Internal & external), Physical & Mental Well Being sessions with Company's Doctors, Safety & Health and family-oriented subjects with employees as well as Dealers/ Channel partners including their family members have created a win-win work environment.

Millennials are encouraged, prepared and enabled to manage bigger chunk of areas and markets. It is aligned with assessing expectations of young generation and incorporating in the culture/HR strategy, especially career growth strategies and Rewards & Recognition strategy to keep up with ambitions of employees/new age workforce.

Tactfully ascertaining changing aspiration of nearby community through HR & CSR partnership to prepare effectively for future along with a tacit commitment for a prolonged mutually beneficial association, has resulted into its high level of retention of talents and harmonious industrial relations for last 25+ years. The details of number of people employed are given in Annexure - E to Board's Report.

CAUTIONARY STATEMENT

The Management Discussion and Analysis contains forward-looking statements, which may be identified by the use of words in that direction or connoting the same. All statements that address expectations or projections about the future including but not limited to statements about your Company's strategy for growth, product development, market positions, expenditures and financial results are forward looking statements.

Your Company's actual results, performance and achievements could thus differ materially from those projected in such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

ANNEXURE 'G' TO THE BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is an integral part of values, ethics and best business practices followed by the Company. The core values of the Company are:

- commitment to excellence and customer satisfaction;
- maximising long term shareholders' value;
- socially valued enterprise; and
- caring for people and environment.

In nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long term Shareholders' value and commitment to high standard of business ethics by following best corporate governance norms in true letter and spirit. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

2. BOARD OF DIRECTORS

As on 31st March 2024, the Board of Directors of the Company consists of Eight Directors comprising two Executive Directors and six Non-executive Directors (NED) out of which four are Independent Directors (IND). Four Board Meetings were held during the Financial Year ended 31st March 2024 i.e. on 19th May 2023, 27th July 2023, 2nd November 2023 and 8th February 2024. Attendance and other details of the Directors for the Financial Year ended 31st March 2024 are given below:

Name of the Directors	DIN	Category	No. of Board Meetings Attended	Whether last AGM attended (24.08.2023)	No. of Directorships and Committee Memberships/ Chairmanships held in other companies		
					Directorships $	Committee Memberships @	Committee Chairmanships @
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Shri Bharat Hari Singhania, Chairman*	00041156	NED	4	Yes	4	-	-
Smt. Vinita Singhania, Vice Chairman & Managing Director#	00042983	Executive	4	Yes	5	-	-
Shri Nand Gopal Khaitan	00020588	IND	4	Yes	5	6	2
Dr. Raghupati Singhania	00036129	NED	4	Yes	7	2	1
Shri Ravi Jhunjhunwala	00060972	IND	4	Yes	9	4	2
Amb. Bhaswati Mukherjee	07173244	IND	4	Yes	3	2	1
Shri Sadhu Ram Bansal	06471984	IND	4	Yes	5	7	2
Shri Arun Kumar Shukla President & Director	09604989	Executive	4	Yes	5	-	-

* The Board of Directors appointed Shri Bharat Hari Singhania as Chairman Emeritus for life time & Strategic Advisor to the Board for a term of 5 years upon expressing his desire to step down as Chairman and Non-executive Director of the Company, effective from 1st April 2024.

The Board of Directors appointed Smt. Vinita Singhania as Chairperson and redesignated her as Chairperson and Managing Director of the Company w.e.f. 1st April 2024.

$ Excluding Private companies, Foreign companies and companies under Section 8 of the Companies Act, 2013 (Act). Independent directorships held by the Directors are in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

@ Only covers Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

Details of other Listed companies where Directors of the Company are Directors and their category of directorship (as on 31st March 2024) are as under:-

Sl. No	Name of Directors	Name of Listed Company	Category of Directorship
1	Shri Bharat Hari Singhania	JK Agri Genetics Limited	Non- Executive (till 20th May, 2024)
		JK Paper Limited	Non- Executive (till 31st March, 2024)
		JK Tyre & Industries Limited	Non- Executive
		Bengal & Assam Company Limited	Non- Executive
2	Smt. Vinita Singhania	JK Paper Limited	Non- Executive
		HEG Limited	Non- Executive
		Udaipur Cement Works Limited	Non- Executive
		Bengal & Assam Company Limited	Non- Executive
3	Shri Nand Gopal Khaitan	Mangalam Cement Limited	Independent
		Reliance Chemotex Industries Limited	Non- Executive
		AGI Greenpac Limited	Independent
		Hindware Home Innovation Limited	Independent
		Shyam Metalics and Energy Limited	Independent
4	Dr. Raghupati Singhania	JK Agri Genetics Limited	Non-Executive
		Radico Khaitan Limited	Independent
		JK Tyre & Industries Limited	Executive
		Bengal & Assam Company Limited	Non-Executive
5	Shri Ravi Jhunjhunwala	HEG Limited	Executive
		RSWM Limited	Non-Executive
		Maral Overseas Limited	Non-Executive
		BSL Limited	Non-Executive
		India Glycols Limited	Independent
6	Amb. Bhaswati Mukherjee	Udaipur Cement Works Limited	Independent
		Petronet LNG Limited	Independent
7	Shri Sadhu Ram Bansal	Hindusthan Urban Infrastructure Limited	Independent
		KEI Industries Limited	Independent
		GMR Airports Infrastructure Limited	Independent

Note: Shri Arun Kumar Shukla, President & Director does not hold directorship in any other Listed company.

The Board confirms that in its opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

The Board has identified the following as core skills/expertise/competencies required in the context of the Company's business and sector for it to function effectively:-

(i) financial and accounting knowledge; (ii) strategic expertise; (iii) risk governance; (iv) legal & corporate governance expertise; (v) technology/ knowledge pertaining to Cement industry; (vi) commercial experience; (vii) community service, sustainability and corporate social responsibility; and (viii) quality and safety experience.

All the Board Members possess above skills collectively that enable them to make effective contribution to the Board and its Committees. The core skills of individual Directors are: (a) the Executive Directors of the Company; namely- Smt. Vinita Singhania is an Industrialist & Entrepreneur with long diversified Industry experience including Cement & Paper, etc.; Shri Arun Kumar Shukla - Professional having technical knowledge pertaining to Cement industry, Quality, Safety, Risk governance, Sustainability and Community service, with experience in Commercial, Marketing, improving plant efficiency parameters and fixed cost reductions, etc. (b) the Non-executive Directors of the Company; namely- Shri Bharat Hari Singhania, Dr. Raghupati Singhania and Shri Ravi Jhunjhunwala are eminent Industrialists and Entrepreneurs with long diversified Industry experience; Shri Nand Gopal Khaitan – Attorney -At-Law having Corporate Governance Expertise and experience in Corporate and Arbitration matters, Commercial and Civil litigation, Merger & Acquisitions and Joint Ventures coupled with Financial and Accounting Knowledge; Amb. Bhaswati Mukherjee – former

Ambassador of India to Netherlands, Educationist and a prolific Writer having rich experience on International Relations, Human Rights and Community Service and Shri Sadhu Ram Bansal, Ex Chairman & Managing Director of Corporation Bank and Executive Director of Punjab National Bank, having wide Banking & Financial knowledge and a competent Administrator.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances, if any. With a view to foster an improved compliance reporting and monitoring in the Company, the Company has a web based legal compliance tool called "Compliance Manager" developed by Ernst & Young (EY), which is working effectively. Further, legal risks are monitored and mitigated through regular review of changes in the regulatory framework. The Board is also satisfied that plans are in place for orderly succession for appointments to the Board and to Senior management.

The Company has a Code of Conduct for Management Cadre Staff (including Executive Directors), which is strictly adhered to. In terms of the provisions of Regulation 17 (5) of the Listing Regulations and contemporary practices of good Corporate Governance, a Code of Conduct was laid down by the Board for all the Board Members and Senior Management of the Company. The said Code is available on the Company's website (www.jklakshmicement.com). All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by Smt. Vinita Singhania, Chairperson & Managing Director.

Relationship between Directors inter-se: Shri Bharat Hari Singhania and Dr. Raghupati Singhania are brothers. None of the other Directors are related to each other within the meaning of the Act.

The number of Equity Shares of ₹ 5/- each held by the Non-executive Directors as on 31st March 2024 are: Shri Bharat Hari Singhania – 2,06,872 shares (includes 24 shares held as Karta of Bharat Hari Singhania [HUF]), Shri Nand Gopal Khaitan – 15,948 shares and Dr. Raghupati Singhania – 4,43,348 shares [includes 1,30,316 shares held as Karta of Raghupati Singhania (HUF)].

Amb. Bhaswati Mukherjee, Shri Ravi Jhunjhunwala and Shri Sadhu Ram Bansal do not hold any share in the Company.

The Company does not have any outstanding convertible instruments.

3. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

In accordance with the provisions of Schedule IV to the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 8th February 2024. Shri Nand Gopal Khaitan was unanimously elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting.

4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarisation programmes. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company and the weblink is https://www.jklakshmicement.com/Familiarisation-Sheet.pdf

5. PERFORMANCE EVALUATION

As required, the Nomination and Remuneration Committee of Directors ('NRC') specified the manner for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the provisions of the Act and the Listing Regulations.

The Board of Directors has made formal annual evaluation of its own performance and that of its committees and individual Directors (including Independent Directors) in accordance with the manner specified by the NRC.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board carried out evaluation of the performance of individual Directors (including Independent Directors) on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

In a separate meeting of the Independent Directors of the Company, performance of the Non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive and Non- executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that the Independent Directors were fully satisfied in this regard.

6. AUDIT COMMITTEE

The Company has an Audit Committee of Directors since 1987. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations as amended from time to time.

The Committee consists of four Directors, out of which three are Independent Directors (IND) and one is Non-executive Director (NED). Five meetings of the Audit Committee were held during the Financial Year ended 31st March 2024.

Dates of the Meetings and the number of Members attended:

Date of Meetings	Number of Members attended
19th May, 2023	4
27th July 2023	4
2nd November 2023	4
8th February 2024 *	4

*Two Meetings were held

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Nand Gopal Khaitan	Chairman, IND	5
Dr. Raghupati Singhania	NED	5
Shri Ravi Jhunjhunwala	IND	5
Shri Sadhu Ram Bansal	IND	5

All the Audit Committee Meetings were attended by the Chief Financial Officer and Company Secretary. The Head of Internal Audit and the Statutory Auditors attended the meetings held for review of Unaudited/Audited Financial Results. The Company Secretary acts as the Secretary to the Committee.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a Stakeholders' Relationship Committee at the Board level which consists of four Directors, comprising two Non-executive Directors (NED), one Independent Director (ID) and one Executive Director (ED). The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations as amended from time to time.

Dates of the Meetings and the number of Members attended:

Date of Meetings	Number of Members attended
19th May 2023	4
27th July 2023	4
2nd November 2023	4

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Dr. Raghupati Singhania	Chairman, NED	3
Shri Nand Gopal Khaitan	IND	3
Shri Bharat Hari Singhania*	NED	3
Shri Arun Kumar Shukla	ED	3

* The Board of Directors reconstituted Stakeholders Relationship Committee by inducting Smt. Vinita Singhania as Member of the Committee w.e.f. 1st April 2024, upon stepping down of Shri Bharat Hari Singhania as Chairman and Non-executive Director and consequently ceasing to be a Member of the Committee of the Company effective from said date.

Shri Amit Chaurasia, Company Secretary, is the Compliance Officer who oversees the investors' grievances including related to transmission of shares, non-receipt of balance sheet and dividends, etc. During the Financial Year ended 31st March 2024, the Company received 11 complaints from the investors and the same were resolved to the satisfaction of investors.

The Board of Directors has delegated the power of transmission of shares and related matters to 'Share Transfer Committee'. The share transmission and requests of other related matters are attended as required. All valid requests for transmission of shares in physical form and requests of other related matters were processed in time and there were no pending transmission of shares or other related matters. During the Financial Year ended 31st March 2024, 12 Meetings of the Share Transfer Committee were held.

8. NOMINATION AND REMUNERATION COMMITTEE

As on 31st March 2024, the Company has a 'Nomination and Remuneration Committee' comprising three Directors, including two Independent Directors (IND) and one Non-executive Director (NED). The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations as amended from time to time.

Dates of the Meetings and the number of Members attended:

Date of Meetings	Number of Members attended
27th July 2023	3
8th February 2024	2

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri Nand Gopal Khaitan	Chairman, IND	2
Shri Ravi Jhunjhunwala	IND	2
Shri Bharat Hari Singhania*	NED	1

* The Board of Directors reconstituted Nomination and Remuneration Committee by inducting Smt. Vinita Singhania as Member of the Committee w.e.f. 1st April 2024, upon stepping down of Shri Bharat Hari Singhania as Chairman and Non-executive Director and consequently ceasing to be a Member of the Committee of the Company effective from said date.

9. NOMINATION AND REMUNERATION POLICY

The Company's Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company, inter-alia, specifies the role and the criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board Diversity. The Policy is available at the website of the Company and the weblink is https://www.jklakshmicement.com/NRC_Policy.pdf The salient features of the Policy are as follows:

(i) The role of the Nomination and Remuneration Committee of Directors (the Committee) shall, include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board of Directors a policy relating to the nomination and remuneration for the Directors, Key Managerial Personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; recommendation to the Board of Directors of all remuneration, in whatever form, payable to senior management and for every appointment of an Independent Director, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.

(ii) The Committee shall take into consideration the following criteria for recommending to the Board appointment of any Director of the Company: (a) Qualifications & experience; (b) Positive attributes like - respect for Company's core values, professional integrity, strategic capability with business vision, etc.; (c) In case the proposed appointee is an Independent Director, he/she should fulfill the criteria for appointment as Independent Director as per the applicable laws & regulations; (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of applicable Laws.

(iii) The Committee will recommend to the Board appropriate compensation to be paid to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other relevant factors. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.

(iv) The Board will review the performance of the Board of Directors, its Committees and individual Director as per the parameters and manner of performance evaluation specified by the Committee from time to time.

(v) The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind while recommending any new name of Director for appointment to the Board.

(vi) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

10. RISK MANAGEMENT COMMITTEE

As on 31st March 2024, the Risk Management Committee (RMC) consists five Members, comprising three Directors including two Executive Directors (ED) & one Independent Director (ID) and other two are the Senior Executives (SE) of the Company. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Regulation 21 of the Listing Regulations, which broadly include: Formulation of Risk Management Policy (Policy) covering identification of major internal and external risks, particularly the financial, operational, sectoral, sustainability (ESG related risks), information & cyber security risks, Business Continuity Plan and measures to monitor and review risk management and mitigation plan of the Company; oversee implementation and review of the Policy and inform Board on the effectiveness of the risk management framework, etc.

Dates of the Meetings and the number of Members attended:

Date of Meetings	Number of Members attended
3rd July 2023	5
18th December 2023	5

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri N.G Khaitan	Chairman, IND	2
Smt. Vinita Singhania	ED	2
Shri Arun Kumar Shukla	ED	2
Shri S.A. Bidkar	SE	2
Shri S. Ramesh	SE	2

In addition, the Company has an Internal Risk Management Committee since 2005, comprising President & Director and Senior Executives which meets on a quarterly basis and evaluates the efficacy of the framework relating to risk identification and its mitigation and keep the Board informed.

11. SENIOR MANAGEMENT

The Company has a very competent team of senior management. As on 31st March 2024, the Senior Management of the Company comprises Shri S.A. Bidkar, Chief Financial Officer, Dr. S.K. Saxena, Unit Head – Sirohi Plant, Shri Mukul Srivastva, Unit Head – Durg Plant, Shri S. Ramesh, Sr. V.P. (Materials), Shri Ranjeev Sharan, Chief – Sales, Dr. Tapomoy Deb, Sr. Vice President – HR, Shri Rajesh Kumar Singh, Head – IT, Shri Sujeet Jha, Business Head – VAP, Shri Amit Chaurasia, Company Secretary and Shri Vinod Prakash, Head – Internal Audit. During the year, Shri Vinod Prakash, Head – Internal Audit was appointed as Senior Management Personnel w.e.f. 27th July 2023, in place of Shri Pankaj Gupta who superannuated from the services of the Company.

12. REMUNERATION PAID TO DIRECTORS

(i) Executive Directors:

(₹ in Crore)

Sl. No	Name of Directors	Particulars of Remuneration				
		Salary	Perquisites etc.	Others (mainly contribution to Provident Fund)	Commission payable	Total
1.	Smt. Vinita Singhania Vice Chairman & Managing Director	8.84	2.61	0.08	16.00	27.53
2.	Shri Arun Kumar Shukla President & Director	1.02	2.43	0.24	0.50	4.19

The Tenure of office of the Managing Director and the 'President & Director' is five years and three years, respectively from their respective dates of appointment. In the case of Executive Directors, their notice period is six months. Severance Fees for the Managing Director is remuneration for the unexpired residue of her term or three years, whichever is shorter. Further, the Company does not have Sweat Equity/ Scheme for stock option.

(ii) Non-executive Directors:

During the Financial Year 2023-24, the Company paid sitting fees aggregating to ₹ 33.40 Lakh to all the Non-executive Directors (NEDs) for attending the meetings of the Board and Committees of Directors of the Company. Commission payable to NEDs is ₹ 125 Lakh; Shri Bharat Hari Singhania, Chairman - ₹ 50 Lakh, ₹ 15 Lakh each to Shri Nand Gopal Khaitan, Amb. Bhaswati Mukherjee, Dr. Raghupati Singhania, Shri Ravi Jhunjhunwala and Shri Sadhu Ram Bansal. The NEDs did not have any other material pecuniary relationship or transactions vis-à-vis the Company during the year except as stated above.

13. GENERAL BODY MEETINGS

(A) Location and time for the last three Annual General Meetings (AGMs) of the Company were:

Year	Location	Date	Time
2020-21	Video Conferencing (VC) /Other Audio Visual Means (OAVM)	26th August 2021	2:30 P.M.
2021-22		17th August 2022	
2022-23		24th August 2023	

(B) Details of Special Resolutions passed in the previous three AGMs: (1) Special Resolutions for (a) Re-appointment of Smt. Vinita Singhania as Managing Director for a period of five years w.e.f. 1st August 2021; (b) Continuation of directorship of Dr. Raghupati Singhania, as Non-executive, Non-Independent Director liable to retire by rotation; (c) Adoption of new set of Articles of Association of the Company; (d) Re-appointment of Amb. Bhaswati Mukherjee as an Independent Director for a second term of five consecutive years w.e.f., 28th March 2022; (e) Continuation of Shri Bharat Hari Singhania, Chairman, as Non-Executive, Non Independent Director, liable to retire by rotation (f) Payment of remuneration by way of commission or otherwise to Non-executive Directors (including Independent Directors) not exceeding three percent of the annual net profits of the Company for each financial year, were passed in the AGM held on 26th August 2021. (2) Special Resolutions for (a) Appointment of Shri Sadhu Ram Bansal, as an Independent Director of the Company for a term of three consecutive years with effect from 1st July 2022; (b) Appointment of Shri Arun Kumar Shukla as 'President & Director' of the Company for a period of three years w.e.f. 1st August 2022; (c) Borrowing of monies of upto ₹ 4,000 Crore and (d) Creation of security/charge over the borrowed funds of upto ₹ 4,000 Crore, were passed in the AGM held on 17th August 2022. (3) Special Resolutions for (a) Re-appointment and continuation of directorship of Shri Bharat Hari Singhania, Chairman as Director liable to retire by rotation; (b) Payment of Remuneration to Shri Bharat Hari Singhania, Chairman for FY 2022-23; (c) Enhancement of Borrowing Limits from ₹ 4,000 Crore to ₹ 7,000 Crore under Section 180(1)(c) of the Companies Act, 2013; ('Act') (d) Enhancement of limits for creation of Security from ₹ 4,000 Crore to ₹ 7,000 Crore under Section 180(1)(a) of the Act, were passed in the AGM held on 24th August 2023.

(C) During the Financial Year 2023-24, one Special Resolution was passed through Postal Ballot by voting through electronic means ("remote e-voting") for giving Loans, making Investments and providing Guarantees, / Securities upto an amount not exceeding ₹ 2,500 Crore outstanding at any point of time which shall be over and above the threshold limit as prescribed from time to time under Section 186 (2) of the Act. Percentage of votes cast in favour of the Resolution was 93.50 & against the Resolution was 6.50 and accordingly the Resolution was passed with requisite majority on 24th March 2024.The Company extended e-voting facility through Central Depository Services (India) Ltd. (CDSL), for its Members to enable them to cast their votes electronically. Dr. Ronak Jhuthawat of M/s Ronak Jhuthawat & Co. Company Secretaries (Certificate of Practice Number: 12094), was appointed as Scrutinizer to conduct the Postal Ballot in a fair and transparent manner.

(D) There is no immediate proposal for passing any resolution through Postal Ballot.

14. DISCLOSURES

(i) **Related Party Transactions:** Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large: **None**

Suitable disclosures as required by Ind AS- 24 – Related Party Transactions have been made in the Annual Report.

All the Related Party Transactions are dealt with in accordance with the provisions of the Act and Regulation 23 of the Listing Regulations.

The Company has also formulated a policy on the materiality of Related Party Transactions and on dealing with Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is https://www.jklakshmicement.com/JKLC-RPT-Policy.pdf.

(ii) **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years:** There were no cases of non-compliance of any matter related to capital markets during the last three years.

(iii) **Vigil Mechanism/Whistle Blower Policy:** The Board of Directors of the Company at its meeting held on 25th July 2014 had established a Policy on Vigil Mechanism for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behavior, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action. The details of establishment of such mechanism have been also disclosed on the website of the Company. During the year, no concerns or any fraud were reported. Further, it is affirmed that no personnel has been denied access to the Audit Committee.

(iv) **Prevention of Sexual Harassment of Women at Workplace:** Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its workplace(s) to redress the complaints of women employees.

During the year, there was no complaint filed with ICC and no complaint pending as on 31st March 2024.

(v) **Disclosure of commodity price risks and commodity hedging activities:** As a part of Risk Management Policy, the Company has identified fluctuations in major commodity prices as one of the risks. To mitigate the same, the Company undertakes commodity hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to ensure availability of raw material and prices under check.

For the Financial Year 2023-24, Company's exposure in petcoke and coal was more than 10% of the total cost of production. Board of Directors considered Petcoke and Coal as 'Material' commodities for the purpose of disclosure as required under the applicable SEBI Circular.

(a) Total exposure of the Company to commodities: ₹ 1,014 Crore.

(b) Exposure of the Company to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Petcoke	654 Crore	4.12 Lakh MT	Nil	Nil	Nil	Nil	Not Applicable
Coal	360 Crore	5.27 Lakh MT	Nil	Nil	Nil	Nil	Not Applicable

(c) Commodity risks faced by the Company during the year: Nil

(vi) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):** During the Financial Year ended 31st March 2024; the Company has not raised funds through Preferential Allotment or Qualified Institutions Placement.

(vii) **Certificate:** The Company has received a certificate dated 1st May 2024 from Shri Namo Narain Aggarwal, Company Secretary in Practice (FCS No: 234, CP No. 3331) that none of the Directors on the Board of JK Lakshmi Cement Ltd. have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

(viii) **Subsidiary Companies:** The Financial Statements, in particular, the investments made by the unlisted subsidiary companies, if any, are reviewed by the Audit Committee.

The minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board Meeting of the Company. A statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, are also placed at the Board Meeting of the Company.

Udaipur Cement Works Limited (UCWL), a listed entity, incorporated on 15th March 1993 at Jaipur and currently having registered office at Shripati Nagar, Udaipur, Rajasthan, is a material subsidiary as defined in Regulation 16 of the Listing Regulations and the relevant requirements have been duly complied with. M/s Bansilal Shah & Co., Chartered Accountants are Statutory Auditors of UCWL, re-appointed for a second term of five consecutive years, at the AGM held on 17th August 2019 w.e.f. the said date.

The Company has formulated a policy for determining material subsidiary as required under above Regulation and the same is disclosed on the Company's Website. The web link is https://www.jklakshmicement.com/Policy-for-Determining-Material-Subsidiary.pdf

(ix) **Credit Ratings**

During the year under review, Ratings to various facilities of the Company by Rating Agencies are as under :

1. CRISIL Ratings Ltd. & CARE Ratings Ltd. have reaffirmed Long Term Credit Rating at **CRISIL AA; Stable (Double A;**

Outlook Stable) & CARE AA; Stable (Double A; Outlook Stable) respectively to various Long Term Bank Facilities of the Company

2. CRISIL Ratings Ltd. & CARE Ratings Ltd. have reaffirmed the Credit Rating in respect of Company's Short Term Bank Facilities and Commercial Paper at **CRISIL A1(+) (A One Plus) & CARE A1(+) (A One Plus)** respectively.

   Further, CRISIL Ratings Ltd. & CARE Ratings Ltd. have also reaffirmed the Credit Rating in respect of Company's Fixed Deposits at **CRISIL AA ; Stable (Double A; Outlook Stable) & CARE AA; Stable (Double A; Outlook Stable)** respectively.

(x) **Dividend Distribution Policy:** The Company has framed a Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations. The Policy has been posted on the website of the Company and the web-link is https://www.jklakshmicement.com/Dividend-Distribution-Policy.pdf

(xi) There were no instances where the Board had not accepted any recommendation of any Committee of the Board during the Financial Year ended 31st March 2024.

(xii) **Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part:** During the financial year ended 31st March 2024, the Company and its subsidiaries, namely, Agrani Cement Pvt. Ltd., Avichal Cement Pvt. Ltd., Mahabal Cement Pvt. Ltd. and Trivikram Cement Pvt. Ltd. have paid total fees for various services including statutory audit, amounting to ₹ 40.20 Lakh, including taxes, to the Statutory Auditors, M/s S.S. Kothari Mehta & Co. LLP, Chartered Accountants. Further, no fees was paid by the Company or its subsidiaries to any entity in the network firm/ network entity of which the Statutory Auditors are part.

(xiii) Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firm/companies in which Directors are interested by name and amount': Nil.

(xiv) **Disclosure of certain types of agreements binding listed entities as per clause 5A of paragraph A of part A of schedule III of the Listing Regulations :** Nil

14. MEANS OF COMMUNICATION

Quarterly, Half-yearly and Annual financial Results are generally published in the leading English newspapers, including, The Economic Times, Financial Express, Business Standard, Hindustan Times, Hindu Business Line & Mint and one regional daily newspaper namely Rajasthan Patrika (Pali), having wide circulation and promptly furnished to the Stock Exchanges for display on their respective websites. The results are also displayed on the Company's website – www.jklakshmicement.com. Official news releases are also available on the Company's website.

Presentations made to Institutional Investors or to the Analysts, if any, are promptly displayed on the website of the Company.

15. GENERAL SHAREHOLDERS' INFORMATION

(i) **Registered Office**
Jaykaypuram - 307 019, Distt. Sirohi, Rajasthan.

(ii) **Annual General Meeting (AGM) for FY 2023-24**

(a) Date, Time and Venue: Friday, 23rd August 2024 at 2:30 PM through Video Conference (VC) / Other Audio Visual Means (OAVM)

(b) A brief resume and other particulars of the Directors seeking appointment/ re-appointment at the aforesaid AGM is given in the Notice convening the said AGM.

(iii) **Financial Year:** April 1 to March 31.

(iv) **Financial Calendar (Tentative)**

Financial Reporting • for the quarter ending 30.06.2024 • for the half-year ending 30.09.2024 • for the quarter ending 31.12.2024	Within 45 days of the end of the quarter
• for the year ending 31.03.2025 (Audited)	Within 60 days of the end of the financial year.
• Annual General Meeting for the Financial Year ending 2024-25	Between July to September 2025

(v) **Dividend Payment Date:** Within three to four weeks of conclusion of AGM.

(vi) **Date of Book Closure:** Refer AGM Notice.

(vii) **Names and address of Stock Exchanges where Equity Shares of the Company are listed:** The Equity Shares of the Company (Face Value: ₹ 5/- each) are listed on:

- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
- National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051.

The Annual Listing Fees for the Financial Year 2024-25 has been paid to both the aforesaid Stock Exchanges.

The securities of the Company are never suspended from trading.

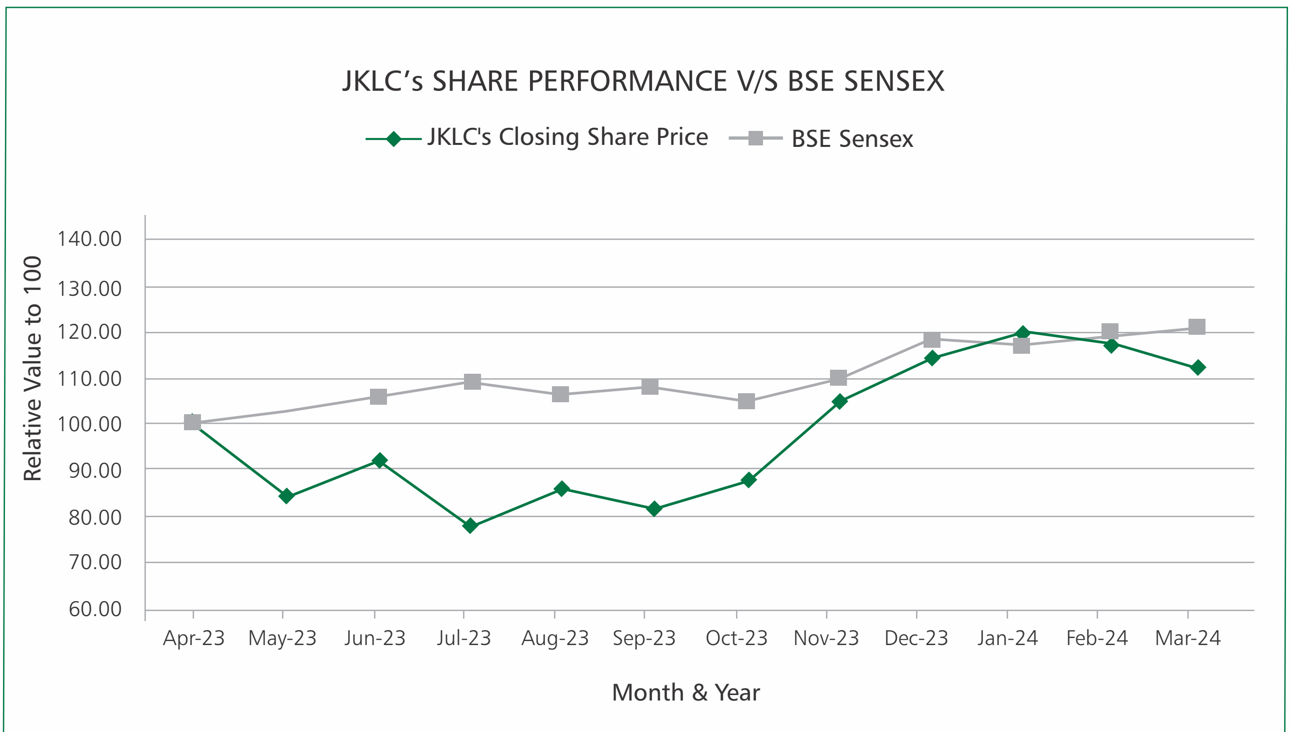
(viii) **Security Code for Company's Equity Shares on Stock Exchanges and ISIN:**

BSE – 500380 and NSE – JKLAKSHMI; ISIN: INE786A01032.

(ix) **Stock Market Price Data**

Months (2023-24)	BSE Ltd. (BSE) (₹)		National Stock Exchange of India Ltd. (NSE) (₹)	
	HIGH	LOW	HIGH	LOW
April 2023	847.00	758.40	850.00	758.50
May 2023	820.65	660.20	821.10	660.00
June 2023	749.95	663.00	749.50	663.05
July 2023	729.85	608.10	730.00	607.20
August 2023	676.85	609.75	676.95	609.80
September 2023	710.80	628.00	711.00	627.95
October 2023	701.30	641.50	702.00	640.60
November 2023	832.90	668.25	833.50	670.00
December 2023	915.35	806.10	915.60	808.50
January 2024	969.95	825.90	970.00	826.00
February 2024	998.40	875.15	999.90	880.20
March 2024	958.00	773.10	959.00	772.15

JK Lakshmi Cement Limited ('JKLC') Share Performance v/s BSE Sensex (April 2023 - March 2024)



(x) Distribution of Shareholding as on 31st March 2024

No. of Equity Shares	No. of Equity Shares of ₹ 5/- each	%	No. of Shareholders	%
1-500	62,13,003	5.28	1,08,441	96.39
501-1,000	16,97,674	1.44	2,279	2.03
1,001-5,000	29,26,970	2.49	1,406	1.25
5,001-10,000	11,40,609	0.97	156	0.13
10,001 & above	10,56,91,810	89.82	223	0.20
TOTAL	11,76,70,066	100.00	1,12,505	100.00

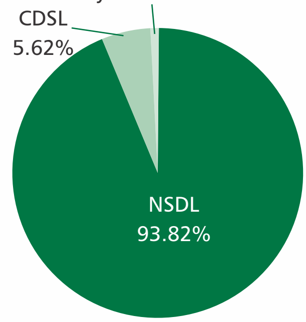
(xi) Share Transfer System

Pursuant to the provisions of the Listing Regulations read with relevant SEBI's Circular, transfer of shares in physical form is not permitted. Accordingly, transfer of shares shall be processed only in the dematerialised form with a depository. Further, transmission or transposition of shares held in physical or dematerialised form shall also be effected only in dematerialised form. On receipt of any request for duplicate issue/ renewal/ exchange/ endorsement/ sub-division/ splitting/ consolidation/ transmission/ transposition of share certificate by the Company, our RTA will issue a "Letter of Confirmation" in the prescribed format to effect issuance of shares in dematerialised form.

(xii) Dematerialisation of Shares and Liquidity

The Equity Shares of the Company are actively traded on BSE and NSE. Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their physical shares, with any one of the Depositories namely NSDL and CDSL. The ISIN of Equity Shares of the Company for both the Depositories is INE786A01032. As on 31st March 2024, 99.44% of the Equity Shares stand dematerialised. It may be noted that in respect of shares held in demat form, all the requests for nomination, change of address, ECS, Bank Particulars, etc. shall be made only to the Depository Participant (DP) of the Shareholders.

Shares held in Physical/Demat Form (with NSDL & CDSL) as on 31st March 2024



(xiii) **Outstanding GDRs/ADRs/Warrants/Options or any Convertible instruments, conversion date and likely impact on Equity:** As on 31st March 2024– NIL.

(xiv) **Commodity price risk or Foreign Exchange risk and hedging activities:** During the Financial Year ended 31st March 2024, the Company has managed the foreign exchange risk and hedged to the extent considered necessary through forward contracts.

(xv) Plant Locations:

(1) JK Lakshmi Cement Ltd.
Jaykaypuram, Dist. Sirohi - 307 019 (Rajasthan)

(2) JK Lakshmi Cement Ltd.
Malpuri Khurd, Ahiwara,
District Durg-491001 (Chhattisgarh)

(3) JK Lakshmi Cement Ltd.
Motibhoyan, Kalol
District Gandhi Nagar – 382010 (Gujarat)

(4) JK Lakshmi Cement Ltd. & Fly Ash Block Unit
Village Bajitpur, P.O. Jhamri,
District Jhajjar-124507 (Haryana)

(5) JK Lakshmi Cement Ltd.
Village Dastan, Taluka Palsana,
District Surat-394310 (Gujarat)

(6) JK Lakshmi Cement Ltd.
Village Ghantikhal, Radhashyampur,
P. O. Khuntuni, District Cuttack-754 297 (Odisha)

(7) JK Lakshmi Cement Ltd.
Fly Ash Block Unit
Jawn, Anup Shar Road, Village Nagaula,
Aligarh - 202126

(8) JK Lakshmi Cement Ltd.
Fly Ash Block Unit, A-464 AND 465
Matsya Industrial Area, Mia Road,
Alwar - 301030 (Rajasthan)

(xvi) Address for correspondence regarding share related matters

(1) JK Lakshmi Cement Limited
Secretarial Department,
Gulab Bhawan, 3rd Floor (Rear Block),
6A, Bahadur Shah Zafar Marg,
New Delhi- 110 002
Ph:(011) 6820 1862
Contact Person: Shri Amit Chaurasia
(E-mail: jklc.investors@jkmail.com)

(2) **Registrar & Share Transfer Agent (RTA) – MCS Share Transfer Agent Ltd.**
F-65, First Floor, Okhla Industrial Area,
Phase – I, New Delhi – 110 020,
Ph. (011) 41406149-50,
Fax No. (011) 41709881
E-mail: admin@mcsregistrars.com
Contact Person: Shri Ajay Dalal
E-mail: ajay.dalal@mcsregistrars.com

(xviii) This Corporate Governance Report of the Company for the Financial Year ended 31st March 2024 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.

(xix) Adoption of discretionary requirements specified in Part E of Schedule II to the Listing Regulations- (a) The Board: As on 31st March 2024, the Chairman of the Company is Non-executive w.e.f. 1st October 2021. The Members at the Annual General Meeting held on 26th August 2021 approved maintenance of Chairman's Office pursuant to Regulation 27(1) of the Listing Regulations; (b) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website www.jklakshmicement.com At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of Shareholders; (c) Modified opinion(s) in audit report: The Company already has a regime of financial statements with unmodified opinion of Auditors; (d) Separate posts of Chairperson and the Managing Director or the Chief Financial Officer: During the reporting period, Shri Bharat Hari Singhania, Chairman, was a Non-Executive Director and is not related to the Managing Director of the Company; (e) Reporting of Internal Auditor: The Internal Auditor of the Company submits his Internal Audit Report to the Audit Committee on quarterly basis.

(xx) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub–regulation (2) of Regulation 46 of the Listing Regulations.

(xxi) (a) Transfer of Shares to IEPF Authority:

In accordance with the Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (IEPFA Rules), the Company has transferred 84,645 Equity Shares to the demat account of Investor Education and Protection Fund Authority (IEPF Authority), during the year. The details of such Shareholders are available on the Website of the Company at www.jklakshmicement.com . The said shares can be claimed back by the Shareholders from the IEPF Authority as per the procedure laid down in the IEPFA Rules.

(b) Information in terms of Schedule V (F) of the Listing Regulations:

The Company does not have any share in the demat suspense account or unclaimed suspense account.

16. DECLARATION BY THE MANAGING DIRECTOR

This is to confirm that for the Financial Year ended 31st March 2024, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
JK Lakshmi Cement Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance by JK Lakshmi Cement Limited ("the Company"), as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2024.

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulations. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Auditors' Responsibility

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
FRN - 000756N/N500441

Sunil Wahal
Partner
Membership No. 087294

Place: New Delhi
Date: May 23, 2024
UDIN: 24087294BKAHIX8654

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	:	L74999RJ1938PLC019511
2.	Name of the Listed Entity	:	JK Lakshmi Cement Limited
3.	Year of Incorporation	:	1938
4.	Registered Office Address	:	Jayakaypuram Distt.: Sirohi-307 019, Rajasthan
5.	Corporate Address	:	Nehru House,4, Bahadur Shah Zafar Marg, New Delhi, Delhi, India, 110002
6.	E-mail	:	lakshmi_cement@lc.jkmail.com
7.	Telephone	:	Ph No.: 02971-244409/244410 Fax No.: 02971-244417
8.	Website	:	www.jklakshmicement.com
9.	Financial Year for which reporting is being done	:	1st April 2023 – 31st March 2024
10.	Name of the Stock Exchange(s) where shares are listed	:	BSE Ltd. National Stock Exchange of India Ltd.
11.	Paid-up Capital	:	₹ 58.85 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Shri Arun Kumar Shukla President & Director Tel. No.- +911168201877 E-mail id: arun.shukla@jkmail.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	:	The disclosures under this Report are made on a standalone basis.
14.	Name of assurance provider	:	Bureau Veritas (India) Pvt. Ltd.
15.	Type of assurance obtained	:	Limited Assurance

II. Products / services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Cement Manufacturing	Cement Manufacturing & Selling	91%

17. Products / Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Cement & Clinker	2394	91%

III Operations

18. Number of locations where plants and/or operations / offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2 Integrated Cement Plants & 4 Grinding Units	28	34
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	18
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not applicable as the Company is not exporting cement.

c. A brief on types of customers

Trade customers- IHB- Individual home builders who built their home on a plot of land.

Non-Trade – Institutional customers – entities who buy cement from the Company for various housing and commercial/ government projects.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No.(B)	%(B/A)	No.(C)	%(C/A)
	EMPLOYEES					
1.	Permanent (D)	1388	1373	99%	15	1%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D+E)**	1388	1373	99%	15	1%
	WORKERS					
4.	Permanent (F)	233	233	100%	0	0
5.	Other than Permanent (G)	2040	1927	94%	113	6%
6.	**Total workers (F+G)**	2273	2160	95%	113	5%

b. Differently abled Employees and Workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No.(B)	%(B/A)	No.(C)	%(C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent(D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D+E)**	0	0	0	0	0
	DIFFERENTLY ABLED WORKERS					
4.	Permanent(F)	1	1	100%	0	0
5.	Other than Permanent (G)	1	1	100%	0	0
6.	**Total workers (F+G)**	2	2	100%	0	0

21. Participation / Inclusion / Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors#	8	2	25%
Key Management Personnel*	4	1	25%

W.e.f. 1st April 2024, Shri Bharat Hari Singhania was appointed as Chairman Emeritus & Strategic Advisor to the Board upon his cessation as Chairman and Non-Executive Director of the Company from the said date. Accordingly, as on 1st April 2024, the total number of Directors are 7 and the percentage of Female is 28.57%.
*Including two Executive Directors.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.18%	0	14.18%	9.70%	0.30%	10.00%	10.20%	0	10.20%
Permanent Workers	0.44%	0	0.44%	1.28%	0	1.28%	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the Holding* / Subsidiary /Associate companies / Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Hansdeep Industries & Trading Company Ltd.	Subsidiary	100%	No
2.	Udaipur Cement Works Ltd.	Subsidiary	Equity - 75%	No
3.	Ram Kanta Properties Pvt. Ltd.	Subsidiary	100%^	No
4.	Hidrive Developers and Industries Pvt. Ltd.&	Subsidiary	100%	No
5.	Agrani Cement Pvt. Ltd.&	Subsidiary	Equity - 85%	No
6.	Avichal Cement Pvt. Ltd.	Subsidiary	Equity - 85% $	No
7.	Mahabal Cement Pvt. Ltd.	Subsidiary	Equity - 85% $	No
8.	Trivikram Cement Pvt. Ltd.	Subsidiary	Equity - 85% $	No
9.	Dwarkesh Energy Ltd.	Associate	Equity - 35%	No
10	Amplus Helios Pvt. Ltd.#	Associate	Equity - 20.80%	No

* The Company does not have any holding Company.
^ Wholly Owned Subsidiary of Hansdeep Industries & Trading Company Ltd.
& During the Financial year ended 31st March 2024, Hidrive Developers and Industries Pvt. Ltd. and Agrani Cement Pvt. Ltd. became Subsidiaries of the Company. Avichal Cement Pvt. Ltd., Mahabal Cement Pvt. Ltd. and Trivikram Cement Pvt. Ltd., Wholly owned Subsidiaries of Agrani Cement Pvt. Ltd. also became Subsidiaries of the Company.
$ Wholly Owned Subsidiary of Agrani Cement Pvt. Ltd.
# During the Financial year ended 31st March 2024, Amplus Helios Pvt. Ltd. became Associate of the Company.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in Rupees): ₹ 6,383.78 Crore

(iii) Net worth (in Rupees): ₹ 3,081.45 Crore

VII. Transparency and Disclosures Compliances

25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (through CSR team)	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes** www.jklakshmicement.com	11	0	**	12	0	**
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	194	0	Resolved	178	0	Resolved
Value Chain Partners	Yes	0	0	-	0	0	-
Influencers	Yes	1522	0	Resolved	1101	0	Resolved
Other (Please specify)	-	-	-	-	-	-	-

** The Company has a dedicated Manager level employee who regularly keeps a track of the complaints received from shareholders and promptly responds (say 3 to 5 days) to the Complainant to ensure that the complaint is resolved immediately to the satisfaction of the Shareholder without any delay. All the complaints of shareholders received during a quarter, if any and actions taken thereon are placed before a Board level Committee, constituted under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy Conservation	R	A poor track record in energy consumption is likely to experience reduced trust from investors and stakeholders. The regulatory authorities may impose penalties on the Company due to poor energy performance.	Increased usage of solar and other renewable source of energy. Also mapping our energy use and various sources & continuously working towards reducing our energy footprint	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Climate Change & GHG Emissions	R	Failure to reduce GHG emissions and adaption to climate change impacts poses severe risk for the organization. Climate change is material to the continuity of our business & improving productivity in the new global environment.	Company is undertaking various initiatives towards climate change & GHG Emission reduction. Shifting to renewable energy. Enhanced use of Alternative Fuel and Raw Material (AFR) and pro-active resource conservation initiatives and low carbon blended products	Negative
3	Waste Management	R	Poor waste management will have multiple negative impact on various stakeholders	We manage our waste with focus on 4R principle (Reduce, Recycle, Reuse & Repair)	Negative
4.	Water Management	R	Lack of water management initiatives will lead to depletion of water resources in an area and impacting social and biodiversity value.	Various water stewardship projects.	Negative
5.	Occupational Health and Safety	R	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.	Maintain Zero Loss Time Injury Frequency Rate (LTIFR)	Negative
6.	Employee diversity	O	Having a diversified workforce has many positives including financials, innovations & value of respecting others. We have embraced diversity in our organization with a focus on building inclusive workforce.	Gender diversity policy in place	Positive
7.	Human Rights Practices	R	Poor human rights practices has repetitional & regulatory risks and may impact stakeholders like customers, investors, media among others. We respect fundamental human rights in all our operations, value chain and in the communities where we operate.	Human rights policy in place.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Employee Trainings & Development	R	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. Also hampers Company's overall performance and progress towards its strategic targets, leading to decline in revenues.	Invest in our employees, implement systems and practices for their continuous skill & career development.	Negative
9.	Regulatory Compliance & Transparency/ Disclosures	R	Sanctions and financial penalties may be imposed on an enterprise by the regulatory authorities for acts of non-compliance.	Strong internal compliance system in place	Negative
10.	Product Safety & Quality	R	Poor product in terms of quality and safety will result into loss of customers & market.	Highest standards of quality control, market feedbacks on product & remedial actions if needed.	Negative
11.	Risk Management	R	This refers to the identification and management of risks including operational risks, legal risks, compliance risks, reputational risks, strategic risks, etc., and getting all the necessary NOC & approvals from government authorities	Company has a strong Risk Management Process in place, oversight of Risk Management Committee	Negative

Please refer Materiality Assessment & Risk Assessment chapter of the integrated Annual Report (IAR) for more information.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	It has been the Company's practice to upload all the policies on the intranet for the information and implementation by internal stakeholders. The Code of Conduct for Board Members and Senior Management and other relevant policies are available on the website of the Company at https://www.jklakshmicement.com/code-of-conduct/ and https://www.jklakshmicement.com/companies-policies-other-information/ Weblink of ESG/ sustainability policy is below- https://www.jklakshmicement.com/esg-policies/								

2.	Whether the entity has translated the policy into procedures. (Yes /No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies are based on all the above prescribed principles. The key focus of these policies is to follow the spirit of national and international standards like ISO45001; UNGC Guidelines; GRI Standards; WBCSD and others wherever applicable. P1- Quality Management (ISO 9001:2015) P2- Quality Management (ISO 9001:2015); Energy management (ISO50001:2018); Occupational Health and Safety management (ISO45001:2018); Environment Management (ISO14001:2015) NABL Lab (ISO/IEC 17025) PPC [IS 1489 (PART 2)]; Composite (IS 16415: 2015); Slag (IS 455: 2015); OPC (IS 269:2015) Green certification P3- Quality Management (ISO 9001:2015) Energy management (ISO50001:2018) ;Occupational Health and Safety management (ISO45001:2018); Environment Management (ISO14001:2015) P4- Quality Management (ISO 9001:2015) P5- Quality Management (ISO 9001:2015) P6- Energy Management (ISO50001:2018) ; Occupational Health and Safety Management (ISO45001:2018) P7- Quality Management (ISO 9001:2015) P8- Quality Management (ISO 9001:2015); Energy Management (ISO50001:2018); Occupational Health and Safety management (ISO45001:2018); Environment Management (ISO14001:2015) P9- Quality Management (ISO 9001:2015)								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Goals and targets are set annually which are derived from Company Strategic Business Plan. Specific sustainability targets have been identified and the timelines for achieving carbon neutrality are being defined. All other specific targets- long term and short term are periodically reviewed and approved by management. For more information please refer strategic objective chapter of Integrated Annual Report.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	For all identified KPIs, performance reviews are conducted on annual basis by the top management in Business Review Meetings. Please refer to relevant chapters on various capitals/ natural capital, human capital, manufacturing capital, intellectual capital, social & relationship capital and strategic objective chapter of Integrated Annual Report.								

Governance, leadership and oversight

7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Being responsible cement manufacturing Company we at JK Lakshmi Cement Ltd. are committed for the BRSR and ESG principles, inclusive growth, UN Sustainable Development Goals and other commitments of the nation. We are committed to continuously strive for improving our ESG performance by not only mitigating social and environmental negative impacts but by creating positive externalities through our business operations. Please refer Leadership message in Integrated Annual Report.

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Shri Arun Kumar Shukla President & Director
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. During the year, the Board rechristened the erstwhile Corporate Social Responsibility (CSR) Committee to "CSR & Sustainability Committee". The said Committee overseas, inter alia, the Environment, Social, Governance and Sustainability initiatives of the Company. For further details please refer to Integrated Annual Report

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Halfyearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	CSR and Sustainability Committee and additionally, by President & Director of the Company.									Annually								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	CSR and Sustainability Committee and additionally, by President & Director of the Company.									Quarterly								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, the ESG policies were assessed by an external agency CARE Analytics and Advisory Private Limited								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable, since the policies of the Company cover all Principles on NGRBC.

Questions	P 1	P 2	P 3	P 1	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors /	2	(i) Updates on Sustainability including CSR initiatives undertaken.	100
Key Managerial Personnel	4	(ii) Updates on Whistle Blower Mechanism and Code of Conduct for Members of Board and Senior Management. The Board members have been updated with the above and the underlying principles thereby adding values.	100
Employees other than BOD and KMPs	415	Ethics; code of conduct; safety; JKLC core values; New vision, mission and values; competencies; Emergency plan; ERP; waste, BOD and KMPs management; 5S; Sustainability; Whistle Blower; Prevention of Sexual Harassment at workplace and others	100
Workers	384	New Vision, Mission and Values, Safety trainings; H & S; Emergency; Hazards; Waste	100

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement	Amount (In ₹)	Brief of the Case	Has an Appeal been filed
Penalty/Fine	Principle 9	Competition Commission of India	6.55 Crores	Competition Commission of India (CCI) vide its order dated 19th January 2017 had imposed a penalty on certain cement companies including a penalty of ₹ 6.55 Crores on the Company pursuant to a reference filed by the Government of Haryana. The Company has filed an appeal with Competition Appellate Tribunal (COMPAT) against the said order. COMPAT has granted a stay on CCI's order. After the merger of COMPAT with National Company Law Appellate Tribunal (NCLAT), the Company's case also stands transferred to NCLAT. Based on the legal opinion, the Company believes that it has a good case in the matter.	Yes
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement	Brief of the Case	Has an Appeal been filed
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory / enforcement agencies/ Judicial institutions
The Competition commission of India finally vide order dated 19-1-2017 held seven cement companies guilty of bid rigging and imposed fine of Rs.205.73 Crores in aggregate on them out of which JKLC has been penalized for Rs 6.55 crores.	All the seven companies filed appeal before Competition Appellate Tribunal (now transferred to National Company Law Appellate Tribunal). JK Lakshmi cement was first to file the appeal being no.- Transfer Appeal (Appellate Tribunal) (Competition) No 39 of 2017 (earlier appeal no 2 of 2017 before COMPAT). The appeals have is yet to be heard and finally disposed. We are ethically, and socially responsible Company and we very strongly reiterate that we have never been a part of bid rigging or any other wrong-doing in our business practices and would like to reassure to all our stake holder that the company has never been indulged or was part of any bid rigging or has undertaken any unfair business practices.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, we do have a policy. In addition, the required steps to ensure proper reporting of such incidents have been given in Vigil Mechanism /Whistle Blower Policy.

https://www.jklakshmicement.com/wp-content/uploads/2023/05/Anti-Bribery-Policy.pdf

https://www.jklakshmicement.com/Vigil-Mechanism.pdf

5. Number of Director/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 (Current Financial Year)		FY2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	N.A.	NIL	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	N.A.	NIL	N.A.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

NIL

8. Number of days of accounts payables ((Accounts payable * 365) / Cost of goods/ services procured) in the following format:

	FY 2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Number of days of accounts payable	34	38

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	-	-
	b) Number of trading houses where purchases are made from	-	-
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a) Sales to dealers/ distributors as % of total sales	58%	56%
	b) Number of dealers/ distributors to whom sales are made	5055	5194
	c) Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	8%	7%
Share of RPTs in	a) Purchases (Purchases with related parties/ Total Purchases)	6.84%	6.59%
	b) Sales (Sales to related parties / Total Sales)	2.84%	3.33%
	c) Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100%	100%
	d) Investments (Investments in related parties/ Total Investments made)	97%	0

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/ principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	BRSR Principles covering ESG in value chain, alternate fuel, greenfield logistics, energy efficiencies etc.	Strategic & critical partners associated with us since long, from all domain of procurement covering 80% of spent in respective categories

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   Yes, we do have a process in place which is governed by the "Code of Conduct for Members of the Board and Senior Management" of JK Lakshmi Cement Ltd. Web link to the same is: https://www.jklakshmicement.com/code-of-conduct/

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvements in environment and social impacts
R & D	3%	9%	Company's R&D is engaged in developing innovative green products, process improvement in cement manufacturing reduction in carbon emission & developing alternative building materials.
Capex	97%	91%	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes. JK Lakshmi Cement Ltd. (JKLC) has developed and implemented sustainable sourcing for its all kinds of input materials. The company has developed a sustainable supply chain with utilization of Green Procurement criteria for vendor assessment. The company prefers those vendors which are ISO certified and have robust policies for environment and sustainable development.

   Sustainable sourcing is part of JKLC sourcing & Suppliers Business Partner Management practices. JKLCL is having digital vendor registration process in place with which vendors being surveyed while registration on sustainable system in place with them like "Social accountability, ESG aspects, wastes management, ISO's registration, etc.". On successful completion of survey, vendors can only proceed further for registration. The Company is committed to conducting business only with those business partners who can align with the filtering criteria laid down during the on-boarding process.

   As a part of sustainable sourcing, the company prefers local and indigenous material as per the availability. In FY 2023-24, 24.91% of input raw material (AFR - Recycled) used for production of cement is recycled in nature from industrial waste.

b. **If yes, what percentage of inputs were sourced sustainably?**

Yes, 100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

We believe in "waste to wealth" and from the very beginning of the project and manufacturing process, we adopted the "Reduce -Reuse – Recycle (3Rs) " principle. JKLC is utilizing recycled material from other industrial waste. The company follows circularity principles in its all stages of manufacturing.

a) Plastic (Including packaging) - JKLC is registered as a Brand Owner and as an Importer for the Extended Producer Responsibility (EPR) under PWM Rules 2016 & as amended. As per the EPR guidelines, we have completed 100% target for FY 2023-24. The major product of JKLC is Cement, which is packed in cement bags. Plastic packaging bags are also recycled by authorized recyclers.

b) E-waste:- There is no E-waste generated from the manufacturing process. However, the only E-waste generated is from the office operations and E-Waste generated is stored at designated places & sold to the CPCB registered recyclers.

c) Hazardous waste and (d) other waste:- During cement manufacturing, only used oil (Hazardous Waste) generated from operational machinery from our plant. Used oil is stored at identified and isolated locations with all safety measures. Used Oil sold to SPCB/CPCB authorized recyclers. Moreover, we are utilizing hazardous waste as an alternative fuel and raw materials (AFR) in our cement manufacturing process, generated as waste/byproduct from other industries.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. Extended Producer Responsibility (EPR) is applicable. We submitted the EPR action plan during registration as a Brand Owner and an Importer, which is in line with the EPR Guideline. As per the guideline, the company has reached 100% target for FY 2023-2024.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective /Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
2394	LCA of 5 Products (OPC, PPC, Composite Cement, PSC & Clinker)	-	Cradle-to-Gate	Yes	Work is under progress

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Though we have plans to conduct LCA study for our cement products, the Company has pro-actively taken multiple initiatives, inter alia, reduce carbon footprint, improve energy efficiencies, increase renewable energy, use of alternative raw materials & fuels, improve water intensity and create a workplace of highest standards of health & safety.

Name of Product/ Service	Description of the risk/ concern	Action Taken
Cement - LCA of 5 Products (OPC, PPC, CoC, PSC & Clinker)	GHG Emission; Occupational Health Safety; Natural Resource Conservation; Reduce Environmental Footprint; Improve Energy Efficiency	Company is committed to reducing carbon emissions and promoting resource efficiency throughout its operations. We're continuously improving our environmental performance and adhering to the highest environmental standards. Our focus is on adoption of energy-efficient technologies, utilizing alternative fuels and raw materials and actively conserving natural resources like limestone, gypsum, water, and energy. We're also significantly increasing the use of renewable energy sources like solar power and waste heat recovery (WHR) in our cement production processes. We're also focusing on blended cement to further reduce greenhouse gas (GHG) emissions as this is environment friendly & durable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Recycled and Reused Material from Industrial Waste	24.91	27.0

Note: FY 2023-24 - Values in %ratio for Total Input AFR (Recycled) and on Total Input Raw Material.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste (Used Oil)	NA	NA	NA	NA	NA	NA
Other waste (Battery)	NA	NA	NA	NA	NA	NA

Note: - JKLC as brand owner manufacture Cement and Clinker where only Polypropylene (PP) bags are being used to pack cement products. We do not reclaim the same material used in our product packaging material but through CPCB authorized recyclers, we recycle the plastic packaging materials as per the guidelines of Extended Producer Responsibility (EPR). The PP bags used in packaging are also used for storage of multiple items like sand, gravel, food grains,

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging material as % of total products sold in respective category
Cement Product - Plastic Packaging Material	Not Applicable, as the product is cement and the packaging is not reclaimed as cement bags are re-used by the end users. However, plastic packaging material which were used for Cement packaging was recycled – EPR Target for FY 2023-24: Qty. 24.56 MT for Category I and 13324.72 for Category II Plastic (100% total Plastic packaging material (pre consumer + post-consumer) in market for FY: 2021-22 & 2022-23).

PRINCIPLE 3: Businesses should respect and promote the well-beingofallemployees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number(B)	%(B /A)	Number(C)	%(C/A)	Number(D)	%(D/A)	Number(E)	% (E /A)	Number(F)	% (F /A)
Permanent employees											
Male	1373	1373	100%	1373	100%	NA	NA	NA	NA	NA	NA
Female	15	15	100%	15	100%	15	100%	NA	NA	15	100%
Total	1388	1388	100%	1388	100%	15	1%	0	0	15	1%
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number(B)	%(B /A)	Number(C)	%(C/A)	Number(D)	%(D/A)	Number(E)	% (E /A)	Number(F)	% (F /A)
Permanent workers											
Male	233	233	100%	233	100%	NA	NA	NA	NA	NA	NA
Female	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	233	233	100%	233	100%	NA	NA	NA	NA	NA	NA
Other than Permanent workers											
Male	1927	1927	100%	1927	100%	NA	NA	NA	NA	NA	NA
Female	113	113	100%	113	100%	113	100%	NA	NA	113	100%
Total	2040	2040	100%	2040	100%	113	6%	NA	NA	113	6%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.14%	0.14%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	As Per Act	As Per Act	Yes	As Per Act	As Per Act	Yes
Others- Please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes the Company has a policy on diversity and inclusion and the actions are being taken.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company is committed to being an equal opportunity employer and ensure an inclusive workplace for all. The policy is being developed.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A	N.A	N.A
Female	100%	100%	N.A	N.A
Total	100%	100%	N.A	N.A

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Company's policy and Union Meetings
Other than Permanent workers	Grievance Handling Mechanism
Permanent employees	As a part of our open and transparent culture, we follow open door policy. So every employee can share their concerns to their functional heads or leaders at any point in time
Oher than Permanent Employees	They can directly approach the respective HODs/ In Charge and the same is addressed by the respective HODs/ In Charge.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association (s) or Union (B)	%(B/ A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association (s) or Union (D)	%(D/C)
Total Permanent Employees	231	0	0	342	0	0
- Male	227	0	0	338	0	0
- Female	4	0	0	4	0	0
Total Permanent Workers	233	233	100%	219	219	100%
- Male	233	233	100%	219	219	100%
- Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health Safety Measures		On Skill Upgradation		Total (D)	On Health Safety Measures		On Skill Upgradation	
		No. (B)	%(B /A)	No. (C)	%(C/A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Male	1373	1373	100%	1105	80%	1461	1461	100%	1271	87%
Female	15	15	100%	11	73%	15	15	100%	14	93%
Total	1388	1388	100%	1116	80%	1476	1476	100%	1285	87%
Workers										
Male	233	233	100%	103	44%	223	223	100%	198	89%
Female	0	0	0	0	0	0	0	0	0	0
Total	233	233	100%	103	44%	223	223	100%	198	89%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No.(B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1373	1373	100%	1461	1461	100%
Female	15	15	100%	15	15	100%
Total	1388	1388	100%	1476	1476	100%
Workers						
Male	233	233	100%	223	223	100%
Female	0	0	0	0	0	0
Total	233	233	100%	223	223	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Occupational Health and Safety Management System (ISO 45001:2018) is implemented across the organization and all integrated and grinding units are certified for ISO 45001:2018.

Occupational Health and Safety Management System is aligned with Occupational Health and Safety Management Policy, Occupational health and safety management vision & Mission and golden rules for employees, visitors & business partners.

All new employees, workers, and contractor workers undergo safety induction training to familiarizes them with the potential hazards and risks associated with their workplace environment which is critical for them to identify and mitigate risks effectively, reducing the likelihood of accidents and injuries, safeguards the well-being, promotes safety culture, and equip them to act swiftly and effectively in the event of an emergency, potentially saving lives and minimizing damage.

All the visitors and value chain partners visiting manufacturing site are made aware of the companies OH&S policy, golden rules, potential hazards, essential information about safety procedures, emergency protocols, and potential risks they may encounter during their visit through site specific animation video.

Digital, user friendly & effective OH&S Management System that fits to the organization and drive Risk Prevention Culture are developed and deployed across the unit to achieve and sustain "Zero Harm".

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Hazard identification and Risk assessment is carried out by the section heads of the cross functional team (CFT) and active participation of worker in this process. Pre job safety briefing and on the job observation (BBS observation) is carried out by shift engineers / supervisors and critical error reduction techniques are applied.

Role & responsibility pertaining to OH&S with measurable KRA are mapped in SAP based KRA monitoring system. Safety visit mobile app is used for capturing site visit observations, recommendations of safety meetings, fire & safety audit, reporting of unsafe act & conditions and recognition for safe work execution. Plant safety inspection module developed in SAP is used for safety inspection, utility inspection mobile app is used for safety inspection of lifting tools, tackles, lifting machines, portable power hand tools, welding machines, heavy earth moving machines, critical PPE like Kevlar suit & arc flash suit, transformer, earth pit, load center, oil tank, fire tender and first aid box etc. Logistic safety app is used for safety inspection of raw material and finished goods vehicles. For contractor safety management, a contractor safety management app is there. Digital Permit to work & LOTOTO (Lock-out, tag-out & try-out) system is used to ensure safe execution of work. PPE survey mobile app is used for PPE compliance survey, Learning kiosk is there for self-assisted learning of employees, workers and contract workers. Healthy condition of the emergency handling equipment is ensured through digital system and IOT.

Occupational health centers are equipped with 300mA digital x-ray machine, path lab, spirometer, audiometer, ECG, oxygen concentrator, eye vision box, ISHIRA test color deficiency plate, bed equipped with medical O2 supply and bio-medical waste management facilities.

Every month starts with safety mass meeting at Main Gate, Mines, Packing Plant & Transport Nagar with activities like Safety message by Unit head, Safety Talk by worker, Safety Skit by worker, Recognition of worker, Distribution of safety pamphlet & Display of safety posters.

Every day begins with safety prayer, pre job safety briefing, on the Job safety observation & daily safety review in production meeting.

OH&S need base training, audit and inspection, emergency mock-drill, safety committee meeting, review of HIRA, emergency plan and safety standards, pre and post-employment occupational health checkup are carried out in accordance to OH&S annual plan.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

- Verbal Reporting: Inform supervisor, manager and safety officer.
- Written Reporting: -
  - o Participation in Hazard Identification and risk assessment.
  - o Near Miss reporting
  - o Safety suggestions
  - o Safety committee meeting
- Emergency evacuation plan and mock drills

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, in all our integrated plant occupational health centers are equipped with path lab, digital x-ray machine of 300mA, audiometry test facility, ECG facility, oxygen concentrator, medical oxygen, bed etc. and qualified doctors and paramedical staff where employees and workers are provided with non-occupational health services. In addition to this, health camps are also being organized.

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

* Including in the contract workforce

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

- OH&S management in accordance with ISO 45001:2018
- Use of user-friendly digital system for OH&S management
  - Digital PTW & LOTOTO system
  - Learning kiosk for self-assisted learning
  - Digital behavior-based safety management module comprising of Hazard identification and Risk Assessment, Pre job safety briefing (TBT), On the Job behavior-based safety observation, reporting Near Miss and monitoring of Safety KRA.
  - Digital system for periodical inspection and maintenance of firefighting equipment and extinguishers.
  - Mobile apps for Vehicle inspection, Portable tools and equipment inspection, safety visit, PPE compliance monitoring, contractor safety management.
  - Digital system for plant safety inspection & emergency management.
- Safety campaign – National Safety week, Fire service week, Road Safety month, Electrical safety week.
- Workplace monitoring and Occupational health checkup
- OH&S training – Induction, need based, emergency preparedness, on-the job, toolbox talk, demonstration, self-assisted learning, safety skit.
- Display of visuals
- Safety committee meeting (Apex & Departmental)
- Safety audits and Inspection
- Emergency mock-drills

New initiatives FY 2023-24

- Wireless Remote control for wagon loading machine – Sirohi Unit
- Installation of safe load indicators in the hydra – Sirohi Unit
- Installation of sprinkler system in shredder unit and AFR feeding system - Sirohi Unit
- Installation of fire door in bag godown - Sirohi Unit
- Development of system for prevention from radiant heat during inspection of kiln cowl shell and inlet by facilitating remote inspection using camera– DURG Unit.
- Installation of Earthing static charge confirmation relay with unloading pump operational interlock for safe unloading of liquid alternative fuel – Durg unit
- CO_2 Flooding System Installed in substation – Surat, Kalol & Jhajjar Unit.
- Installation of smoke detector & sprinkler in mustered husk storage area - Jhajjar
- Sprinkler system installation in AFR shed and conveyor – Sirohi Unit
- Installation of "EAZY KLEAN BLOWER" in packing plant for cleaning of dust from human body – Kalol & Surat unit
- Installation of Nitrogen injunction fire Protection system for transformer – Kalol & Surat unit.
- Review & update of Safety Standard
  - Safety Standards SOP Manual
  - Scaffolding standard
  - Oxy-fuel cutting and welding
  - Onsite emergency plan
  - Rigging and Hoisting Standard
  - Machine Guarding
  - Permit to work and LOTOTO.
  - Contractor capability assessment and passport system

13. Number of Complaints on the following made by employees and workers

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note: Data of Integrated plant and grinding units excluding VAP.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.
    - Emphasis on critical error reduction techniques.
    - Analysis of first aid and near miss cases and implementation of learnings
    - HIRA Review and implementation of control measures

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

   Yes the Company extends life insurance and compensatory package in the event of death of both employees and workers. Employees are covered under social security laws like PF & ESI which ensures benefit (Compensatory package) in the event of death of employees & workers.
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   NIL
3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes, as per the business requirement.

5. **Details on assessment of value chain partners**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	No, assessments were conducted during FY 2023-24. However, these considerations are standard terms of our contracts to maintain the best standard of health & safety practices.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

S.No.	Plant	Initiative	Impact
1	Sirohi & Kalol	Dedicated lane for LNG Vehicle	Enhanced safety
2	Sirohi	PPE Booth	Enhanced PPE Compliance
3	Durg	Installation of lifeline structure near raw material yard for safety during tarpaulin removal from truck	Prevention of Drivers fall from height
4	Durg	Installation of audio alarm in Dumpers to alert the operator while dala is in raised condition	Drivers mistake proofing and prevention of dumper toppling / hit with overhead structure
5	Durg	Installation of water tank	Washing facility
6	Kalol Cuttack	Construction of Drivers Rest Room	Proper rest & enhances efficiency and safety due to fatigue prevention
7	Kalol	Platform for sample collection Near Bulk Loading	Prevention of Drivers fall from height
8	Surat	Installation of lifeline structure for safety during Bulker Door Opening & Closing and tarpaulin removal from truck	Prevention of Drivers fall from height
9	Surat & Amethi	Construction of Shed for loading / Unloading Trucks in rainy Season	Prevention from rain

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company has strong business commitment towards shared value creation for various stakeholders and have accordingly mapped its internal and external stakeholders. The Company interacts with its various stakeholders throughout the year to ensure sustainable and harmonious relations. The Company's internal stakeholders include employees, whereas external stakeholders include business partners / suppliers, customers, communities around business operations, society, competitors, shareholders/ investors, and the governments.

   Details are available in the Corporate Sustainability Report for the FYs 2016-18 at the Company website: https://www.jklakshmicement.com/the-sustainability-report/

The Company regularly engages with all its relevant stakeholders to create a positive impact across its value chain, and it has been running multiple programs under its CSR Health; Water & Sanitation; Education; Skilling & Livelihoods and Rural Development initiatives to bring transformational changes in the lives of vulnerable and the marginalized sections of society.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, letters, SMS, newspapers, meetings, Company website, stock exchange, other statutory authority, roadshows	Regularly	• Disseminating and sharing of information with the shareholders with a view to update and also to seek their approval etc. as may be required. • Corporate governance • Return on investment • Climate change
Institutional investors	No	Annual general meetings, quarterly concalls, presentation on webiste	Need based	• ROI and ESG performance • Corporate governance • Circular Economy • Climate Change • Environmental protection & conservation
Industry associations, knowledge partners	No	Meetings, communication	Need based	• Policy advocacy • Technology and best practice sharing • ESG • Awards and recognitions • Product innovation • Branding & reputation
Employees & Workers	No	Roadshows, email, meetings, communication from top management	Daily, weekly, monthly, annually, need based	• Employee well being, career development, grievance handling, industry scenario • Employee well being • Career development • Grievance redressal • Caring for people, environment & good culture • Training & development • Occupational health and safety • Diversity & gender equality • Employment & labor practices
Customers	No	Roadshows, feedback surveys, customer needs, social media, campaings, customer meets	Need based periodically	• Complaints handling

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
				•Product communications •Customer awarness on blended cement •Product innovation •Branding & reputation •Pricing integrity
Value chain partners	No	Meetings, phone calls, emails	Daily, weekly, monthly, annually, need based	•Customer relationship •Product knowledge, quality & timely delivery, •EHS & social policy deployment
Communities	Yes	Meetings, messages	Daily, weekly, monthly, need based	•Community development including health, water, education, sanitation etc
Statutory body	No	Interactions, industry forum meets, compliance report	Need based	•Compliance •Industry concerns •Government expectations •Circular economy •Climate change •CSR initiatives
Media	No	Media meets Press conferences Management interviews Social media posts	Quaterly, Periodically, Needbased	•Company's performance •Corporate governance •Transparency & •Disclosure •ESG practices •CSR

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Our Board rechristened the erstwhile Corporate Social Responsibility (CSR) Committee to "CSR & Sustainability Committee". The said Committee reviews, inter alia, the Environment, Social, Governance and Sustainability initiatives of the Company. Additionally, the Company conducts stakeholders engagement exercise periodically on ESG topics which follow a systematic approach in terms of frequency, collection of data and reporting of outcomes including feedback from stakeholders to the Board.

   Please refer to the stakeholder engagement section of Integrated Annual Report (IAR).

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes the Company undertook a comprehensive stakeholder consultations to identify & prioritize material issues based on their impact on our stakeholders and business. Based on the outcome of the materiality assessment and stakeholder engagement exercise strategies, objectives and KRAs are developed and monitored.

   Please refer to the stakeholder engagement and materiality section of integrated annual report(IAR).

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   JKLC consciously acts as a responsible corporate citizen and engages with the marginalized and vulnerable sections of the society. Our major engagement channels are with local communities and other stakeholders like masons, petty contractors, drivers etc., benefitting through our CSR interventions. We engage with them frequently through need assessment and other participatory methods to understand their needs and impact of our interventions. In addition we also engage with our channel partners and other influencers including masons, petty contractors through various loyalty programs and rewards systems.Please refer CSR Report and Social and Relationship capital section of Integrated Annual Report for further details.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. employees/workers covered (B)	% (B/A)	Total (C)	No. employees/workers covered (D)	% (D/C)
Employees						
Permanent	1388	1115	80%	1476	1033	70%
Other than permanent	0	0	0	0	0	0
Total Employees	**1388**	**1115**	**80%**	**1476**	**1033**	**70%**
Workers						
Permanent	233	140	60%	223	110	49%
Other than permanent	2040	1651	81%	2069	1035	50%
Total Workers	**2273**	**1791**	**79%**	**2292**	**1145**	**50%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More then Minimum Wage		Total (D)	Equal to Minimum Wage		More then Minimum Wage	
		No. (B)	%(B /A)	No. (C)	%(C/A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent	1388	0	0	1388	100%	1476	0	0	1476	100%
Male	1373	0	0	1373	100%	1461	0	0	1461	100%
Female	15	0	0	15	100%	15	0	0	15	100%
Other than Permanent	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	233	0	0	233	100%	223	0	0	223	100%
Male	233	0	0	233	100%	223	0	0	223	100%
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	**2040**	**953**	**47%**	**1087**	**53%**	**2069**	**683**	**33%**	**1386**	**67%**
Male	1927	856	44%	1071	56%	1871	485	26%	1386	74%
Female	113	97	86%	16	14%	198	198	100%	0	0

3. Details of remuneration/salary/wages, in the following format:

   a) Median remuneration / wages:

S. No.	Particulars	Male		Female	
		Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
1	Board of Directors (BoD) - Executive Directors (ED)	1	4,18,97,499	1	27,52,53,029
2	BoD - Non EDs	5	20,65,000	1	18,15,000
3	Key Managerial Personnel (KMP)*	2	4,70,42,296	-	-
4	Employees other than BoD and KMP	1369	11,18,892	15	12,62,124
5	Workers	205	6,38,573	-	-

*The Median remuneration of the Executive Directors (KMPs) are covered as part of Board of Directors, therefore not included in the median remuneration paid to KMP.

b) Gross wages paid to females as % of total wages paid by the entity, in the following:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	8.09%	6.84%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   The fundamental human rights issues are governed by the national legislations of India for instance child labour, forced labour, sexual harassment etc. JKLC complies with laws of the land. In addition to above legislative framework we have internal committees to take care of human rights issues pertaining to child labour, sexual harassment etc.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   We comply with law of the land. In addition to the national legislative framework we have internal committees to take care of human rights issues pertaining to child labour, sexual harassment etc.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other Human Rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   We have Code of Conduct and SHAW Policy. Additionally, we have education program on harassment and code of conduct for all the employees at all levels. We also follow the philosophy of protection of whistleblowers.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes, Human right requirements form part of Company's business agreements and contracts.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced / involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others–please specify	-

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

   The Company ensures proper screening of potential suppliers and partners that there are no child labour and forced/ involuntary labour. Our contracts with our value chain partners prohibit employment of child labour and forced/ involuntary labour. The Company strives to be a discrimination free Company and we do not allow discrimination & harassment based on religion, gender, cast disability, nationality, sexual orientation, race and age. In addition, we also expect all our value chain partners to uphold these principles and include guidelines on human rights in all our contracts.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   No complaints so far and therefore not applicable.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   The Company has internal control mechanisms to ensure human rights due-diligence. All external contracts contain strict guidelines on human rights issues and compliance is monitored constantly. No third party due diligence conducted for human right, in the current Financial year.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   The Company is taking steps in this direction

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour / Involuntary Labour	Nil
Wages	Nil
Others–please specify	-

   The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the JKLCL in all their business affairs. No specific assessment in respect of value chain partners has been carried out other than certain covenants where some of these parameters are being monitored closely.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   While inducting any new suppliers they are assessed on above parameters and also the same is the part of every contract/Purchase order.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)(GJ)	965077	839377
Total fuel consumption (B)(GJ)	1557564 (Through AFR)	1040895
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C) (GJ)	**2522641**	**1880272**
From non-renewable sources		
Total electricity consumption (D)(GJ)	1572120	1583703
Total fuel consumption (E) (GJ)	21908305	21309695
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F) (GJ)	**23480425**	**22893398**
Total energy consumed (A+B+C+D+E+F) (GJ)	**26003067**	**24773670**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)(GJ/RS)	**0.000411**	**0.0004080**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	Since we are not exporting any product, hence revenue earned is in INR only and PPP adjustment is not applicable	
Energy intensity in terms of physical output	**70**	**68**
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Remarks: For Total Energy consumption (In GJ Electrical +Thermal) data: The boundary is all Cement plants of JKLC (2 Integrated units+ 4 Grinding units) and the RMC business. Under total energy consumption figure "The total electrical Energy data above is the total energy subtracting the auxiliary consumption from Grid for TPP Startup/WHRS startup/Solar power auxiliary, project,energy consumed in Colony and Transport Nagar".

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

During the reporting period no assessment was undertaken by external agency.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Yes, JKLC-Sirohi & JKLC-Durg are registered as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) scheme of the Government of India.

JKLC – Durg was registered in PAT III cycle with base line year 2015-16 under which the assessment year was 2019-20. All the targets were complied in cycle III. At present we are in PAT cycle VII-A, in which the base line year is 2019-20 and assessment year is 2024-25. Under PAT cycle-VII-A we have been given the target of 6.36 % reduction.

JKLC Sirohi- During PAT Cycle-1 we were given the target to reduce SEC by 4.91% against that we have reduced SEC by 14.77%. We got 38987 certificates exceeding the target. In PAT cycle-2 we were given the target to reduce SEC by 4.8% but we have reduced only 2.33% & Banked certificates in PAT Cycle I is used for compliance in shortfall. Now we are in PAT Cycle-VII, we have to reduce SEC by 3.4% and to achieve this our Road map includes increase in usages of renewable energy; increase in usages of AFR and plant energy efficiency improvement. The M&V audit is to be conducted in FY25-26.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	367663	419357
(ii) Groundwater	716229	731891
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	797
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1083893	1152045
Total volume of water consumption (in kilolitres)	1085419	1152045
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)(KL/Rs. Turnover)	0.0000172	0.0000190
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	Since we are not exporting any product, hence revenue earned is in INR only and PPP adjustment is not applicable	
Water intensity in terms of physical output (KL/Ton of Cement Production)	0.1141	0.1228
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The name of the external agency is mentioned below:

- National Productivity Council

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency.

No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Cement manufacturing is a dry process thus there is no direct utilization of water in the process. Water is only being used for industrial cooling purpose and there is no wastewater generated from cement manufacturing process. JKLC is maintaining Zero Water Discharge Unit status. The company has placed Sewage Treatment Plants (STPs) for domestic sewage, Effluent Treatment Plants (ETPs) for wastewater generated from automobile workshops and N Pit for Waste Heat Recovery Power Plant & Power Plant. Recycled 100% treated water is reused in Machineries' cooling, Dust suppression, Greenbelt development etc. within Unit's premises.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Ton/Annum	7005	1342
SOx	Ton/Annum	6553	258
Persistent matter (PM)	Ton/Annum	574	17
Persistent organic pollution (POP)		NA	BDL
Volatile organic compounds (VOC)		NA	BDL
Hazardous air pollutants (HAP)		NA	BDL
Others – please specify		-	-

- In 2022-23 Avg emission taken
- In 2023-24 Total emissions taken

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency.

Yes, Third party assessment done by an external agency for stack monitoring, calibration of Stack and monitoring for emission during Co-processing of AFR. External agency is approved by MoEFCC/CPCB/SPCB. The names of agencies are (1) IRClass (2) Vimta laboratories.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	Gross - 5827444.13 Net - 5756316 *	5380820
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	186551	434543
Total Scope 1 and Scope 2emissions per rupee of Turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Kg CO_2/Rs Turnover	0.0940 (based on Net CO_2)	0.09579
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	Since we are not exporting any product, hence revenue earned is in INR only and PPP adjustment is not applicable		
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Kg CO_2e / Ton of Cement	584 (based on Net CO_2)	599
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

*We have considered GHG emissions from our own TPP.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

During the reporting period no assessment was undertaken by external agency.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

We have commissioned Pre and co processing facility at JKLC-Sirohi unit which has helped us to increase our YTD TSR level to 7.1%. With optimization in processes, we could able to reach TSR of 6.6% in our Kiln at JKLC-Durg. In FY23-24 at group level (JKLC-Sirohi& JKLC-Durg) we were able to reach TSR level of 7%, which has helped us in reducing our Scope-1 CO2 emissions.

We have also commissioned 56 MWp solar project for our JKLC-Durg unit which has helped us in reducing our Scope-2 CO2 emissions. We at JKLC-Sirohi unit has ordered 7MWp solar project which will further improve our RE% and thus will result in reducing our CO2 emissions.

We are committed to SBTi to reduce our GHG emissions, we are also the member of RE% and have committed to meet our 100% electrical energy consumption through renewable energy by 2040.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	97.98	29.53
E-waste (B)	3.61	0.186
Bio-medical waste (C)	0.23	0.192
Construction and demolition waste (D)	0	0
Battery waste (E)	7	14.40
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (used oil)(G)	23.84	33.51
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (Fly Ash & MS Scrap)	38041	33568.63

Parameter	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total (A+B + C + D + E + F + G+ H)	38174	33646.44
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Ton / Rs. Crore)	6.04	5.54
Waste intensity per rupee of turnover adjsuted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjsuted for PPP)	Since we are not exporting any product, hence revenue earned is in INR only and PPP adjustment is not applicable	
Waste intensity in terms of physical output	0.004014	0.003586
Waste intensity (Optional)- the relevant metric may be selected by the entity	-	-

Parameter	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	16.70
(ii) Re-used	37363.52	30810.50
(iii) Other recovery operations	0	0
Total	**37363.52**	**30827.20**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.23	0.19
(ii) Landfilling	0	0
(iii) Other disposal operations	616.62	2815.71
Total	**616.85**	**2815.90**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, independent assessment/ evaluation/assurance has been carried out by an external agency.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

- Hazardous waste generated like lubricant oil and greased is managed through authorized recyclers under Hazardous Waste Management Rules, 2016 and as amended.
- Wastewater after domestic use is being treated in STP. STP sludge is being reused as a manure. Treated water is being used in machineries cooling and plantation.
- Deployment of road vacuum sweeping machine for fugitive dust emissions control.

11 **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	J K Lakshmi Cement Limited Village-Ghantikhal, Unit - Radheshyampur, Cuttack, Odisha.	Cement Grinding Unit	Yes

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Weblink
Expansion of Integrated Cement Plant Clinker 1.98 MTPA to 5.0 MTPA, Cement 5.0 MTPA to 6.0 MTPA,CPP 20 MW to 40 MW, WHRB 10 MW to 25 MW, Limestone 4.8 MTPA to 8.0 MTPA	As per EIA Notification 2006	Wednesday, July 15, 2020	M/s Anacon Laboratoris Nagpur	Draft EIA Report Submission is pending from JKLC. Will be communicated after grant of EC.	Draft EIA Report Submission is pending from JKLC. Will be communicated after grant of EC.
For Expansion in production capacity of captive limestone mine (Mine Lease I of area 267.695) from 4.8 MTPA to 8 MTPA from Both mine lease with existing crusher and with additional crushing capacity of 1500 TPH at village - Semaria Ghikuria and Nandini Khundini Durg District	As per EIA Notification 2006	20-Jan-21	M/s Anacon Laboratoris Nagpur	Amendment in existing TOR application to be submitted in the month of May	Amendment In existing TOR application to be submitted in the month of May
For expansion of production capacity of lime stone mine (Mining Lease II area of 252.105 ha.) production capacity from 0.3 MTPA to 1.35 MTPA at village Semaria, Ghikuria and Nandini Khundini, Durg District)	As per EIA Notification 2006	20-Jan-21	M/s Anacon Laboratoris Nagpur	Amendment in existing TOR application to be submitted in the month of May	Amendment In existing TOR application to be submitted in the month of May
Amendment in Environment Clearance issued by MoEF & CC, New Delhi vide letter no. J-11015/ 266/ 2013-IA.II (M) dated 09.08.2016 for Lakshmi Cement Limestone Mining Project (M.L. No. 10/ 99) of J K Lakshmi Cement Limited located in an area of 390.625 ha. near villages Basantgarh, Rampura and Rohida, Tehsil – Pindwara, District – Sirohi, Rajasthan.	As per EIA Notification 2006	04.09.2023	JM Environet (P) Ltd, Jaipur	Environment Clearance Granted	https://parivesh.nic.in/newupgrade/#/organisation/project-detail?project=8986246

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, Complied with all applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
			NIL	

Leadership Indicators

1. Water withdrawal consumption and discharge in areas of water stress (in kilolitres)

Not Applicable

For each facility/ plant located in areas of water stress provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal consumption and discharge in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Total water consumed / turnover)	-	-
Water intensity (optional) - the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total Water Discharged in (kiloliters)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023- 24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6,NF3, if available)	Metric tonnes of CO_2 equivalent	136442	125528
Total Scope 3 emissions per rupee of turnover	Kg/ ₹ of turnover	0.0021590	0.0020676
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

For FY2023-24 under Scope -3 emissions, we have considered Co_2 emissions in upstream & downstream logistics operations, through employee commute and through Business commute.

However in FY 2022-23 under Scope -3 emissions, we have considered Co_2 emissions in upstream & downstream logistics operations and through employee commuting.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Below are the major impact & mitigation measures of Wildlife Conservation Plan of our plant for which the information has been provided in Question 10.

Major Impact

- Impact on Soil & Air due to sound & pollution arising from plant operation.
- Sound from machinery and heavy vehicles may hamper natural movement of wildlife animals.
- The dust emission from plant may hamper the life of flora and fauna.

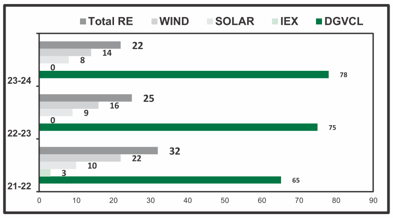
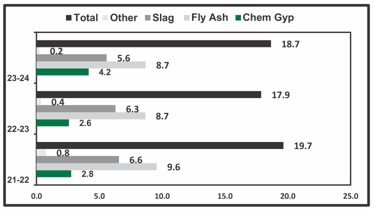
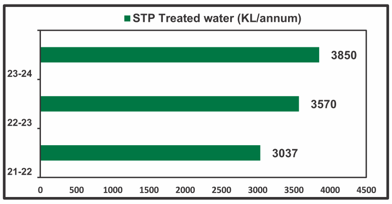
Some of the major mitigation and remedial measures undertaken by the Company are as below-

- 16.29-hectare area developed as green belt which balance the emission and prevent topsoil corrosion.
- One vehicle provided to the Forest department to watch & monitor elephant movement for the purpose of anti-depredation.
- Corpus fund of ₹ 4.06 Crores provided to the Forest department to undertake activities to prevent wildlife depredation and related activities.
- Company is implementing various CSR activities in the plant nearby villages and providing support to other stakeholders in their development initiatives.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of IOT sensor (approximately 105) in all of plant key equipment's such as Kiln main drive, PH fan, Raw mill main drive, slag mill main drive and other critical drive)	All the smart sensor parameters are being stored in cloud with easy access. There are 2 major sensors alpha core and infinity uptime. Link; https://www.infinite-uptime.com/about/	Real time monitoring of all equipment unable to anticipate the issues and there timely corrective / preventive actions. Enhanced equipment reliability. As real time message are float in case of deviation from standard parameters.
2	Use of Model predictive control in kiln operation	Model predictive control is AI based tool and is programmed in a manner to anticipate the actions to be taken for process operations in an effective manner rather than operator taking actions to enhance process efficiency.	Due to real time corrective actions and artificial intelligence it anticipate all the relevant action to enhance heat consumption.
3	Installation of In house liquid firing system with essential interlocks with DCS	The system was developed in house and successful trial taken. All the key interlocks placed for equipment safety in DCS.	Ensured system in house system commissioning with safety aspects are meet as per standard.
4	Installation of VFD in belt conveyor of AFR system with interlocks.	This VFD enable to optimise the flow rate of the waste being fed into the calciner, hence regulate the optimised flow rate based on kiln conditions.	Enhance AFR usage in kiln system.
5	Interlocking of double shutoff gate with calciner pressure	When ever the plant is stopped the double shut off gate operates and isolates the system from calciner. This leads to minimal chance of backfire.	Avoided back fire in AFR circuit owing to backfire if plant gets stopped suddenly.
6	Incorporation of PIDs in cement mill	PID installed in cement mill ie. Feed versus main drive load to enhance mill productivity and take real time action	+1% enhancement of mill productivity.
7	Reduction in % additive consumption in Raw mill	In FY 22-23 = 4.1% whereas in FY 23-24 its was 2.01% with in house optimization.	Approximate 2% reduction in additive.
8	Enhance usage of % slag in PSC	In FY 22-23 = 61.8% whereas in FY 23-24 its was 64.01% with in house optimization.	With in house developments % slag in PSC about 2.3%.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
9	Utilization of Mine Reject, conversion to a resource.	Over the last 4 decades approx. 20 Million Tons Face reject piled up in the mine, which reduces the efficiency of mine, as rule of mine amended for utilization mine reject for production of M Sand. Installation of M Sand Crusher under process	Utilization of Mine Reject
10	Maximizing of TSR to conserve the conventional fuels	Installed the new facility for AFR coprocessing at Kiln 1. Revamping of Kiln 2 & Kiln 3 AFR System to maximise the consumption of AFR. Started the Consumption of RDF & Plastic Waste, to meet the obligation of Plastic EPR targets.	Increased the TSR from 4% to 7%
11	Energy efficiency	Reduction of False Air ingress by Installation of Kiln inlet Itica Seal in Kiln-2	Power Saving (Units) 40
		Reduction of False Air ingress by Installation of dividing gate in Kiln2	40 (Units)
		Installation of High Efficient Burner in Kiln-1	20 (Units)
		Pressure Drop Reduction from PH Boiler O/L to PH Fan I/L Duct in kiln 3 through CFD Analysis	20 (Units)
		Pressure Drop Reduction from PH Boiler O/L to PH Fan I/L Duct in kiln 2 through CFD Analysis	10 (Units)
		Power Saving by Removal of Bag house fan inlet damper in RM-2	15 (Units)
		Power Saving by Removal of Mill Vent fan inlet damper in RM-1 (Unit 1 Ball Mill)	5 (Units)
12	Renewable Energy	Upgraded Kiln 1 AQC Boiler	Increased renewable energy
13	Environment Monitoring	Installed one New CAAQMS Monitoring Station	24 Hrs online monitoring Met with regulatory obligation
14	Environment Monitoring	Replacement of one weather monitoring station	Increased weather monitoring Met with regulatory obligation
15	Emission Control	Kiln 2 Baghouse Bags replacement done	PM Emission control
16	Awareness of new Purpose, Vision, Mission & Values	100% MCS & 82% Onroll workmen covered in the awareness sessions	Increased in awareness level among employees
17	Awareness on Cyber Security	100% MCS covered in this awareness campaign	Increased awareness level & reduced risk of cyber attack
18	Restructuring of Unit Organization	Partnered with E&Y	Increased in manpower productivity by approx. 25% (YOY basis)
19	Mitigation of Fire risk mitigation	Installed the new fire line, sprinkler system and Fire door at Packing Plant Godown & Solid AFR Facility.	Increased Workability. Lower fire risk
20	Safety KRA	Safety KRA inbuilt with All Employees Safety Training Calender	Increased Safety Awareness

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
21	Utilization of Renewal Energy	We are utilizing solar energy through our own 2.36 MW Solar plant from the year 2017 (commissioned in Dec'2016). From Sep'2019 we have started using wind energy.	Renewal energy consumption in last 3 years has been more than 20% of total energy utilization. 
22	Utilization of Alternative Raw Material	Utilization of industrial waste for cement manufacturing.	We are using chemical gypsum, granulated slag, fly ash & other additives for cement manufacturing. Nearly 18% material used is industrial waste. 
23	Waste water Recycling	Installed STP for utilization of domestic wastewater. We have installed total 3 no's of STPs, having total capacity of 18 KL/Day. Our process is designed such that there is no requirement of fresh water.	We are treating nearly 10 KL/Day, totaling to more than 3,000 KL in a year. Hence Fresh water demand is met by this treated water. 
24	Clinker factor reduction of 1.84% in FY 2023-24 compared to FY 2022-23 by increasing Fly Ash and Gypsum addition reducing	-	Reduction of 10013625 eCO2 GHG gases
25	Different power saving initiatives	-	GHG reduction by @ 23000 Kg CO2 equivalent
26	20% of total power consumption is from renewable energy sources	-	Reduction in Greenhouse gases by 3060514 Kg CO2 equivalent
27	Mill covering door on substation side	-	reducing noise level by 8 decibels
28	Unit head office area covered under RWH system	-	15300 litres of water saving considering average 600mm rainfall
29	PQM webpage is developed for real time awareness of status of different production and quality parameters and raw material	-	Savings in paper consumption and digitization
30	IOT sensors installation as latest technology adoption	-	Savings in plant operation resulting in better efficiency and GHG reduction

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
31	Utilization of renewable energy	We are utilizing solar energy through our own 0.5mw solar plant from the year 2021 (commissioned in apr 2021).	Renewable energy consumption in last 3 years has been more than 4.10 (avg) of total energy utilization. 1-year 2021-2022,total solar utilzation-4.50 %. 2-year 2022-2023,total solar utilization-4.46 % 3-year 2023-2024,total solar ultilzation-3.36 %
32	Utilization of alternative raw material	Utilzation of industrial waste for cement manufacturing .	We are using phospho gypsum, granulated slag,flyash ,dolachar & other additives for cement manufacturing. Nearly 41 .5 % material used is industrial waste. 1-year 2021-2022,total industrial waste utilzation-37.5 %. 2-year 2022-2023,total industrial waste utilzation-40.9 % 3-year 2023-2024,total industrial waste utilzation-46.2 %
33	Waste water recycling	Installed STP for utilzation of domestics waste water having capacity of 10kl/day (commissioned in dec 2023)	We are treating nearly 1.8kl/day, total 594kl/year, fresh water demand is met by this treated water. 1-year 2023-2024,192kl

For more information, please refer Manufacturing chapter of the Integrated Annual Report.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, we do have emergency prevention and preparedness plan in line with the State Factories Rules, and we conduct mock drill at regular interval. The Emergency plan contains information about preliminary hazard analysis, details of site, Emergency sites identified, Central Control Center (CCC), Incident control center (ICC), Handling of an emergency / disaster, List of certified trained first aider, location wise summary of fire fighting equipment, specifications of fire fighting equipment, location wise summary of fire detection and alarm system, Fire fighting instructions, Building emergency evacuation plan, first aid measure for electrical shock / cardiac arrest, wound, fracture, burn, chemical burn, snake bite, dog bite, honey bee bite, chocking, details of OHC paramedical staff and facilities and mutual aid agreement etc.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   - There is no significant adverse impact to the environment, arising from the value chain of the entity because JK Lakshmi Cement Ltd. prefers to procure from suppliers who are proactive in reducing their environmental impacts and expects its suppliers to comply with relevant laws and regulations.
   - Our products are Greenpro certified, and our first preference is to buy Greenpro Certified Products.
   - Emission reduction - Buy local materials, try to minimize distance between source & project site.
   - Forest/Environmental protection: Buy Refrigerant free from CFC/HCFC/Halons and asbestos free products.
   - Health & safety - Buy low VOC paints, sealants and adhesives.
   - Conserve resources - Buy materials having more recycled content.
   - Avoid products having hazardous materials & encourage companies meeting safety standards & reliability.
   - Maximize purchase of nationally or internationally or IGBC certified sustainable products

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Not Applicable

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.
   10

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	NATIONAL SAFETY COUNCIL	National
2	CONFEDERATION OF INDIAN INDUSTRY	National
3	CEMENT MANUFACTURERS ASSOCIATION	National
4	COAL CONSURMER'S ASSOCIATION OF INDIA	National
5	READY MIXED CONCRETE MANUFACTURERS	National
6	PHD CHAMBER OF COMMERCE & INDUSTRY	National
7	GCCA INDIA (P) LTD	National
8	INDIAN CHAMBER OF COMMERCE	National
9	UDAIPUR CHAMBER OF COMMERCE	State
10	RAJASTHAN CHAMBER OF COMMERCE	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Competition Commission of India	Competition Commission of India (CCI) vide its order dated 19th January 2017 had imposed a penalty on certain cement companies including a penalty of ₹ 6.55 Crores on the Company pursuant to a reference filed by the Government of Haryana. The Company has filed an appeal with Competition Appellate Tribunal (COMPAT) against the said order. COMPAT has granted a stay on CCI's order. After the merger of COMPAT with National Company Law Appellate Tribunal (NCLAT), the Company's case also stands transferred to NCLAT. Based on the legal opinion, the Company believes that it has a good case in the matter.	All the seven companies filed appeal before Competition Appellate Tribunal (now transferred to National Company Law Appellate Tribunal). JK Lakshmi cement was first to file the appeal bearing no.- Transfer Appeal (Appellate Tribunal) (Competition) No 39 of 2017 (earlier appeal no 2 of 2017 before COMPAT). The appeal is yet to be heard and finally disposed. We are ethically, and socially responsible Company and we very strongly reiterate that we have never been a part of bid rigging or any other wrongdoing in our business practices and would like to reassure to all our stakeholders that the Company has never indulged or was part of any bid rigging or has undertaken any unfair business practices.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others- please specify)	Web Link, if available
1.	Renewable energy/ AFR	Industry associations & bodies	-	Opportunity based/ Need based	-
2.	Alternative building materials	Seminars	-	Need / opportunity based	-
3.	Carbon emission reduction in cement industry	Seminars	-	Need based	-
4.	Water conservation	Industry associations & bodies	-	Opportunity based	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web Link
			Not Applicable		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

S. No	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R & R	Amount paid to PAFs in the FY (In INR)
				Not Applicable		

3 Describe the mechanisms to receive and redress grievances of the community.

The CSR team visits communities on day-to-day basis and meet various stakeholders including beneficiaries, panchayat representatives and others. The process of continuous engagement with the community is an ongoing process. The frequency of the engagement and interaction depends on nature of the stakeholder like project beneficiaries in local communities do happen on daily and weekly basis whereas that of panchayats and government line departments do happen on fortnightly and monthly basis. These day-to-day interactions help the CSR team to gather feedbacks and complaints if any. The feedback is used to improve and modify CSR projects. This system is an informal one and has helped to resolve issues and response to the demands of stakeholders to their satisfaction. The Company also undertakes materiality analysis on time-to-time basis as a part of its sustainability reporting initiatives. Based on this respective departments undertake engagement and activities to address materiality issues. Plants have a system of monthly review of all departments who have external stakeholders' interface.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	75% (PP Bags) 11% (Spares) 5% (Raw Material)	71% (PP Bags) 11% (Spares) 2% (Raw Material)
Directly from within India	67% (Fuel) 100% (PP Bags) 90% (Spares) 100% (Raw Material)	69% (Fuel) 100% (PP Bags) 83% (Spares) 100% (Raw Material)

5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural & Semi-Urban	78.18%	78.18%
Urban & Metropolitan	21.82%	21.82%

(Place to be categorized as per RBI Classification System – rural/ semi-urban/ urban/ metropolitan)

* According to RBI guidelines –

1. Our plants/units are categorized as being in small towns, We are classifying them under rural & semi-urban.
2. Head Office (HO) and marketing & sales (M&S) locations are being considered under urban and metropolitan.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1.	Rajasthan	Sirohi	2,81,48,692

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No preferential policy

   (b) From which marginalized /vulnerable groups do you procure? Not applicable

   (c) What percentage of total procurement (by value) does it constitute? Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit of shared (Yes /No)	Basis of calculating benefit share
		Not Applicable		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes where in usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
	Not Applicable	

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No.of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	JK Lakshmi Aarogya Project	88238	67%
2	JK Lakshmi Vidya Project	20608	37%
3	JK Lakshmi Aajivika Project	44655	82%
4	JK Lakshmi Swajal & Swacchhta Project	54220	80%
5	JK Lakshmi Gramin Vikas Project	58484	64%
6	JK Lakshmi Kaushal Prashikshan Project	581	68%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company aims for a "Customer centric" approach with various initiatives listed below:

   - "Toll Free" Helpline number for instant solutions to the queries of customers.
   - Site Meets conducted by Technical Service cell
   - Product Demonstration on sites by TSC
   - Customer in Culture program by Cross functional Team for feedback
   - Forms on digital media (Website) for addressing queries of potential customers.
   - Customer Satisfaction Survey through external agency
   - Face to face interaction with mason/ contractors for any feedback/ issues

Company has provided various platforms, involving a pre-defined escalation matrix, where Customer can share his grievances in following ways as find appropriate by him-

- Contacting through authorized dealer
- Customer care helpline
- Web site
- E-mail

In addition to the above Company's technical services unit also responds to customer's queries and complaints.

- Company is having its technical service unit comprising qualified civil engineers.
- Product related complaints are directly sent to company's technical services unit.
- On receipt, Company officials visit the customer within 24 to 36 hours.
- They interact with Customer and understand the nature of complaint.
- They collect all needful information including Customer details, Complaint nature, Purchase date, application period, Construction methodology as adopted etc. to diagnose the causes.
- The demonstration of the quality check, where required, is also done. Customer is explained and assisted by way of explaining good construction practices including tips to make structure durable.
- The details of examination and demonstration is shared with the Customer. If needed, Cement testing is done either at own plant or NABL accredited third party lab.Test results of samples are communicated and shared with customer.

All the complaints are compiled in Feedback register & shared with Plant head & Quality Control head for needful at their end on monthly basis.

Further, Company also organizes programs, face to face interaction and circulates literatures.to inform and educate the Consumers about safe and responsible usage /safe handling of the products to create awareness about different ways to adopt safe construction practices. correct application procedure & precautionary measures while handling / application of cement related items.

2. Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	All necessary information as per regulatory requirements are disclosed on all our products. Information on cement bags are governed by BIS guidelines.
Safe and responsible usage	
Recycling and /or safe disposal	

3. Number of consumer complaints in respect of the following.

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	No complaint received	0	0	No complaint received
Advertising	0	0	No complaint received	0	0	No complaint received
Cyber-security	0	0	No complaint received	0	0	No complaint received
Delivery of essential Services	NA	NA	NA	NA	NA	NA
Restrictive Trade Practices	0	0	No complaint received	0	0	No complaint received
Unfair Trade Practices	0	0	No complaint received	0	0	No complaint received
Other (Related to consumer)	194	0	Resolved	178	0	Resolved

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, https://www.jklakshmicement.com/

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.** Nil

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches

      Zero Instances

   b. Percentage of data breaches involving personally identifiable information of customers

      Zero Percentage of data breaches.

   c. Impact, if any, of the data breaches

      Zero Data Breach and no adverse impact

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**

   https://www.jklakshmicement.com/

   https://www.jklakshmicement.com/types-of-cement-products/

   https://www.jklakshmicement.com/value-added-solutions/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   - On-site services for raw material testing and product application Through Technical Mobile Van.
   - Site supervision services to educate customers right construction methodologies and practices.
   - Advise on good construction practices through meets, leaflets, brochures etc.
   - Training to mason and contractors on good construction practices.
   - Product usage tips released through social media.
   - Trainings by technical service department.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The company offers various platforms that customers can use to share their grievances according to their preference. These include:

   a) Contacting an authorized dealer

   b) Calling the customer care helpline

   c) Visiting the company's website

   d) Sending an email

   e) Using the chat bot

   The company has a technical service unit made up of qualified civil engineers. Any product-related complaints are directly sent to this unit. Once received, company representatives visit the customer within 24 to 36 hours to discuss the complaint and gather all necessary information such as customer details, nature of the complaint, purchase date, application period, and construction methods used. If a quality check is needed, it is also performed during the visit. Customers receive explanations on best construction practices, including tips on making structures more durable. The results of the examination and demonstration are shared with the customer.

   If necessary, cement testing is conducted at the company's own plant or an accredited third-party lab. The test results are communicated and shared with the customer. All complaints are recorded in a feedback register and shared with the plant and quality control heads monthly for further action.

   Additionally, the company organizes programs, face-to-face interactions, and distributes literature to inform and educate consumers on the safe and responsible use of products. These efforts aim to increase awareness about safe construction practices and proper application procedures, as well as precautionary measures when handling or applying cement-related products.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   We follow BIS Regulations for the product packaging and information to be contained in the product packaging. However, in few cases product benefits are also displayed on the cement bag. The Company has various channels to gather information from the customers on its products. Additionally, the cross functional team visits the markets and take feedbacks from various customers and stakeholders on regular intervals.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JK LAKSHMI CEMENT LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **JK Lakshmi Cement Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flows statement for the year then ended, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

	Key Audit Matters	
1	Revenue recognition - Discounts, incentives, rebates etc. • Recognition, measurement, presentation and disclosure as per Ind AS-115 "Revenue from Contracts with Customers". (Refer Sub-note No III. (13) of Note 1 of Accounting Policy). • Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. • Due to the Company's presence different marketing regions within the country and the competitive business	Our procedures included: <u>For recognition of revenue:</u> • We performed walkthroughs to understand the key processes and identify key controls related Ind AS 115 "Revenue from Contracts with Customers" • We performed revenue cut-off testing, by reference to bill dates of sales recorded either side of the financial year end had legally completed; and • Selected a sample of sales contracts and read, analyze and identified the distinct performance obligations in these contracts.

	Key Audit Matters	
	environment, the assessment of the various types of discounts, incentives and rebate schemes, is material and considered to be complex and judgmental. • Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives, and rebates. • Given the judgement required to estimate the amount of provisions, this is a key audit matter.	For Recognition of discount, incentive, and rebate • Assessing the appropriateness of the Company's accounting policies relating to discounts, incentives, rebates, etc by comparing with applicable accounting standards. • Assessing the design and testing the implementation and operating effectiveness of Company's internal controls over the approvals, calculation, provision and disbursement of discounts, incentives and rebates. • Obtaining management's calculations for discounts, incentives and rebates accruals under applicable schemes on a sample basis and comparing the accruals made with the approved schemes. • Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end date to determine whether these were recorded appropriately. • Comparing the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to determine the appropriateness of current year provisions. • Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items. Based on our audit procedures we have concluded that revenue, discount, incentive and rebates is appropriately recognized, and that there was no evidence of management bias.
2	**Evaluation of uncertain civil and indirect tax positions and recoverability of amount deposited under protest as recoverable** The Company has material uncertain civil and indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The eventual outcome of these litigations is uncertain, and the positions taken by the management are based on the application of significant judgement and estimation. The review of these matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements. Based on management judgement and the advice from legal and tax consultants and considering the merits	**Our Procedure included:** Obtained details of completed tax assessments of earlier years and demands as on March 31, 2024 from management. We have done assessment of the managements underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Based on management estimates and Independent legal opinion taken by Management of the Company, the liability against these matters wherever not yet certain have been shown as contingent liability in the current financial statements. Our procedures on verification of the management's assessment of these matters included:

	Key Audit Matters	
	of the case, the Company has recognized provisions wherever required and for the balance matters, where the management expects favourable outcome, these litigations have been disclosed as contingent liabilities in the financial statements unless the possibility of out flow of resources is considered to be remote. Given the uncertainty and application of significant judgment in this area in terms of the eventual outcome of litigations, we determined this to be a key audit matter.	• Understanding and evaluating process and controls designed and implemented by the management including testing of relevant controls. • Gaining an understanding of the civil and tax related litigations through discussions with the management, including the significant developments, additions and settlements during the year and subsequent to 31 March 2024. • Inspecting demand notices received from various tax authorities and evaluating the Company's written responses to those matters. • Evaluating the management's assessment on the likely outcome and potential magnitude by involving experts on complex or significant matters as considered necessary; and • Assessing the adequacy of the Company's disclosures. We did not identify any significant exceptions to the management's assessment of the ongoing civil, income tax and indirect tax litigations as a result of the above procedures.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2 As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail to the extent stated in paragraph (i)(vi) below;

   c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the relevant books of accounts;

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder, as amended and other accounting principles generally accepted in India;

   e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;

   f) The comment relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above

   g) With respect to the adequacy of the internal financial controls over financial reporting of the

Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

h) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2024, on its financial position in its standalone financial statements- Refer note 54, 55, 56 and 57;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.

   v. a) The final dividend relating to financial year 2022-23 declared or paid during the year ended March 31, 2024, by the Company is in compliance with section 123 of the Act.

   b) As stated in Note 50 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended March 31, 2024, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

   vi. The Company had made the assessment for books of account as per definition in the Act and identified SAP as accounting software used for the creation and maintenance of books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. Further, in case of the Company, audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with. However, the audit trail feature facility was not enabled at the database level to log any data changes for the accounting software used for maintaining the books of accounts.

   As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 000756N/N500441

SUNIL WAHAL
Partner
Membership No:- 087294

Place: New Delhi
Date: May 23, 2024
UDIN : 24087294BKAHJA4545

Annexure A to the Independent Auditors' Report to the members of JK Lakshmi Cement Limited dated May 23, 2024

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

(i) (a)(A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment. All property, plant and equipment have been verified by the management according to the program. No material discrepancies were noticed on such verification undertaken during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company except as stated in noted no. 2 of the of the standalone financial statements.

Description of Prpoerty	Gross Carrying (Value in ₹ Crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of company
Lease Hold Land	4.02	Bihar Industrial Development Authority (BIADA).	No	July'2015	BIADA has given a notice to the Company on 30.06.2020 that the amount paid by Company is forfeited. Against the Company's appeal the Hon'ble High Court has directed BIADA to relook into allotment of alternative land. BIADA has agreed vide letter dtd- 25.03.2022 for allotment of fresh land elsewhere can be looked into.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

(b) As disclosed in note 73(vii) to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns of current assets filed by the Company with banks do not have material variances with books of account.

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, During the year the Company has provided loans and provided guarantee to companies, firms, Limited Liability Partnerships or any other parties. Details is as follows:

			Amount ₹ in crores
	Guarantees	Security	Loans
Aggregate amount granted/ provided during the year			
- Subsidiaries/Step-down subsidiaries	-	-	69.33
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	125.00
Balance outstanding as at balance sheet date in respect of above cases			
- Subsidiaries/Step-down subsidiaries	1,220.77	-	69.33
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	17.98

(b) In our opinion and according to the information and explanation given to us, the terms and conditions of the grant of all loans, guarantees provided and investments made are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any security or provided any advances in the nature of loans during the year.

(c) In respect of loan(s) and advance in the nature of loans granted to companies, firms, Limited Liability Partnerships or any other parties, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties, which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Act, wherever applicable, in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with the directive issued by the Reserve Bank of India and the provisions of Section 73 to76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable) with regard to deposits accepted from public. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

(vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable as at March 31, 2024, for a period of more than six months from the date they become payable.

(b) According to the records and information & explanations given to us, certain dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:

Name of the Statue	Nature of the Dues	Amount in Rs crore	Period	Forum where the dispute is pending
Sales Tax Act	Sales Tax	0.43	1992-1994	Rajasthan High Court, Jodhpur
		8.08	2005-2006	
		0.42	1995-2000	
		23.83	2015- 2020	
	Total Sales Tax	**32.76**		
Rajasthan Finance Act, 2006 and Rajasthan Finance Act, 2020	Land Tax on Mining & Non-Mining land	10.46	2006 to 2012-13	Hon'ble Supreme Court
		1.04	2019-20	Rajasthan High Court, Jodhpur
		2.01	2020-21	
		2.01	2021-22	
		2.72	2022-23	
		1.26	2023-24	
	Total Land Tax	**19.50**		
Entry Tax Exemption (Entry Tax Act, 1976)	Entry Tax	3.83	2014-2017	Bilaspur High Court
	Total Entry Tax	**3.83**		

Name of the Statue	Nature of the Dues	Amount in Rs crore	Period	Forum where the dispute is pending
Central Excise Act	Excise Duty	1.83	2015-2018	Add Commissioner, Jodhpur
	Cess on mining dispatches	1.22	1996-97	Rajasthan High Court, Jodhpur
	Cenvat on Clean Energy Cess	2.28	2015-2017	CESTAT
	Coal Cess	6.59	2017-2022	DGGI Raipur
	Total Excise	**11.92**		
Finance Act , 1994	Service Tax	6.64	2013-2014	Rajasthan High Court, Jodhpur
		2.95	2016-18	CESTAT, New Delhi
	Total Service Tax	**9.59**		
Goods and Service Tax Act, 2017	GST on Development and Environment Cess	1.52	2017-2021	Additional Commissioner (Preventive)
	Total Goods and Service Tax	**1.52**		
Income Tax Act	Income Tax	1.67	2012-15	Commissioner of Income Tax, Kolkata
	TCS on DMF	0.56	2016-19	Bilaspur High Court
	Total Income Tax	**2.23**		
Others: The Mines and Minerals (Development and Regulation) Act	National Mineral Exploration Fund	0.80	August 2015 to May 2015	Revision Application before Revisionary Authority, Ministry of Mines, New Delhi
Environment and Health Cess (Rajasthan Finance Act, 2008; Rajasthan Environment and Health Cess Rules, 2008)	Cess on limestone extraction	35.62	2008 to 2017	Supreme Court
The Chhatisgarh Gram Panchayat Terminal Tax (Chhattisgarh Panchayat Raj Act, 1993)	Road dispatches of clinker	1.44	April 15- Mar 19	Bilaspur High Court
Electricity Duty Act	Electricity Duty on WHR/CPP Plant	7.64	Nov'17 to Sept'22	Chief Electrical Inspector – Raipur
	Electricity Duty on WHR/CPP Plant	14.14	March'15 to March'24	Asst. Comm. Commercial Taxes, Sirohi
	E. Duty/WC/ Cross Subsidy	29.12	July 10 to July 13	Jodhpur High Court
	Cross Subsidy on Solar Power purchase	3.05	2022-23	Jodhpur High Court
	Total others	**91.81**		

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii)(a) to 3(xii)(c) of the order are not applicable to the Company and hence not commented upon.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related parties transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) The Group has two Core Investment Company as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 52 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 58(a) to the standalone financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 58(a) to the standalone financial statements.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **S. S. KOTHARI MEHTA & CO. LLP**
Chartered Accountants
ICAI Firm Registration No. 000756N/N500441

Place of Signature: New Delhi
Date: May 23, 2024
UDIN : 24087294BKAHJA4545

SUNIL WAHAL
Partner
Membership No:- 087294

Annexure B to the Independent Auditors' Report to the Members of JK Lakshmi Cement Limited dated May 23, 2024 on its standalone financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(g) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **JK Lakshmi Cement Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations, given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **S. S. KOTHARI MEHTA & CO. LLP**
Chartered Accountants
ICAI Firm Registration No. 000756N/N500441

SUNIL WAHAL
Partner
Membership No:- 087294

Place: New Delhi
Date: May 23, 2024
UDIN : 24087294BKAHJA4545

JK Lakshmi Cement Limited
Balance Sheet as at 31st March 2024

₹ In Crore (10 Million)

	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	2	2,631.44	2,701.47
(b) Capital work-in-progress	3	373.85	64.92
(c) Investment Property	4	0.42	0.50
(d) Intangible Assets	5	4.96	5.33
(e) Financial Assets			
(i) Investments	6	1,180.71	414.08
(ii) Loans	7	15.00	17.32
(iii) Others	8	48.42	79.00
(f) Other Non-Current Assets	9	81.55	45.23
		4,336.35	3,327.85
(2) Current Assets			
(a) Inventories	10	762.23	700.40
(b) Financial Assets			
(i) Investments	11	269.43	510.24
(ii) Trade Receivables	12	40.15	60.51
(iii) Cash and Cash Equivalents	13	88.73	138.92
(iv) Bank Balance other than (iii)	14	140.32	195.79
(v) Loans	15	72.31	88.73
(vi) Others	16	26.29	20.63
(c) Other Current Assets	17	168.73	163.06
(d) Current Tax Assets (Net)	31	3.55	5.04
		1,571.74	1,883.32
TOTAL ASSETS		5,908.09	5,211.17
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	58.85	58.85
(b) Other Equity		3,022.60	2,664.89
		3,081.45	2,723.74
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	364.33	556.42
(ii) Lease Liabilities	20	47.48	23.90
(iii) Other Financial Liabilities	21	335.63	290.97
(b) Provisions	22	14.13	15.59
(c) Deferred Tax Liabilities (Net)	23	268.27	159.57
(d) Other Non-Current Liabilities	24	90.42	90.65
		1,120.26	1,137.10
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	344.31	254.81
(ii) Lease Liabilities	26	10.65	9.52
(iii) Trade Payables	27		
Micro and Small Enterprises		12.52	16.28
Others		455.27	495.68
(iii) Other Financial Liabilities	28	646.41	327.55
(b) Other Current Liabilities	29	233.24	241.45
(c) Provisions	30	3.98	5.04
		1,706.38	1,350.33
TOTAL EQUITY AND LIABILITIES		5,908.09	5,211.17

Material Accounting Policies 1
Notes on financial statements 2-74

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA Chairperson & Managing Director
(DIN : 00042983)

Directors:
Dr. R.P. SINGHANIA (DIN : 00036129)
SADHU RAM BANSAL (DIN : 06471984)
N.G. KHAITAN (DIN : 00020588)
BHASWATI MUKHERJEE (DIN : 07173244)
RAVI JHUNJHUNWALA (DIN : 00060972)

ARUN KUMAR SHUKLA President & Director
(DIN : 09604989)

JK Lakshmi Cement Limited
Statement of Profit and Loss for the year ended 31st March 2024

₹ In Crore (10 Million)

		Note No.	For the year ended March 31 2024	For the year ended March 31 2023
I.	Revenue from Operations	32	6,319.77	6,071.05
II.	Other Income	33	64.01	62.23
III.	**Total Income (I+II)**		6,383.78	6,133.28
IV.	**Expenses :-**			
	Cost of Materials Consumed	34	988.21	925.69
	Purchases of Stock-in-Trade	35	827.73	689.25
	Change in Inventories of Finished Goods, Work-in-Progress and Stock - in - Trade	36	(48.48)	(33.20)
	Employee Benefits Expense	37	373.86	349.13
	Power and Fuel	38	1,365.64	1,543.91
	Transport, Clearing & Forwarding Charges	39	1,249.11	1,208.60
	Finance Costs	40	87.23	91.50
	Depreciation and Amortization Expense	41	194.97	193.54
	Other Expenses	42	699.95	683.40
	Total Expenses (IV)		5,738.22	5,651.82
V.	**Profit before tax (III-IV)**		645.56	481.46
VI.	Tax Expense	49		
	(1) Current Tax		226.40	147.80
	(2) Deferred Tax		(5.45)	2.26
	(3) Tax Adjustments for Earlier Years		0.29	0.63
	Total Tax Expense (VI)		221.24	150.69
VII.	**Profit for the Year**		424.32	330.77
VIII.	**Other Comprehensive Income/(Loss)**			
	Items that Will Not be Reclassified to Profit or Loss in Subsequent Periods			
	(1) Re-measurement (losses)/Gain on defined benefit plans		1.62	(0.83)
	(2) Income tax effect		(0.57)	0.29
	Total Other Comprehensive Income/(Loss) (VIII)		1.05	(0.54)
IX.	**Total Comprehensive Income For The Year (VII + VIII)**		425.37	330.23
X.	Earnings per equity share (Face Value of ₹ 5 each)	43		
	Basic Earnings per equity share (₹):		36.06	28.11
	Diluted Earnings per equity share (₹):		36.06	28.11

Material Accounting Policies 1
Notes on financial statements 2-74

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA (DIN : 00042983) — Chairperson & Managing Director

Directors:
Dr. R.P. SINGHANIA (DIN : 00036129)
SADHU RAM BANSAL (DIN : 06471984)
N.G. KHAITAN (DIN : 00020588)
BHASWATI MUKHERJEE (DIN : 07173244)
RAVI JHUNJHUNWALA (DIN : 00060972)

ARUN KUMAR SHUKLA (DIN : 09604989) — President & Director

JK Lakshmi Cement Limited
Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital

₹ In Crore (10 Million)

Particulars	As at 1st April 2022	Change during the year	As at 31st March 2023	Change during the year	As at 31st March 2024
Equity Shares (with equal rights) 117,670,066 (Previous year 117,670,066) of ₹ 5 each fully paid up	58.84	-	58.84	-	58.84
Add: Forfeited Shares	0.01	-	0.01	-	0.01
Total	**58.85**	-	**58.85**	-	**58.85**

B. Other Equity

₹ In Crore (10 Million)

Particulars	Reserves and Surplus				Items of Other Comprehensive Income, that will not be reclassified to Statement of Profit and Loss	Total
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Re-measurement of Net Defined Benefit Plans	
Balance as at 1st April'2022	25.64	88.65	950.74	1,337.02	(8.55)	2,393.50
Profit for the Year	-	-	-	330.77		330.77
Dividend payment (Refer Note No. 50)	-	-	-	(58.84)	-	(58.84)
Other Comprehensive Income/(Loss)	-	-	-	-	(0.54)	(0.54)
Balance as at 31st March'2023	25.64	88.65	950.74	1,608.95	(9.09)	2,664.89
Profit for the Year	-	-	-	424.32	-	424.32
Dividend payment (Refer Note No. 50)	-	-	-	(67.66)	-	(67.66)
Other Comprehensive Income/(Loss)	-	-	-	-	1.05	1.05
Balance as at 31st March'2024	25.64	88.65	950.74	1,965.61	(8.04)	3,022.60

Note - For Nature of reserves refer note 18

Material Accounting Policies 1
Notes on financial statements 2-74

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ARUN KUMAR SHUKLA — President & Director
(DIN : 09604989)

JK Lakshmi Cement Limited
Standalone Cash Flow Statement
For the year ended 31st March, 2024

₹ In Crore (10 Million)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax	645.56		481.46	
Adjustments for:				
Depreciation and Amortization Expense (net)	194.97		193.54	
Interest Income	(47.25)		(27.11)	
Interest income from other finanical asset at amortised cost	(5.40)		(6.88)	
(Profit) / Loss on sale of Property, Plant and Equipment (Net)	0.87		(0.31)	
(Profit) / Loss on sale of Current Investments (net)	(15.32)		(27.48)	
(Gain) / Loss on Fair Valuation of Current Investments	7.58		11.49	
Finance Costs	87.23		91.50	
Provision for Doubtful Debts	-		0.92	
Foreign Exchange Difference (net)	(5.68)		(1.30)	
Operating Profit before Working Capital changes	862.56		715.83	
Adjustments for:				
Trade and Other Receivables	39.61		(175.96)	
Inventories	(61.83)		(209.21)	
Trade and Other Payables	86.89		213.90	
Cash generated from Operations	927.23		544.56	
Income Tax Payments (Net)	(111.62)		(90.61)	
Net Cash from Operating Activities		815.61		453.95
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment and Intangible Assets	(402.15)		(146.51)	
Sale of Property, Plant and Equipment	4.22		4.96	
(Purchase) / Sale of Investments (net)	206.08		29.61	
Investment in Subsidiary & Associates	(174.04)		-	
Contribution in Rights Issue of Subsidiary Company	(350.12)		-	
Encashment / (Investments) in bank deposits	93.63		37.98	
Interest Received	35.42		25.77	
Net Cash from / (used in) Investing Activities		(586.96)		(48.19)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-term Borrowings	176.84		-	
Repayment of Long-term Borrowings	(433.38)		(173.64)	
Repayment of Lease Obligation - Principal	(12.21)		(9.91)	
Repayment of Lease Obligation - Interest	(5.55)		(3.66)	
Short-term borrowings (net)	147.14		(1.03)	
Interest and Financial charges paid	(84.28)		(87.00)	
Dividend paid	(67.40)		(58.73)	
Net Cash from / (used in) Financing Activities		(278.84)		(333.97)

JK Lakshmi Cement Limited
Standalone Cash Flow Statement
For the year ended 31st March, 2024

₹ In Crore (10 Million)

Particulars		For the year ended March 31, 2024		For the year ended March 31, 2023	
D.	Increase / (Decrease) in Cash and Cash Equivalents		(50.19)		71.79
E.	Cash and Cash Equivalents as at the beginning of the year		138.92		67.13
F.	Cash and Cash Equivalents as at the close of the year		88.73		138.92

Notes:

1. Total Liabilities from Financing Activities	Long Term	Short Term	Long Term	Short Term
Opening	806.95	4.28	957.58	5.31
Cash Flow Changes				
Inflow / (Repayments)	(256.54)	147.14	(173.64)	(1.03)
Non - Cash Flow Changes				
Others	6.81	-	23.01	-
Closing	557.22	151.42	806.95	4.28

2. Cash and Cash Equivalents include:		
- Cash, Cheques in hand and remittances in transit	1.22	1.36
- Balances with Scheduled Banks	87.51	137.56
	88.73	**138.92**

3. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.
4. Previous year's figures have been re-arranged and re-cast wherever necessary.

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

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Directors

ARUN KUMAR SHUKLA (DIN : 09604989) President & Director

Company Overview, Basis of Preparation & Material Accounting Policies

Note-1

I. Corporate & General Information

JK Lakshmi Cement Limited ("the Company'') is domiciled and incorporated in India and its Shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Registered Office of the Company is situated at Jaykaypuram, Basantgarh, Distt. : Sirohi- 307 019, Rajasthan.

The Company is a leading manufacturer and supplier of Cement and Cementitious products like RMC & Fly Ash Blocks with manufacturing facilities in the State of Rajasthan, Chattisgarh, Gujarat, Haryana, Uttar Pradesh and Odisha. The Company began its journey in 1982 by setting-up a Cement Plant with a modest Capacity of 0.50 Million Tonnes at Sirohi in the State of Rajasthan. Over the years, the Cement capacity has grown to the present level of 11.70 Million Tonnes. The Company is the first Cement Manufacturer in North India to introduce coloured bags and registered as ISO 9200. The Company's Technical Service Cell provides construction solutions to its customers & carries out regular & innovative contact programmes with Individual House Builders, Masons and other Business Associates to keep in tune with their needs and requirements.

These Financial Statements were approved and adopted by the Board of Directors of the Company in their meeting held on May 23, 2024.

II. Basis of Preparation of Financial Statements

(i) Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time and relevant provisions of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). The Financial Statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied all the accounting policies and applicable Ind AS used in the preparation for all periods presented.

(ii) Basis of Preparation

The Material accounting policies used in preparing the Financial Statements are set out in Note no. III of the Notes to the Standalone Financial Statements. Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency.

(iii) Basis of Measurement

The Financial Statements have been prepared on accrual basis and under the historical cost convention except for the items that have been measured at fair value as required by relevant IND AS.

(iv) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (As per Ind AS 113) and other Fair Value measurement have been done as per its respective standards.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of Fair Value disclosures, the Company has determined classes of Assets and Liabilities on the basis of the nature, characteristics and risks of the Asset or Liability and the level of the Fair Value Hierarchy in which they fall.

(v) Current & Non-Current Classifications

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when It is expected to be settled in normal operating cycle,It is held primarily for the purpose of trading, It is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(vi) Significant Accounting Judgements, Estimates and Assumptions

The preparation of these Financial Statements requires management judgements, estimates and assumptions that affect the application of Accounting Policies, the Accounting disclosures made and the reports amounts of Assets, Liabilities, Income and Expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to Accounting estimates are recognised in the period in which the estimates are revised and any future periods effected pursuant to such revision.

III. Material Accounting Policies

(1) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the Asset to their location and conditions necessary for it to be capable of operating in the manner intended by the management.

Subsequent cost are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that is future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of erection/ construction is transferred to the appropriate category of property, plant and equipment cost (net of income and including pre-operative cost / expenses) associated with the commissioning of an asset are capitalized until the period of commissioning has been completed and the asset is ready of its intended use.

Property, Plant and Equipment are eliminated from Financial Statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

Depreciation methods, estimated useful lives and residual value.

Deprecation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives as specified in Schedule II to Companies Act, 2013, except for Captive Power Plants, Split Grinding Units, Vehicles & Locomotives, office equipment and Furniture & Fixtures which is provided on Written Down Value Method (WDV) as per the said schedule. Depreciation on RMC is provided considering estimated useful life of 6 years on SLM basis.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit or Loss within other gains / (losses).

Depreciation on impaired assets is provided on the basis of their residual useful life.

(2) Investment Properties

Property that is held for long-term rentals yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using the Straight Line Method (SLM) over their estimated useful lives. The useful live has been determined based on technical evaluation performed by the management's expert.

The Residual value, useful lives and depreciation method of investment properties are reviewed, and adjusted on Prospective basis as appropriate, at each financial year end. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

(3) Intangible Assets

Intangibles Assets are recognized if the future economic benefits attributable to the Assets are expected to flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized developments costs, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of Intangibles Assets are assessed as either finite or indefinite. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed atleast at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible Asset with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired.

Intangible Assets are amortized as follows:

- Computer Software & Mining Right Over a period of five years

Intangibles Assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually , either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

Gain or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(4) Research and Development Cost

Revenue Expenditure on Research and Development is charged to Statement of Profit and Loss and Capital Expenditure is added to Property, Plant and Equipment.

However, Development expenditure on new product is capitalized as Intangible Asset.

(5) Inventories

Inventories are carried in the balance sheet as follows :

a) Raw Materials, Packing Materials, construction Materials, Stores & Spares.	:	At cost , on weighted average basis.
b) Work-in Progress – Manufacturing	:	At Lower of Cost of Material, plus appropriate production Overheads and Net Realizable Value.
c) Finished Goods – Manufacturing	:	At Lower of Cost of Materials plus Appropriate Production Overheads and Net Realizable Value.
d) Finished goods – Trading	:	At lower of cost, on Weighted Average Basis and Net Realizable Value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolete, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of Balance Sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Net Realisable Value is the estimated Selling Price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(6) Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with Banks / Financial Institutions, other short-term, highly liquid investments which are subject to an insignificant risk of changes in value.

(7) Impairment of Assets

The carrying amounts of Property, Plant & Equipment, Intangible Assets and Investment Properties are reviewed at each Balance Sheet date to assess impairment, if any, based on internal / external factors. An impairment loss is recognised, as an expense in the Statement of Profit & Loss, wherever the carrying amount of the Asset or Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount in subsequent years. Recoverable amount is determined :-

- In the case of an Individual Asset, at the higher of the Fair Value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, and appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(8) Foreign Currency Translations & Transitions

(i) Functional and Presentation Currency

The Company's financial statements are presented in INR, which is also the Company's Functional and Presentation Currency.

(ii) Transaction and Balance

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary Assets and liabilities related to foreign currency transactions are stated at exchange rate prevailing at the end of the year and exchange difference in respect thereof is recognised to Statement of Profit & Loss.

(9) Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial Assets

1.1 Definition

Financial Assets include Cash and Cash Equivalents, Trade and Other Receivables, Investments in Securities and other eligible Current and Non-Current Assets.

At initial recognition, all financial assets are measured at fair value. The classification is reviewed at the end of each reporting period.

(i) Financial Assets at Amortised Cost

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the statement of profit or loss. The losses arising from impairment are recognized in the Statement of Profit or Loss.

(ii) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognized in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

(iii) Financial Assets at Fair value through Profit or Loss (FVTPL)

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at

Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.

1.2 Trade Receivables

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business Trade Receivables are initially recognized at their Transaction Value as reduced by provision for impairment, if any. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement. For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

1.3 Investment in Equity Shares

Investment in Equity Securities are initially measured at cost. Any subsequent fair value gain or loss is recognized through Statement of Profit and Loss if such investments in Equity Securities are held for trading purposes. The fair value gains or losses of all other Equity Securities are recognized in Other Comprehensive Income.

1.4 Investment in Associates, Joint Ventures and Subsidiaries

The Company has accounted for its investment in subsidiaries, associates and joint venture at cost.

1.5 Derecognition of Financial Assets

A Financial Asset is primarily derecognized when:

- The right to receive cash flows from asset has expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:

a) The Company has transferred substantially all the risks and rewards of the asset, or

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2. Financial Liabilities

2.1 Definition

Financial liabilities include Long-term and Short-term Borrowings, Trade and Other payables and Other eligible Current and Non-current Liabilities.

(a) Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(b) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below :

i) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

ii) Financial Liabilities measured at Amortized Cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method (''EIR'') except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortized cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

2.2 Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

2.3 Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

2.4 Trade and Other Payables

A payable is classified as trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.5 De-recognition of Financial Liability

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

3. Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4. Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(10) Grants

Grants from the Government are recognised when there is reasonable assurance that all underlying conditions will be complied with and that the grant will be received.

When loans or similar assistance are provided by Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. That grant is recognised in the Statement of Profit and Loss under 'other income'. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by recording the grant as deferred income which is released to the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

Grants related to income are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and are presented as 'other income'.

(11) Equity Share Capital

Ordinary Shares are classified as Equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from Retained Earnings, net of taxes.

(12) Provisions, Contingent liabilities and Contingent Assets

i) General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

ii) Contingent Liability

Contingent Liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

iii) Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

iv) Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower of expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the Assets with the contract.

v) Contingent Asset

A Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

(13) Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of Transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold & services rendered is net of variable consideration on account of various discounts & schemes offered by the Company as part of the contract.

i) Sale of Goods

Revenue is recognized upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties).

Taxes collected on behalf of the government are excluded from revenue. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably

ii) Non-Cash Incentives

The Company provides Non-Cash incentives at Fair Value to customers. These benefits are passed on to customers on satisfaction of various conditions of various sales schemes. Consideration received is allocated between the products sold and non-cash incentives to be issued to customers. Fair value of the non-cash incentive is determined by applying principle of Ind AS 113 i.e. at market rate. A contract liability for the non-cash incentive is recognised at the time of sale.

iii) Power Distribution

Revenue from Power Distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued up to the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission.

iv) Dividend Income

Dividend income is recognized when the right to receive dividend is established, which becomes certain after shareholders' approval.

v) Lease Income

Lease Agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Leases rentals are recognized on straight –line basis as per the terms of the agreements in the statement of profit and loss.

vi) Interest Income

For all Financial instruments measured at amortized cost, interest income is recorded using Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the Financial Instrument or a shorter period, where appropriate, to the net carrying amount of the Financial Asset. Interest income is included in other income in Statement of Profit and Loss.

vii) Renewable Energy Certificate

Renewable Energy Certificate (REC) benefits are recognized in Statement of Profit & Loss on Sale of REC. Income from Sale of RECs is recognized on the delivery to the Customers' Account.

viii) Export Benefit

Export incentives, Duty Drawbacks and other benefits are recognized in the Statement of Profit and Loss on Accrual Basis.

(14) Employees Benefits

i) Defined Contribution Plans

Contributions to the employees' regional Provident Fund, Superannuation Fund, Employees Pension Scheme and Employees' State Insurance are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii) Defined Benefit Plans

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognized in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

The Provident Fund Contribution other than contribution to Employees' Regional Provident Fund, is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952. The Employer shall make good deficiency, if any.

iii) Short-term Employee Benefits

Short Term Benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

iv) Long-Term Employee Benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. Annual Leaves can either be availed or enchased subject to restriction on the maximum accumulation of Leaves.

v) Termination Benefits

Termination Benefits are recognized as an expense in the period in which they are incurred.

The Company shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) When the entity can no longer withdraw the offer of those benefits; and

(b) When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

(15) Borrowing Costs

(1) Borrowing Costs that are specifically attributable to the acquisition, construction, or production of a Qualifying Asset are capitalized as a part of the cost of such Asset till such time the asset is ready for its intended use or sale. A Qualifying Asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

The Borrowing Cost consists of Interest & Other Incidental costs that the Company incurs in connection with the borrowing of such Funds.

(2) For general borrowing used for the purpose of obtaining a Qualifying Asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(3) Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

(16) Leases

The Company assesses at contract inception whether a contract or part of contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-Of-Use Assets

The Company recognises Right-Of-Use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use Assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of Right-Of-Use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use Assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the Assets.

If ownership of the Leased Asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the Asset.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises Lease Liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its existing weighted average cost of capital (WACC) rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities have been presented as a separate line and Right-of-use assets have been presented under Property Plant and Equipment in the balance sheet. Lease payments have been classified as cash used in financing activities.

i) Short-Term Leases and Leases of Low-Value Assets

The Company has elected not to recognise Right-of-Use Assets and Lease Liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

b) Company as a Lessor

Lease income from Operating Leases where the Company is a Lessor is recognized in income on a straight-line basis over the lease term unless the recipients are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective Leased Assets are included in the Balance Sheet based on their nature.

(17) Taxes on Income

a) Current Tax

i) Tax on Income for the Current Period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

ii) Current Income Tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss .Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred Tax is provided using the Balance Sheet Approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilized. Unrecognized Deferred Tax Assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred Tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss.

Deferred Tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

The break-up of the major components of the Deferred Tax Assets and Liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

(18) Exceptional Items

On certain non-recurring occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

(19) Earnings Per Share (EPS)

i) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing

- The Profit or Loss attributable to Equity Shareholders of the Company by the Weighted Average number of Equity Shares outstanding during the Financial Year, adjusted for bonus elements in Equity Shares issued during the Year.

ii) Diluted Earnings Per Share

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account

- The after Income Tax Effect of interest and other financing costs associated with dilutive potential equity shares, and the Weighted Average number of additional Equity Shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

(20) Segment Accounting

The Company is engaged primarily into manufacturing of Cement. The Company has only one business segment as identified by management namely Cementious Materials.

Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the Vice Chairman & Managing Director (Chief Operating Decision Maker).

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on each segments profit or loss and is measured consistently with profit or loss in the financial statements.

(21) Cash dividend

The Company recognises a Liability to pay dividend to Equity Holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in Other Equity. Interim Dividends are recognised as a Liability on the date of declaration by the Company's Board of Directors.

(22) Recent Accounting Pronouncements

No new amendments to Ind AS has been notified by the Ministry of Corporate Affairs ("MCA") during the current financial year.

Note-2 Property, Plant and Equipment

₹ In Crore (10 Million)

Particulars	Freehold Land	Right of Use		Buildings	Plant and Equipment	Furniture and Fixtures	Office Equip-ments	Vehicles and Locomotives	Railway Siding	Total
		Leasehold Land	Leasehold Building & Machinery							
Gross Block										
As at 1st April'2022	276.69	74.19	34.46	242.07	3,260.45	6.73	10.90	31.24	15.85	3,952.58
Additions/Adjustments	34.89	0.07	13.32	12.04	102.60	0.21	0.98	13.72	0.85	178.68
Disposals/Adjustments	-	-	4.36	-	15.24	0.02	0.34	9.63	-	29.59
As at 31st March'2023	**311.58**	**74.26**	**43.42**	**254.11**	**3,347.81**	**6.92**	**11.54**	**35.33**	**16.70**	**4,101.67**
Additions/Adjustments	39.47	2.50	34.77	13.58	27.50	0.16	1.46	8.65	-	128.09
Disposals/Adjustments	-	-	0.99	-	1.87	-	0.01	9.47	-	12.34
As at 31st March'2024	**351.05**	**76.76**	**77.20**	**267.69**	**3,373.44**	**7.08**	**12.99**	**34.51**	**16.70**	**4,217.42**
Accumulated Depreciation										
As at 1st April'2022	-	4.93	11.44	86.01	1,096.33	4.48	7.57	17.77	4.84	1,233.37
Charged For the Year	-	1.19	10.51	11.92	159.41	0.55	1.31	5.85	1.02	191.76
On Disposal	-	-	4.36	-	12.77	0.01	0.27	7.52	-	24.93
As at 31st March'2023	**-**	**6.12**	**17.59**	**97.93**	**1,242.97**	**5.02**	**8.61**	**16.10**	**5.86**	**1,400.20**
Charged For the Year	-	1.46	13.22	11.73	157.28	0.45	1.20	6.61	1.07	193.02
On Disposal	-	-	0.63	-	0.66	-	0.01	5.94	-	7.24
As at 31st March'2024	-	7.58	30.18	109.66	1,399.59	5.47	9.80	16.77	6.93	1,585.98
Net Carrying Amount										
As at 31st March'2023	311.58	68.14	25.83	156.18	2,104.84	1.90	2.93	19.23	10.84	2,701.47
As at 31st March'2024	**351.05**	**69.18**	**47.02**	**158.03**	**1,973.85**	**1.61**	**3.19**	**17.74**	**9.77**	**2,631.44**

1) The Title Deeds of all the Immovable Properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except the following

Description of Prpoerty	Gross Carrying Value As at 31st March'2024	Gross Carrying Value As at 31st March'2023	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of company
Lease Hold Land	**4.02**	4.02	Bihar Industrial Area Development Authority (BIADA).	No	July'2015	BIADA has given a notice to the Company on 30.06.2020 that the amount paid by the Company towards Leasehold Land has been forfeited. Aggrieved by the BIADA's notice, the Company had moved to Hon'ble Patna High Court in 2020. The Hon'ble High Court has directed BIADA to relook into the allotment of an alternate Land. On refusal of BIADA to give any alternate Land, the Company has filed a case against BIADA at Hon'ble Patna High Court in January 2023 for adjudication of the matter.

2) The Company has lease contracts for various buildings and plants used in its operations. Lease of buildings and plants have lease terms between 2 year to 10 years. The Company also has certain lease with lease terms of 12 months and less. The Company applies the 'short term leases' recognition exemption for these leases.

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

The following are the amounts recognised in Statement of Profit and Loss as per IND AS 116

₹ In Crore (10 Million)

	Year Ended March 31 2024	Year Ended March 31 2023
Depreciation expense of Right Of Use Assets	14.68	11.70
Interest Expense on Lease Liabilities	5.55	3.66
Expense relating to Leases of Short-term / Low Value Assets (included in Other Expenses)	10.74	10.61
Total Amount recognised in Statement of Profit and Loss	**30.97**	**25.97**

Amounts recognised in Statement of Cash Flows:

₹ In Crore (10 Million)

Particulars	Year Ended March 31 2024	Year Ended March 31 2023
Total Cash Outflow for Leases	28.50	24.18
Financing Activities		
Repayment of Principal	12.20	9.91
Repayment of Interest	5.55	3.66
Operating Activities		
Short Term / Low Value Assets Lease Payment	10.74	10.61

The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023:

₹ In Crore (10 Million)

Particulars	Year Ended March 31 2024	Year Ended March 31 2023
Balance at the beginning	33.42	30.01
Addition during the year	36.91	13.32
Finance cost accrued during the period	5.55	3.66
Payment of lease liabilities	(17.75)	(13.57)
Balance at the end	58.13	33.42
Non Current (Refer Note 20)	47.48	23.90
Current (Refer Note 26)	10.65	9.52

3) For Hypothecation Refer Note 19 and 25

Note-3 Capital-Work-in-Progress (CWIP)

₹ In Crore (10 Million)

Particulars	As at March 31 2024	As at March 31 2023
Capital Work in Progress (Gross)	471.65	162.72
Impairment allowance	(97.80)	(97.80)
Capital Work in Progress (Net)	373.85	64.92

Movement in capital-work-in-progress	As at March 31 2024	As at March 31 2023
Opening balance (Net)	64.92	112.13
Addition during the year	337.88	65.46
Capitalised during the year	(28.95)	(112.67)
Closing balance (Net)	373.85	64.92

Capital Work in Progress (CWIP) Ageing

₹ In Crore (10 Million)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
As on 31st March'24					
Projects in Progress	313.68	12.40	2.19	-	328.27
Projects Temporarily Supsended (refer note 1)	-	-	-	45.58	45.58
Total	313.68	12.40	2.19	45.58	373.85
As on 31st March'23					
Projects in Progress	17.13	2.21	-	-	19.34
Projects Temporarily Supsended (refer note 1)	-	-	-	45.58	45.58
Total	17.13	2.21	-	45.58	64.92

1) The Suspended Project is expected to be completed in next 1-2 years.

2) There are no Projects as on reporting date which has exceeded cost as compared to its Original cost. The Projects temporarily Suspended are overdue for completion

Note-4 Investment Property

₹ In Crore (10 Million)

Particulars	Freehold Land	Leasehold Land	Buildings	Total
Gross Block				
As at 1st April'2022	₹ 30,567	0.04	0.85	0.89
Additions/Adjustments	-	-	-	-
Disposals/Adjustments	₹ 30,567	-	-	₹ 30,567
As at 31st March'2023	-	0.04	0.85	0.89
Additions/Adjustments	-	-	-	-
Disposals/Adjustments	-	-	-	-
As at 31st March'2024	-	0.04	0.85	0.89
Accumulated Depreciation				
As at 1st April'2022	-	₹ 45,874	0.36	0.36
Charged For the Year	-	₹ 3,494	0.03	0.03
On Disposal				
As at 31st March'2023	-	₹ 49,368	0.39	0.39
Charged For the Year	-	₹ 10,446	0.08	0.09
On Disposal	-	-	-	-
As at 31st March'2024	-	₹ 59,814	0.47	0.47
Net Carrying Amount				
As at 31st March'2023	-	0.03	0.47	0.50
As at 31st March'2024	-	0.03	0.38	0.42
Fair Value*				
As at 31st March'2023				0.29
As at 31st March'2024				0.30
Rental Income				
For the FY 2022-23				0.73
For the FY 2023-24				0.82

Note : There is no material expenses incurred for the maintenance of investment properties.
*Based upon realisation value as calculated by independent valuer.
Figure in table with ₹ symbol represents absolute figure.

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

Note-5 Intangible Assets

₹ In Crore (10 Million)

Particulars	Software	Mining Rights	Total
Gross Block			
As at 1st April'2022	10.26	-	10.26
Additions/Adjustments	0.52	2.15	2.67
Disposals/Adjustments	-	-	-
As at 31st March'2023	10.78	2.15	12.93
Additions/Adjustments	1.49	-	1.49
Disposals/Adjustments	-	-	-
As at 31st March'2024	12.27	2.15	14.42
Accumulated Amortisation			
As at 1st April'2022	5.85	-	5.85
Charged For the Year	1.57	0.18	1.75
On Disposal	-	-	-
As at 31st March'2023	7.42	0.18	7.60
Charged For the Year	1.43	0.43	1.86
On Disposal	-	-	-
As at 31st March'2024	8.85	0.61	9.46
Net Carrying Amount			
As at 31st March'2023	3.36	1.97	5.33
As at 31st March'2024	3.42	1.54	4.96

Note-6 Non Current Investment

₹ In Crore (10 Million)

Particulars	As at 31st March 2024 Numbers	As at 31st March 2024 Amount	As at 31st March 2023 Numbers	As at 31st March 2023 Amount
Investment in Equity Shares				
Subsidiaries- At Cost				
Udaipur Cement Works Limited (₹ 4 each) (Refer note no. 67)	420,401,693	478.99	225,892,781	128.88
Udaipur Cement Works Limited - Equity Component*		34.90		34.90
Hansdeep Industries and Trading Co. Ltd. (₹ 10 each)	116,050,007	116.05	116,050,007	116.05
Hidrive Developers and Industries Pvt. Ltd. (₹ 10 each)	167,360	27.32	-	-
Agrani Cement Pvt. Ltd. (₹ 10 each) Refer Note 72	93,500	325.11		
Associate- At Cost				
Dwarkesh Energy Ltd (₹ 10 each)	350,000	0.35	350,000	0.35
Others- Fair Value through Profit and Loss				
V. S. Lignite Power Pvt. Ltd. (₹ 10 each) #	4,396,136	-	4,396,136	-
Sungaze Power Pvt Ltd. (₹ 14.66 each)	1,432,308	2.10	1,432,308	2.10
Amplus Helios Private Limited (₹10.00 each)	21,608,639	21.61		
Investment in Preference Shares- Fair Value Through Profit and Loss				
Subsidiary				
Udaipur Cement Works Limited (5% cumulative redeemable preference shares) (₹ 100000 each)	6,600	60.20	6,600	56.89
Udaipur Cement Works Limited (6% cumulative redeemable preference shares) (₹100 each)	500,000	6.99	500,000	6.69

Note-6 Non Current Investment (Cont.)

₹ In Crore (10 Million)

Particulars	As at 31st March 2024 Numbers	As at 31st March 2024 Amount	As at 31st March 2023 Numbers	As at 31st March 2023 Amount
Associate				
Dwarkesh Energy Ltd. (7% optionally convertible cumulative redeemable preference shares) (₹ 100 each) $	1,100,000	11.00	1,100,000	12.95
Others				
V. S. Lignite Power Pvt. Ltd. (0.01%) (₹10 each) #	3,899,777	-	3,899,777	-
Other Investments in Subsidiary				
Capital Contribution on account of Financial Guarantee		96.09		55.27
		1,180.71		414.08
Aggregate carrying amount of quoted investment		478.99		128.88
Aggregate market value of quoted investment		1,410.45		587.55
Aggregate amount of unquoted investment		701.72		285.20

* Equity component of 5%/6% cumulative redeemable preference shares
# Under lien with issuer
Note :- All Investments other than Investment in equity shares of Udaipur Cement Works Limited are unquoted.
$ During the year preference share holders of our Associate Dwarkesh Energy Ltd. passed a resolution to waive off accumulated dividend on preference share. Being the preference share holder the Company has also taken impact of said transaction appropriately in the statement of Profit and Loss.

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-7 Non Current Financial Assets - Loans		
Unsecured, Considered Good:		
(At amortised cost)		
Loan to Related Parties (refer note 63)	-	2.32
Loan to Others	15.00	15.00
Secured		
Which have Significant Increase in Credit Risk	-	-
Credit Impaired	-	-
	15.00	17.32
Note : No loans or advances are due by directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans or advances are due by firms or private companies in which any director is a partner, a director or a member.		
Note-8 Other Non Current Financial Assets (At amortised cost)		
Unsecured, Considered Good:		
Security Deposits	45.83	38.25
Bank Deposits with remaining maturity for more than 12 months*	2.59	40.75
	48.42	79.00
* Includes ₹ 2.59 crore (previous year ₹ 2.59 crore) under lien		
Note-9 Other Non-Current Assets		
Unsecured, Considered Good:		
Capital Advances	81.55	43.04
Deferred Expenditure	-	2.19
	81.55	45.23

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-10 Inventories (at lower of cost or net realisable value)		
Raw Materials (Including ₹ 1.33 crore in transit (previous year nil)	65.74	44.17
Work -in -progress	161.43	111.29
Finished Goods (Including ₹ 13.21 crore in transit (previous year ₹ 8.23 crore)	40.06	37.53
Stock-in-Trade	2.36	6.55
Stores and Spares (Including nil in transit (previous year ₹ 1.91 crore)	107.08	107.28
Fuel Stock (Including in transit ₹ 134.04 crore (previous year ₹ 218.49 crore)	371.77	380.78
Packing Materials	13.79	12.80
	762.23	700.40
For Hypothecation Refer Note 25		
Note-11 Current Investment		
Investment at fair value through Profit & Loss		
Investment in Quoted Non Convertible Debentures	235.61	164.09
Investment in Quoted Mutual Funds	-	134.47
Investment in Quoted Bonds & Commercial Paper	33.82	211.68
	269.43	510.24
Aggregate book value of Quoted Investments	269.43	510.24
Aggregate market value of Quoted Investments	269.43	510.24
Aggregate book value of unquoted Investments	-	-
Note-12 Trade Receivables		
Considered good - Secured	10.43	20.60
Considered good - Unsecured	29.72	39.91
Which have Significant Increase in Credit Risk		
Credit Impaired	6.48	8.59
Less :- Impairment Allowances	(6.48)	(8.59)
	40.15	60.51

For Hypothecation Refer Note 25

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0-90 days.

Trade Receivables Ageing

Outstanding For Following Periods From Due Date of Payment as on 31st March'24							
Particulars	Not Due	Less Than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More Than 3 Years	Total
A. Undisputed							
Considered good	30.90	8.99	-	-	-	-	39.89
Credit Impaired	-			0.02	0.21	2.92	3.15
	30.90	8.99	-	0.02	0.21	2.92	43.04
Less Credit Impaired	-	-	-	(0.02)	(0.21)	(2.92)	(3.15)
Total	**30.90**	**8.99**	-	-	-	-	**39.89**
B. Disputed							
Considered good	-	-	-	-	-	0.26	0.26
Credit Impaired	-	-	-	-	0.08	3.25	3.33
	-	-	-	-	0.08	3.51	3.59
Less Credit Impaired	-	-	-	-	(0.08)	(3.25)	(3.33)
Total	-	-	-	-	-	**0.26**	**0.26**
Total (A+B)	**30.90**	**8.99**	-	-	-	**0.26**	**40.15**

Outstanding For Following Periods From Due Date of Payment as on 31st March'23							
Particulars	Not Due	Less Than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More Than 3 Years	Total
A. Undisputed							
Considered good	25.92	26.75	-	-	-	-	52.67
Credit Impaired	-	-	-	0.16	0.34	2.58	3.08
	25.92	26.75	-	0.16	0.34	2.58	55.75
Less Credit Impaired	-	-	-	(0.16)	(0.34)	(2.58)	(3.08)
Total	**25.92**	**26.75**	**-**	**-**	**-**	**-**	**52.67**
B. Disputed							
Considered good	-	-	2.51	2.54	2.51	0.28	7.84
Credit Impaired	-	-	-	1.14	1.04	3.33	5.51
	-	-	2.51	3.68	3.55	3.60	13.34
Less Credit Impaired	-	-	-	(1.14)	(1.04)	(3.33)	(5.51)
Total	**-**	**-**	**2.51**	**2.54**	**2.51**	**0.28**	**7.84**
Total (A+B)	**25.92**	**26.75**	**2.51**	**2.54**	**2.51**	**0.28**	**60.51**

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-13 Cash and Cash Equivalents		
On Current Account	62.51	47.56
Cheques , Draft on hand/transit	0.98	0.94
Cash on hand	0.24	0.42
Deposits with original maturity for less than 3 months*	25.00	90.00
	88.73	138.92
* Includes nil (previous year ₹ 0.37 crore) under lien		
Note-14 Bank Balances Other than Cash and Cash Equivalents		
Deposits with remaining maturity for more than 3 months but less than 12 months*	138.57	194.29
On Unpaid Dividend Accounts	1.75	1.50
	140.32	195.79
* Includes ₹ 0.56 crore (previous year ₹ 0.37 crore) under lien		
Note-15 Current Financial Assets - Loans		
Unsecured, Considered Good:		
Loans to Related Party* (refer note 63)	72.31	88.73
	72.31	88.73
*Including ₹ 69.33 crore to Subsidiary (Previous year ₹ 85.40 crore)		
Note-16 Other Current Financial Assets		
Unsecured, considered good unless otherwise stated		
Receivables (Railway claims, Insurance claims, Subsidy and other receivables)		
Considered good - Unsecured	1.60	9.00
Credit Impaired	4.22	4.22
Less: Impairment Allowance	(4.22)	(4.22)
	1.60	9.00
Interest Receivable from Banks and others	22.86	11.03
Advances to Employees	1.38	0.60
Marked to Market Gain (FVTPL)	0.45	-
	26.29	20.63

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-17 Other Current Assets (unsecured considered good unless otherwise stated)		
Prepaid expenses	5.86	9.30
Balance with Govt. Authorities	33.18	20.53
Other Advances*	129.42	132.96
Deferred Expenditure	0.27	0.27
	168.73	163.06

*Includes advances to Subsidiaries amounting of ₹ 64.45 crore (previous year ₹ 74.49 crore) Unsecured, Considered Good, otherwise stated.

	As at 31st March 2024	As at 31st March 2023
Note-18 Equity Share Capital		
SHARE CAPITAL		
Authorised :		
Equity Shares - 250,000,000 (Previous year 250,000,000) of ₹ 5 each	125.00	125.00
Preference Shares - 5,000,000 (Previous year 5,000,000) of ₹ 100 each	50.00	50.00
Unclassified Shares	25.00	25.00
	200.00	200.00
Issued, Subscribed and Paid up :		
Equity Shares (with equal rights) 117,670,066 (Previous year 117,670,066) of ₹ 5 each fully paid up	58.84	58.84
Add: Forfeited Shares	0.01	0.01
	58.85	58.85

a. Reconciliation of number of Share Outstanding :

Particular	31st March 2024	31st March 2023
Opening Balance	117,670,066	117,670,066
Shares Issued during the year	-	-
Shares Bought back during the year	-	-
Shares Outstanding at the end of the year	117,670,066	117,670,066

b. List of shareholders holding more than 5% of the equity share capital of the Company:

Shareholder name	31st March 2024 Number	31st March 2023 Number
Bengal & Assam Company Ltd.	52,134,384	52,099,121
Axis Mutual Fund Trustee Ltd.	-	7,342,519

c. Disclosure of Shareholding of Promoters

Name of Promoters*	As at 31st March'2024		As at 31st March'2023	
	No of Shares	% of Total Number of Shares	No of Shares	% of Total Number of Shares
Bengal & Assam Company Limited	52,134,384	44.31	52,099,121	44.28
Shri Bharat Hari Singhania	206,848	0.18	206,848	0.18
Smt. Vinita Singhania	280,058	0.24	280,058	0.24
Total	52,621,290	44.73	52,586,027	44.70
% Change in holding during the year	0.03%		Nil	

*In addition, as on 31st March 2024, there are 19 entities holding 19,04,632 Equity Shares (1.61%) and as on 31st March 2023, there are 19 entities holding 19,04,632 Equity Shares (1.61%) , who are constituents of the Promoter Group as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

d. Terms/ Rights attached to Equity Shareholders :

i) The Company has only one class of Equity Shares having a par value of Rs 5 per share. Each holder of equity shares is entitled to one vote per share held.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company , after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders and are subject to prefrential rights of prefrence shares (if issued)

iii) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

e. Nature of Reserves :-

Capital Redemption Reserve:- Represents the statutory reserve created when Preference Share Capital is redeemed.

Securities Premium:- Represents the amount received in excess of Par value of Securities.

f. During the last five years, the Company has not issued any bonus shares nor are there any shares bought back and issued for consideration other than cash.

₹ In Crore (10 Million)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current*	Non Current	Current*
Note-19 Non Current Borrowings				
SECURED LOANS				
From Banks	326.18	164.43	328.14	154.43
From Government	14.60	14.36	27.03	32.80
Term Loan In Foreign Currency	-	-	175.18	28.76
	340.78	178.79	530.35	215.99
UNSECURED LOANS				
Public Deposits	23.55	14.10	26.07	34.54
	23.55	14.10	26.07	34.54
Less:- current maturities of long term debt Shown under Note No- 25	-	192.89	-	250.53
	364.33	-	556.42	-

* Due & repayable within one year

1 Term Loan from a Bank of ₹ 39.97 Crore is secured by way of an Exclusive First Charge on all the Immovable and Movable Fixed Assets of the Company's Cement Grinding Unit in the State of Gujarat. This Term Loan is repayable in 7 equal quarterly instalments.

2 Term Loans from Banks aggregating to ₹ 150.00 Crore are secured by way of a Pari Passu First Charge on all the Immovable and Movable Fixed Assets of the Company's Cement Plant in the State of Chattisgarh. These Term Loans from Banks are repayable in 6 equal Quarterly Instalments.

3 Term Loan from a Bank of ₹ 76.41 Crore is secured by way of an Exclusive First Charge on Movable Fixed Assets of the Company's 20 MW Thermal Power Plant at Durg, Chattisgarh. This Term Loan is repayable in 34 unequal Quarterly Instalments.

4 Term Loan from a Bank of ₹ 62.68 Crore is secured by way of an Exclusive First Charge on all the Immovable & Movable Fixed Assets of the Company's Cement Grinding Unit at Cuttack, Odisha. This Term Loan is repayable in 39 equal Quarterly Instalments.

5 Interest Free Loan (IFL) from The Director of Industries & Commerce, Haryana of ₹ 32.53 Crore granted to Company in relation to its Cement Grinding Unit at Jhajjar, Haryana, is secured by Bank Guarantee of equivalent amount and shall be

repaid at the end of 5th year from the respective disbursement dates. The said IFL has been recognised on Amortised Cost Basis.

6 Term Loan from a Bank of ₹ 162.44 Crore is secured / to be secured by way of a Pari Passu First Charge on all the Immovable and Movable Fixed Assets pertaining to the Company's Cement Unit in the State of Rajasthan subject to the prior charges in favour of Banks on Specified Assets and Company's Banks for Working Capital on Specified Movables Assets. This Term Loan is repayable in 21 unequal Quarterly Instalments.

7 Public Deposits represents the Deposits accepted by the Company from Public under its Fixed Deposit Scheme having maturity of 1, 2 & 3 years from the date of deposits.

8 The above outstanding Term Loans are net of the Processing charges as per IND AS 109.

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-20 Non Current Lease Liabilities		
Lease Liabilities	47.48	23.90
	47.48	23.90
Note-21 Other Non Current Financial Liabilities		
Trade and other Deposits	193.96	190.11
Other Liabilities	45.58	45.59
Financial Obligation of Corporate Guarantee	96.09	55.27
	335.63	290.97
Note-22 Non Current Provisions		
Provision for Employees' Benefits	14.13	15.59
	14.13	15.59
Note-23 Deferred Tax Liabilities/(Assets) (Net)		
Deferred Tax Liability		
Related to Property, Plant and Equipments	330.08	359.34
Others	11.07	11.82
Less: Deferred Tax Assets		
Expenses / Provisions allowable	44.26	69.80
Others	10.99	10.57
MAT Credit Entitlement	17.63	131.22
Deferred Tax Liabilities (Net)	268.27	159.57
Note-24 Other Non-Current Liabilities		
Deferred Revenue	1.14	1.74
Liability for Employees Subsidised Car Scheme	5.02	5.92
Government and other dues	84.26	82.99
	90.42	90.65

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-25 Short Term Borrowings		
Current maturities of long-term debts (Refer Note-19)	192.89	250.53
Secured Loans		
Working Capital Borrowing from Banks*	150.00	-
Unsecured Loans		
Public Deposits	1.42	4.28
	344.31	254.81

* Working Capital Borrowings from Banks are secured / to be secured by hypothecation of Stocks and Book Debts etc. of the Company, both present & future and by a second charge on the Movable & Immovable Fixed Assets of the Company's Cement Plants in the States of Rajasthan and Chattisgarh (except those assets which are exclusively charged to other lenders)

	As at 31st March 2024	As at 31st March 2023
Note-26 Current Lease Liabilities		
Lease Liabilities	10.65	9.52
	10.65	9.52
Note-27 Trade Payables		
Micro and Small Enterprises (refer note 65)	12.52	16.28
Others	455.27	495.68
	467.79	511.96

Trade Payable Ageing

Particular	Outstanding For Following Periods From Due Date of Payment as on 31st March'24					Total
	Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 year	
(i) MSME	12.24	0.28	-	-	-	12.52
(ii) Others	395.36	52.88	5.56	0.95	0.52	455.27
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	407.60	53.16	5.56	0.95	0.52	467.79

Particular	Outstanding For Following Periods From Due Date of Payment as on 31st March'23					Total
	Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 year	
(i) MSME	13.97	2.24	0.07	0.00	-	16.28
(ii) Others	454.70	38.03	1.67	0.87	0.41	495.68
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	468.67	40.27	1.74	0.87	0.41	511.96

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-28 Other Current Financial Liabilities (At amortised cost)		
Interest Accrued but not due on borrowings	3.64	6.24
Unclaimed Dividends #	1.76	1.50
Unclaimed Matured Public Deposits and Interest #	1.68	0.48
Capital Creditors	40.42	2.48
Other Liabilities (including Rebates to Customers)	398.91	314.56
Marked to Market Loss (FVTPL)	-	2.29
Contingent Consideration (Refer Note 72)	200.00	-
	646.41	327.55

Investor Education and Protection Fund will be credited as and when due.

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-29 Other Current Liabilities		
Advance from Customers	94.83	82.02
Government and other dues	136.58	153.75
Deferred Revenue	1.83	5.68
	233.24	241.45
Note-30 Current Provisions		
Provision for Employees' Benefit	3.98	5.04
	3.98	5.04
Note-31 Current Tax Liabilities/(Assets) (Net)		
Provision for Taxation (Net of Taxes paid)	(3.55)	(5.04)
	(3.55)	(5.04)

₹ In Crore (10 Million)

	For the year ended 31st March 2024	For the year ended 31st March 2023
Note-32 Revenue From Operations@		
Revenue from Contracts with Customers		
Sale of Products		
Cement & Clinker	5,768.01	5,591.03
Smart Building Solution (SBS) Products	551.27	478.68
	6,319.28	6,069.71
Other Operating Revenues	0.49	1.34
	6,319.77	6,071.05
@ Refer note no.70		
Note-33 Other Income		
Interest Income	47.25	27.11
Interest income from other finanical asset at amortised cost	5.40	6.88
Profit on sale* of (Net of reversal of unrealised gain of previous year ₹ 4.87 crore (previous year ₹ 16.35 crore)		
Current Investments	7.74	15.99
Profit/(loss) on Sale of Property Plant & Equipments (Net)	(0.87)	0.31
Other Non - Operating Income	4.49	11.94
	64.01	62.23
Note-34 Cost of Material Consumed		
Raw Material Consumed	988.21	925.69
	988.21	925.69
Note-35 Purchse of Stock - in - Trade		
Purchase of Traded Goods	827.73	689.25
	827.73	689.25

₹ In Crore (10 Million)

	For the year ended 31st March 2024	For the year ended 31st March 2023
Note-36 Change In Inventories of Finished Goods, Work - in - Progress and Stock - in - Trade		
Opening Stocks		
Work -in -Progress	111.29	86.68
Finished Goods	37.53	34.24
Stock-in-Trade	6.55	1.04
	155.37	121.96
Closing Stocks		
Work -in -Progress	161.43	111.29
Finished Goods	40.06	37.53
Stock-in-Trade	2.36	6.55
	203.85	155.37
Less : Preoperative period Stocks	-	(0.21)
	(48.48)	(33.20)
Note-37 Employee Benefit Expense		
Salaries and Wages	319.36	294.02
Contribution to Provident and Other Funds	20.61	21.67
Staff Welfare Expenses	33.89	33.44
	373.86	349.13
Note-38 Power and Fuel		
Power and Fuel	1,365.64	1,543.91
	1,365.64	1,543.91
Note-39 Transport, Clearing & Forwarding charges		
Transport, Clearing & Forwarding charges	1,249.11	1,208.60
	1,249.11	1,208.60
Note-40 Finance Cost		
Interest expenses	74.82	80.21
Interest expenses at amortised cost	5.12	6.10
Interest on lease liabilities	5.55	3.66
Other borrowing cost	1.74	1.53
	87.23	91.50
Note-41 Depreciation and Amortization Expense		
Depreciation on Property, Plant and Equipment	193.11	191.79
Amortisation on Intangible Assets	1.86	1.75
	194.97	193.54

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	For the year ended 31st March 2024	For the year ended 31st March 2023
Note-42 Other Expenses		
Consumption of Stores and Spares*	163.83	144.03
Consumption of Packing Materials	170.12	191.76
Rent (Net of realisation ₹ 0.82 crore, previous year ₹ 0.73 crore)	10.74	10.61
Repairs to Buildings	6.95	6.42
Repairs to Machinery	71.27	56.16
Insurance	8.48	9.45
Rates and Taxes	5.50	4.18
Commission on Sales	112.90	109.81
Directors' Fee & Commission	2.22	4.10
Provision for Doubtful Debts	-	0.92
Advertisement and Sales Promotion	59.45	54.82
Travelling, Consultancy & Misc. expenses etc.#	88.49	91.14
	699.95	683.40

* Refer note 58c, # Refer note 51 & 58d

	For the year ended 31st March 2024	For the year ended 31st March 2023
Note-43 Earning Per Equity Share		
Profit After Tax (PAT)	424.32	330.77
Weighted Average number of Equity Shares Outstanding	117,670,066	117,670,066
Basic Earnings per equity share (₹): (Face value of ₹ 5 each)	36.06	28.11
Diluted Earnings per equity share (₹): (Face value of ₹ 5 each)	36.06	28.11

Note-44 Financial Risk Management Objectives and Policies.

The Company realizes that risks are inherent & integral part of any business. The primary focus is to foresee the unpredictability of financial market & seek to minimize potential adverse effect on its financial performance. The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk.

44.1 **Market Risk:** Market risk is the risk of loss of future earnings, fair values or future cash flows that may results from change in the price of a financial instrument. The value of a financial instrument may change as result of change in the interest rates, foreign currency exchange rates, equity prices and other market changes may affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments and deposits, foreign currency receivables, payables and loans and borrowings. Market risk comprises mainly three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk.

The Company has an elaborate risk management system to inform board members about risk management and minimization procedures.

a) **Foreign Currency Risk:** Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company makes certain imports in foreign currency & therefore is exposed to foreign exchange risk.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change of US $ with 'all other variables held constant. The impact on the Company's profit/(loss) before tax due to changes in foreign exchange rate:

₹ In Crore (10 Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Appreciation in USD	+ ₹ 0.25	+ ₹ 0.25
Effect on profit/(loss) before tax	(0.26)	(0.95)
Depreciation in USD	- ₹ 0.25	- ₹ 0.25
Effect on profit/(loss) before tax	0.26	0.95

b) **Interest Rate Risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by maintaining a proper blend of fixed & floating rate borrowings as also a mix of rupee & foreign currency borrowings. The following table shows the blend of Company's fixed & floating rate borrowings in Indian rupee & in foreign currency.

₹ In Crore (10 Million)

S.no.	Particulars	As at March 31, 2024	As at March 31, 2023
1	**Loans in rupees**		
	Fixed Rate	189.07	64.89
	Floating Rate	490.61	482.57
	Interest Free	28.95	59.83
	Total	708.63	**607.29**
2	Loans in USD		
	Fixed Rate	-	-
	Floating Rate	-	203.94
	Total	-	**203.94**
3	**Grand Total**	708.63	**811.23**

The Company regularly scans the market & interest rate scenario to find appropriate financial Instruments & negotiates with the lenders in order to reduce the effective cost of funding

Interest Rate Sensitivity: The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial assets affected. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact on finance cost with respect to our borrowing, as follows :-

₹ In Crore (10 Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Increase in interest in basis points	+ 25	+ 25
Effect on profit/(loss) before tax	(1.23)	(1.71)
Decrease in interest in basis points	- 25	- 25
Effect on profit/(loss) before tax	1.23	1.71

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment

c) **Commodity Price Risk and Sensitivity:** The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check, cost of material is hedged to the extent possible.

44.2 Credit Risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

a) **Trade Receivables:-** Customer credit risk is managed based on Company's established policy, procedures and controls. The Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and aging of trade receivables. Individual credit risk limits are set accordingly.

The credit risk from the organized and bigger buyers is reduced by securing bank guarantees/letter of credits/part advance payments/post dated cheques. The outstanding's of different parties are reviewed periodically at different level of organization. The outstanding from the trade segment is secured by two tier security – security deposit from the dealer himself, and our business associates who manage the dealers are also responsible for the outstanding from any of the dealers in their respective region. Impairment analysis is performed based on historical data at each reporting period on an individual basis. For aging of trade receivables refer note 12.

b) **Financial Instruments and Deposits with Banks:** The Company considers factors such as track record, size of institution, market reputation and service standards to select the bank with which balances and deposits are maintained. Generally, balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operation.

44.3 Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The Company relies on a mix of borrowings, and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowings facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Maturity Profile of Financial Liabilities:

₹ In Crore (10 Million)

S.No	Particulars	Undiscounted amount	Due within 1 year	Due between 1-5 years	Due after 5 years	Total
1	As on March 31, 2024					
	Borrowings	712.49	344.31	286.68	81.50	712.49
	Trade Payables	467.79	467.79	-	-	467.79
	Other liabilities*	885.95	646.41	-	239.54	885.95
	Lease liabilities	76.90	15.73	43.79	17.38	76.90
	Total	**2,143.13**	**1,474.24**	**330.47**	**338.42**	**2,143.13**
2	As on March 31, 2023					
	Borrowings	822.36	258.01	460.92	103.43	822.36
	Trade Payables	511.96	511.96	-	-	511.96
	Other liabilities*	563.25	327.55	-	235.70	563.25
	Lease liabilities	41.39	12.44	25.99	2.96	41.39
	Total	**1,938.96**	**1,109.96**	**486.91**	**342.09**	**1,938.96**

* Does note include Financial obligation of corporate guarantee.

Note-45 Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings less cash and short term deposits.

₹ In Crore (10 Million)

	Particulars	As at March 31, 2024	As at March 31, 2023
1	Borrowings	708.64	811.23
2	Less - Cash and cash equivalents (Including current investments & other bank balances)	(498.48)	(844.95)
3	**Net Debt**	**210.16**	-
4	Equity Share Capital	58.85	58.85
5	Other Equity	3,022.60	2,664.89
6	**Total Capital**	**3,081.45**	**2,723.74**
7	Capital and Net Debt	3,291.61	2,723.74
8	Gearing Ratio	6.38%	-

The Company monitors capital using a gearing ratio, which is net debt divided by total Capital plus net Debt. Net Debt is calculated as total borrowings reduced by Cash and cash equivalents (Including current investments & other bank balances) . No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

Note-46 Fair Value of Financial Assets and Liabilities

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

₹ In Crore (10 Million)

Particulars		March 31, 2024		March 31, 2023	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
A.	Financial Assets				
(i)	At Fair Value through Profit or Loss :-				
(a)	Investment in -				
	Equity Shares	23.71	23.71	2.10	2.10
	Mutual funds	-	-	134.47	134.47
	NCD & others	269.43	269.43	375.77	375.77
	Preference shares	113.09	113.09	111.42	111.42
(b)	Financial guarantee	96.09	96.09	55.27	55.27
	Total (i)	**502.32**	**502.32**	**679.03**	**679.03**
(ii)	At Amortized Cost :-				
(a)	Bank FDs	166.16	166.16	325.04	325.04
(b)	Cash and Bank Balances	65.48	65.48	50.42	50.42
(c)	Trade Receivables	40.15	40.15	60.51	60.51
(d)	Loans	87.31	87.31	106.05	106.05
(e)	Others	72.12	72.12	58.87	58.87
	Total (ii)	**431.22**	**431.22**	**600.89**	**600.89**
	Total (A)	**933.54**	**933.54**	**1,279.92**	**1,279.92**
B	Financial Liabilities				
(i)	At Fair Value through Profit or Loss :-				
(a)	Financial guarantee	96.09	96.09	55.27	55.27
	Total (i)	**96.09**	**96.09**	**55.27**	**55.27**
(ii)	At Amortized Cost :-				
	(a) Borrowings	708.64	708.64	811.23	811.23
	(b) Trade Payables	467.79	467.79	511.96	511.96
	(c) Other Financial Liabilities	885.95	885.95	563.25	563.25
	Total (ii)	**2,062.38**	**2,062.38**	**1,886.44**	**1,886.44**
	Total (B)	**2,158.47**	**2,158.47**	**1,941.71**	**1,941.71**

Fair Valuation Techniques:

The Company maintains policies and procedures to value Financial Assets & Financial Liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:-

1 Fair Value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are considered to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.

3 Fair Value of Investments in quoted Mutual Funds and Equity Shares are based on quoted market price at the reporting date. The fair value of unquoted investments in Preference Shares are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair value of unquoted investments in equity shares are estimated on net assets basis.

4 Fair Value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.

5 The Fair Values of Derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

Fair Value Hierarchy:

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Level 1: Quoted prices in active markets.

Level 2: Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3: Inputs that are not based on observable market data.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

(A) Financial Assets

₹ In Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
As at 31st March'2024			
Financial Assets at FVTPL			
Unquoted Equity Shares	-	-	23.71
Unquoted Preference Shares	-	-	113.09
Mutual Funds	-	-	-
NCD and others	-	269.43	-
Financial Guarantee	-	-	96.09
Total Financial Assest	-	269.43	232.89
As at 31st March'2023			
Financial Assets at FVTPL			
Unquoted Equity Shares	-	-	2.10
Unquoted Preference Shares	-	-	111.42
Mutual Funds	134.47	-	-
NCD and others	-	375.77	-
Financial Guarantee	-	-	55.27
Total Financial Assest	134.47	375.77	168.79

(B) Financial Liabilities

₹ In Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
As at March 31, 2024			
Financial Liabilities at FVTPL			
- Financial Guarantee	-	-	96.09
Total Financial Liabilities	**-**	**-**	**96.09**
As at March 31, 2023			
Financial Liabilities at FVTPL			
- Financial Guarantee	-	-	55.27
Total Financial Liabilities	**-**	**-**	**55.27**

There have been no transfers between Level 1 ,Level 2 and Level 3 during the year ended March 31, 2024

Note-47 Segment Information:

The Company is engaged primarily into manufacturing of cement. The Company has only one business segment as identified by management namely cementious materials. Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the vice chairman & managing director of the Company (Chief Operating Decision Maker).

Information about major customers

There are no revenues from transactions with a single external customer amounting to 10 per cent or more of an entity's revenues during the current and previous year.

Note-48 Deferred Revenue:

₹ in Crore (10 Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening	7.42	13.10
Deferred during the year	-	-
Released to profit and loss	(4.44)	(5.68)
Closing	**2.98**	**7.42**

Note-49 Income Tax Expense:

i. Amount recognized in Statement of Profit and Loss :-

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
A. Current Tax		
Current Tax	226.40	147.80
Adjustments in respect of current income tax of previous year	0.29	0.63
Total A	**226.69**	**148.43**
B. Deferred tax		
Relating to origination and reversal of temporary difference	(5.45)	2.26
Total Deferred Tax (net)	**(5.45)**	**2.26**
Total Tax Expense (A + B)	**221.24**	**150.69**

ii. Deferred Tax recognized in Other Comprehensive Income (OCI):

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Deferred Tax (Gain)/Loss on Defined Benefit	0.57	(0.29)

iii. Reconciliation of effective tax rate.

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Accounting profit/(loss) before Income Tax	**645.56**	**481.46**
At Applicable Statutory Income Tax Rate	34.94%	34.94%
Computed Income Tax Expense/(Income)	225.58	168.24
Increase/(reduction) in Taxes on account of :-		
Income not taxable	(1.16)	(1.54)
Income not taxable during tax holiday period	(13.55)	(14.19)
Tax on which deduction is not admissible	10.07	9.55
Previous Year Tax Adjustments	0.29	0.63
Reversal of deferred tax liability on account of change in tax rate@	-	(12.00)
Income Tax Expense/(Income) Reported to Profit & Loss	**221.24**	**150.69**

@ The Government of India has inserted a New Section 115 BAA in the Income Tax Act, 1961 which provides an option to the Company for paying Income Tax at reduced rates, subject to certain conditions. The Company is continuing to provide for Income Tax at Higher Old Rates, based on available MAT Credit Entitlement & various available exemptions / deductions. However, the Company has applied the Lower Income Tax Rates on Deferred Tax Assets / Liabilities to the extent there are expected to be realized or settled in future when the Company may be subjected to Lower Tax Rate and accordingly during the Year ended 31st March 2024, the Company has reversed the Deferred Tax Liability of Nil (Previous year ₹ 12.00 Crores)

iv. Reconciliation of Deferred Tax (liabilities)/Assets (Net)

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Opening balance	(159.57)	(94.33)
Deferred tax recognized in statement of profit and loss	5.45	(2.26)
Other comprehensive income	(0.57)	0.29
Previous year adjustment	-	(0.63)
Mat Credit Utilisation	(113.58)	(62.64)
Closing Balance	**(268.27)**	**(159.57)**

v. Deferred Tax:

Deferred Tax relates to the followings:

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Deferred Tax Assets related to:		
Brought forward losses set off	-	-
(Disallowances)/Allowances under Income Tax	(25.54)	(0.48)
Others	0.42	0.05
Total Deferred Tax Assets	**(25.12)**	**(0.43)**
Deferred Tax Liabilities related to:		
Property, Plant and Equipment	29.25	(2.32)
Others	0.75	0.78
Total Deferred Tax Liabilities	**30.00**	**(1.54)**
Net total movement in Statement of Profit & Loss	4.88	(1.97)
Movement in Profit & Loss	5.45	(2.26)
Movement in OCI	(0.57)	0.29

Note-50 Dividends

The following dividends were declared and paid by the Company during the year

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Final Dividend For the year ended 31st March'2023 – 75% i.e. ₹ 3.75 per equity share (31st March'2022 – 100% i.e. ₹ 5.00 per equity share)	44.13	58.84
Interim Dividend For the year ended 31st March'2024 – 40% i.e. ₹ 2.00 per equity share (31st March'2023 – nil)	23.53	-
Total	67.66	58.84

The following dividends were proposed by the board of directors in their meeting held on 23rd May 2024, subject to approval of shareholders at Annual General Meeting and are not recognized as liability.

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
For the year ended 31st March'2024 - 90% i.e. ₹ 4.50 per equity share per equity share (31st March'2023 – 75% i.e. ₹ 3.75 per equity share)	52.96	44.13

Note-51 Amount paid to Auditors

₹ in Crore (10 Million)

S.No.	Particulars	2023-24	2022-23
A	Statutory Auditor		
	Statutory audit fee	0.25	0.20
	Tax audit fees	0.05	0.04
	Limited review fee, GST audit fee & other services	0.05	0.07
	Reimbursement of expenses	0.04	0.02
	Total Payment to Statutory Auditor	0.39	0.33
C	Cost Auditor		
	Cost Audit fee	0.02	0.02

Note-52 Ratio Analysis and its elements

S. No.	Particulars	Units	March 31, 2024	March 31, 2023	% Change	Explanation
1	Current Ratio (Current Assets / Current Liabilities)	Times	0.92	1.39	-34%	A
2	Debt Equity Ratio (Total Debt (Borrowing) / Total Equity)	Times	0.23	0.30	-23%	
3	Debt Service Coverage Ratio (Earnings before Interest, depreciation and taxes / Interest + Principal Repayment)	Times	2.6	2.72	-4%	
4	Return on Equity Ratio (Profit for the period / Average Total Equity)	%	14.65%	12.75%	15%	
5	Inventory Turnover Ratio (Net Revenue from Operations / Average Inventory)	Times	8.64	10.19	-15%	
6	Trade Receivable Turnover Ratio (Net Revenue from Operations / Average Trade Receivable)	Times	160.73	163.62	-2%	
7	Trade Payable Turnover Ratio (Purchases of Goods & Services / Average Trade Payable)	Times	10.24	12.17	-16%	
8	Net Capital Turnover Ratio (Net Revenue from Operations / Average Working Capital)	Times	31.73	13.21	140%	B
9	Net Profit Ratio (Profit for the period / Revenue from Operations)	%	6.73%	5.44%	24%	

S. No.	Particulars	Units	March 31, 2024	March 31, 2023	% Change	Explanation
10	Return on Capital Employed (Before Tax) (Earnings before Interest, taxes & Exceptional Items / Average Capital Employed)	%	18.90%	15.91%	19%	
11	Return on Investment (Interest Income on fixed deposits, bonds and debentures + Dividend Income + Profit on sale of Investments + Profit on fair valuation of Investments carried at FVTPL / Current Investments + Non Current Investments + Other bank balances)	%	3.84%	3.47%	11%	

Reason for Variance

A Current Ratio has declined due to increase in Current Liabilities and decrease in Current Assets.

B Net Capital Turnover Ratio has improved due to increase in turnover and reduction of Average working capital.

Note-53 Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 98.49 crore (previous year ₹ 58.00 crore).

Note-54 Contingent Liabilities in respect of claims not accepted by the Company (including matters in appeals) and not provided for are as follows:

₹ in Crore (10 Million)

	Particulars	31st March 2024	31st March 2023
a	Service tax	6.64	6.64
b	Sale tax and interest thereon	33.50	35.40
c	Income tax	5.78	5.78
d	Excise duty	1.83	1.77
e	Other matters	9.10	19.59
f	**Total**	**56.85**	**69.18**

Note-55 In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the appellate authorities and adjustment, if any, will be made after the same are finally settled.

Note-56 Contingent liability for non-use of jute bags for cement packing upto June 30, 1997, as per Jute Packaging Materials (compulsory use of packaging commodities) Act, 1987 is not ascertained and the matter is subjudice. The Government has excluded cement industry from application of the said order from July 01, 1997.

Note-57 Competition Commission of India (CCI) vide its order dated January 19, 2017 had imposed penalty on certain cement companies including a penalty of ₹ 6.55 crore on the Company pursuant to a reference filed by the government of Haryana. The Company has filed an appeal with Competition Appellate Tribunal (COMPAT) against the said order. COMPAT has granted a stay on CCI order. After the merger of COMPAT with National Company Law Appellate Tribunal (NCLAT), the Company's case also stands transferred to NCLAT.

Although based on legal opinion, the Company believes that it has a good case but out of abundant caution the Company had provided full amount during the earlier years.

Note-58 a. Disclosure in respect of Corporate Social Responsibility Expenditure:

Particulars	2023-24	2022-23
Amount required to be spent by the company during the year.	10.48	9.39
Amount of expenditure incurred:-		
JK Lakshmi Arogya Project (Health)	1.17	0.83
JK Lakshmi Vidya Project (Education)	2.14	1.62
JK Lakshmi Aajivika Project (Livelihood)	5.26	4.56
JK Lakshmi Kaushal Parshikshan Project (Skill Development)	0.08	0.03
JK Lakshmi Swajal & Swachhta Project (Water & Sanitation)	0.63	0.82
JK Lakshmi Gramin Vikas Project (Rural Development)	0.74	1.31
Overhead Expenditure	0.46	0.22
Total	10.48	9.39
Shortfall at the end of year	-	-
Total of previous years shortfall	-	1.23

Reason for Shortfall - On account of Ongoing Projects and Deposited in a Separate Bank Account.

b Foreign exchange fluctuation of gain (net) ₹ 5.67 crore (previous year gain (net) ₹ 1.30 crore).

c Consumption of stores and spares is net of scrap sale ₹ 3.51 crore (previous year ₹ 6.66 crore).

d Miscellaneous expenses include, contribution of ₹ 5.00 crore (previous year ₹ 3.00 crore) made to a political party/electoral board as prescribed u/s 182 of the Companies Act, 2013

Note-59 During the year the Company has received subsidy of ₹ 0.21 crore (previous year ₹ 0.21 crore) in terms of Industrial & Investment Policy, 2011 (Haryana) towards exemption from electricity duty, which been netted from power & fuel expenses.

Note-60 Retirement Benefit Obligations

A Expenses Recognised for Defined Contribution Plan

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Company's contribution to provident fund	15.98	15.63
Company's contribution to ESI	0.60	0.51
Company's contribution to superannuation fund	0.98	1.09
Total	17.56	17.23

B Defined Contribution Plan - Provident Fund

The table below shows a summary of the key results of the report including past results as applicable

₹ in Crore (10 Million)

Particulars	31st March 2024	31st March 2023
Present Value of obligation	141.47	140.77
Fair Value of Plan Assets	133.02	132.34
Net Assets/(Liabilty) recognised in Balance Sheet as Provision	(8.45)	(8.43)

C Defined benefit Plans

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the standalone balance sheet as at March 31, 2024 and March 31, 2023, being the respective measurement dates:

i Change in Present Value of Defined Benefit Obligation during the Year

₹ in Crore (10 Million)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of obligation as on 1st April'22	62.40	11.97
Current service cost	3.73	1.92
Interest cost	4.06	0.77
Benefits paid	(12.80)	(5.67)
Remeasurement - actuarial loss / (gain)	0.31	6.63
Present value of obligation as on 31st March'23	57.70	15.62
Current service cost	3.52	1.77
Interest cost	4.04	1.09
Benefits paid	(11.85)	(6.15)
Remeasurement - actuarial loss / (gain)	(0.18)	1.91
Present value of obligation as on 31st March'24	53.23	14.24

ii Change in Fair Value of Plan Assets - Gratuity

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Fair value of plan assets at beginning of year	64.48	51.64
Acquisitions / Transfer in /Transfer out	-	-
Expected return on plan assets	4.51	3.36
Employer contributions	11.86	22.80
Benefit paid	(11.85)	(12.80)
Actuarial gain / (loss)	1.43	(0.52)

Particulars	2023-24	2022-23
Fair value of plan assets at end of year	**70.43**	**64.48**
Present value of obligation	53.23	57.70
Net funded status of plan	(17.20)	(6.78)
Actual return on plan assets	**5.95**	**2.84**

iii Expenses recognised in Statement of Profit and Loss

₹ in Crore (10 Million)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
Current service cost	3.73	1.92
Interest cost	4.06	0.77
Expected return plan assets	(3.36)	-
Remeasurement - actuarial loss / (gain)	-	6.63
For the year ended 31st March'23	**4.43**	**9.32**
Actual return on plan assets	**2.84**	-
Current service cost	3.52	1.77
Interest cost	4.04	1.09
Expected return plan assets	(4.51)	-
Remeasurement - actuarial loss / (gain)	-	1.91
For the year ended 31st March'24	**3.05**	**4.77**
Actual return on plan assets	5.95	-

iv Recognised in Other Comprehensive Income

₹ in Crore (10 Million)

Particulars	Gratuity
Remeasurement - actuarial loss/(gain)	0.83
For the year ended 31st March'23	
Remeasurement - actuarial loss/(gain)	(1.62)
For the year ended 31st March'24	

v The Principal Actuarial Assumptions used for estimating the Company's Defined obligations are set out below:-

Weighted average actuarial assumptions	As at March 31,2024	As at March 31, 2023
Discount rate	7.00%	7.00%
Expected rate of increase in salary	5.50%	5.50%
Expected rate of return on plan assets	6.50%	6.50%
Mortality rate	100% of IALM (2012--14)	100% of IALM (2012--14)
Expected average remaining working lives of employees (years)	16.10	15.84

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

vi Sensitivity analysis

₹ in Crore (10 Million)

Particulars	Change in assumption	Increase/(Decrease) in obligation
Gratuity :-		
For the year ended 31st March'23		
Discount rate	0.50%	(1.61)
	-0.50%	1.74
Salary growth rate	0.50%	1.76
	-0.50%	(1.64)
For the year ended 31st March'24		
Discount rate	0.50%	(1.47)
	-0.50%	1.58
Salary growth rate	0.50%	1.60
	-0.50%	(1.49)

₹ in Crore (10 Million)

Particulars	Change in assumption	Increase/(Decrease) in obligation
Leave Encashment :-		
For the year ended 31st March'23		
Discount rate	0.50%	(0.68)
	-0.50%	0.74
Salary growth rate	0.50%	0.74
	-0.50%	(0.69)
For the year ended 31st March'24		
Discount rate	0.50%	(0.60)
	-0.50%	0.66
Salary growth rate	0.50%	0.66
	-0.50%	(0.61)

Sensitivities due to mortality & withdrawals are not material & hence imapct of change not calculated.

vii History of experience adjustments is as follows

₹ in Crore (10 Million)

Particulars	Gratuity
For the year ended 31st March'2023	
Plan liabilities - loss/(gain)	0.31
Plan assets - gain/(loss)	(0.52)
For the year ended 31st March'2024	
Plan liabilities - loss/(gain)	(0.18)
Plan assets - gain/(loss)	1.43

Estimate of expected benefit payments

₹ in Crore (10 Million)

Particulars	Gratuity	Leave Encashment
April'2024 - March'2025	22.78	3.85
April'2025 - March'2026	1.49	0.43
April'2026 - March'2027	2.14	0.43
April'2027 - March'2028	2.24	0.52
April'2028 - March'2029	2.24	0.58
April'2029 - March'2030	2.72	0.87
April'2030 onwards	19.62	7.56
Total	53.23	14.24

viii Statement of Employee benefit provision

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Gratuity	1.44	5.26
Leave encashment	4.77	9.32
Superannuation	0.98	1.09

ix Current and Non-Current provision for Gratuity and Leave Encashment

The following table sets out the funded status of the plan and the amounts recognised in the company's balance sheet.

₹ in Crore (10 Million)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
For the year ended 31st March'2023		
Current	(6.78)	3.81
Non current	-	11.81
For the year ended 31st March'2024		
Current	(17.20)	3.85
Non current	-	10.39

x Employee benefit expense

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Salary and wages	319.36	294.02
Costs-defined benefit plan	3.04	4.44
Costs-defined contribution plan	17.57	17.23
Welfare expense	33.89	33.44
Total	373.86	349.13

OCI presentation of Defined Benefit plan

Gratuity is in the nature of defined benefit plan, re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to statement of profit & loss. IND AS 19 does not require segregation of provision in current and non-current, however net defined liability (assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

Note-61 Capital work in progress includes machinery in stock, construction / erection materials and also include the following pre -operation expenses pending allocation.

₹ in Crore (10 Million)

	2023-24	2022-23
Raw material consumption	-	4.11
Stores & spares consumption	1.00	0.51
Power & fuel	0.34	1.50
Repair & Maintenance	2.51	0.95
Transport ,clearing and forwarding charges	-	0.87
Travelling, consultancy & miscellaneous expenses	0.80	0.20
	4.65	8.14
Less: Sale	-	5.94
Increase in stock	-	0.21
	4.65	1.99
Less: Transferred to Property, Plant & Equipment	3.04	1.99
	1.61	-

Note-62 Expenses charged to cost of material consumed

₹ in Crore (10 Million)

	2023-24	2022-23
Salaries & wages	5.47	5.90
Contribution to provident and other funds	0.39	0.39
Employees' welfare expenses	0.80	0.72
Consumption of stores and spares	41.02	40.88
Power & fuel	9.01	9.49
Repairs to machinery	4.67	4.52
Material handling	120.41	119.32
Rates and taxes	25.26	26.14
Royalty	82.14	80.72
Miscellaneous expenses	0.76	0.99
Total	289.93	289.07

Note-63 Related Party Disclosure

1 List of related parties :

a) Direct subsidiaries

Udaipur Cement Works Limited.

Hansdeep Industries & Trading Company Limited.

Hidrive Developers and Industries Private Limited. (w.e.f. 30th August'2023)

Agrani Cement Private Limited. (w.e.f. 12th February'2024)

b) Step down subsidiaries

Ram Kanta Properties Private Limited.

Mahabal Cement Private Limited. (w.e.f. 12th February'2024)

Trivikram Cement Private Limited. (w.e.f. 12th February'2024)

Avichal Cement Private Limited. (w.e.f. 12th February'2024)

c) Associates

Dwarkesh Energy Limited.

d) Key management personnels (KMPs)

Shri Bharat Hari Singhania (Ceased to be Chairman w.e.f. 1st April'24)	Chairman
Smt. Vinita Singhania (Chairperson & Managing Director w.e.f. 1st April'24)	Vice Chairman & Managing Director
Shri Arun Kumar Shukla	President and Director
Ms. Bhaswati Mukherjee	Independent & Non Executive Director
Shri N.G. Khaitan	Independent & Non Executive Director
Dr. Raghupati Singhania	Non Independent & Non Executive Director
Shri Ravi Jhunjhunwala	Independent & Non Executive Director
Shri Sadhu Ram Bansal	Independent & Non Executive Director
Shri Sudhir A Bidkar	Chief Financial Officer
Shri Amit Chaurasia	Company Secretary
Shri S. K. Wali (Ceased to be Whole-time Director w.e.f. 1st August'22)	Whole-time Director
Dr. S. Chouksey (Ceased to be Whole-time Director w.e.f. 1st August'22)	Whole-time Director
Shri Brijesh K. Daga (Ceased w.e.f. 1st September'22)	Sr. VP & Company Secretary
Shri B. V. Bhargava (Ceased to be Director w.e.f. 31st August'22)	Independent & Non Executive Director

e) Enterprise which holds more than 20% of Equity share

Bengal & Assam Company Limited (BACL)

f) Trusts under common control

JK Lakshmi Cement Ltd. Compulsory Employees Provident Fund(EPF)

JK Lakshmi Cement Ltd. Officers Superannuation Fund(SF)

JK Lakshmi Cement Ltd. Employees Gratuity Fund(GF)

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

The following transactions were carried out with related parties in the ordinary course of business :

2. Transaction With Related Parties -

i. Subsidiaries

₹ in Crore (10 Million)

Nature of Transactions	Name of Subsidiaries							
	Udaipur Cement Works Ltd.	Hansdeep Industries & Trading Company Ltd.	Hidrive Developers and Industries Pvt. Ltd.	Agrani Cement Pvt. Ltd.	Udaipur Cement Works Ltd.	Hansdeep Industries & Trading Company Ltd.	Hidrive Developers and Industries Pvt. Ltd.	Agrani Cement Pvt. Ltd.
	2023-24				2022-23			
- Sharing of expenses received	1.15	0.02			3.20	0.10		
- Payment of expenses	-	1.50	0.49		-	1.34		
- Sale of clinker/cement/others	232.17	-	-		261.93	-		
- Purchase of cement/others	657.58	-	-		571.88	-		
- Other income	2.98	-	-		2.51	-		
- Loan given		-	-		85.40	-		
- Advances given		18.52				21.25		
- Loan/ICD received back (₹85.40 crore adjusted against right issue)	85.40	-	-		10.00	-		
- Investment made (Includes adjustment of Loan of ₹85.40 crore)	350.11	-	11.00					
- Corporate guarantee given on behalf of	-	-			750.00	-		
Outstanding as at year end:								
- Advance/Balance Receivable(Payable)	16.89	47.57	-		44.48	30.01		
- Loan Receivable					85.40			
- Security Deposit Given	-	-	0.11					
- Corporate Guarantee Outstanding	1,220.77	-			1,052.13	-		

ii. Step down Subsidiaries

₹ in Crore (10 Million)

Nature of Transactions	Name of Step down subsidiaries							
	Mahabal Cement Private Limited	Trivikram Cement Private Limited	Avichal Cement Private Limited	Ram Kanta Properties Private Limited	Mahabal Cement Private Limited	Trivikram Cement Private Limited	Avichal Cement Private Limited	Ram Kanta Properties Private Limited
	2023-24				2022-23			
- Loan given	66.33	3.00	-	-	-	-	-	-
- Other income	0.36	0.03						
Outstanding as at year end:								
- Loan Receivable(Payable)	66.33	3.00	-	-	-	-	-	-
- Interest Receivable(Payable)	0.32	0.03	-	-	-	-	-	-

iii. Other Related Parties

₹ in Crore (10 Million)

Nature of Transactions	Other Related Parties					
	Bengal & Assam Company Limited	Dwarkesh Energy Limited	Trust under common control	Bengal & Assam Company Limited	Dwarkesh Energy Limited	Trust under common control
	2023-24			2022-23		
- Sharing of expenses received	0.20	0.02		0.09	0.02	
- Payment of expenses	2.67	-		2.66		
- Other income	-	-		0.36		
- Advances received back	3.33	-		3.33		
- Loan/ICD received back	-	-		10.00		
- Contribution	-	-	14.49			12.73
Outstanding as at year end:						
- Loan Receivable	2.98	-		5.65		
- Security Deposit Given	1.78			1.78		
EPF - Advance Receivable/(Contribution Payable)	-	-	0.24			(0.14)
SF - Advance Receivable/(Contribution Payable)	-	-	0.20			(1.09)
GF - Advance Receivable/(Contribution Payable)	-	-	17.20			6.78

iv. Transactions with KMPs

A. Remuneration Paid to KMPs

Particulars	2023-24	2022-23
Short term employee benefits	37.12	32.04
Post employment benefits*	-	5.93
Other payments	2.22	4.10
Receivable/(Payable) :	(19.17)	(12.58)

* As the liability for gratuity and leave encashment are provided on actuarial basis for the company as a whole. The amount pertaining to KMPs are not included above.

The transactions with related parties have been made on terms equivalent to those that prevail in arm's length transactions.

B. Other transactions with KMPs

During the year the Company has paid ₹ 4.08 Crore to each of Shri Bharat Hari Singhania (Chairman), Smt. Vinita Singhania (Vice Chairperson & Managing Director) and Dr. Raghupati Singhania (Non-Independent & Non-Executive Director) for acquisition of Equity Shares of Hidrive Developers and Industries Pvt. Ltd.

Note-64 Derivative Financial Instruments

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts (including option contracts - seagull structure) to manage some of its transaction exposures. The foreign exchange forward contracts and foreign exchange option contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to thirty six months.

Foreign Currency Risk

The Company has entered into foreign exchange forward contracts and foreign exchange option contracts with the intention to reduce the foreign exchange risk on repayment of buyer’s credit and foreign currency loan, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

A. Forward & Option Contract outstanding for the purpose of hedging at the Balance Sheet Date

Particular	As at March 31, 2024		As at March 31, 2023	
	Foreign Currency	Amount (Rs Crore)	Foreign Currency	Amount (Rs Crore)
Forward				
USD	18.80 Mn	156.89	5.38 Mn	44.70
Euro	0.33 Mn	3.00	Nil	-
Option				
USD	-	-	11.76 Mn	97.79

B Foreign Currency Exposure not hedged as at the Balance Sheet Date

Particular	As at March 31, 2024		As at March 31, 2023	
	Foreign Currency	Amount (Rs Crore)	Foreign Currency	Amount (Rs Crore)
Forward				
ECB	Nil	Nil	21.50 Mn	176.69

Note-65 Based on information available with the Company in respect of MSME ('The Micro Small & Medium Enterprises Development Act 2006'). The details are as under:

₹ in Crore (10 Million)

		2023-24	2022-23
I	Principal amount due and remaining unpaid as at 31st March 2024/2023.	12.52	16.28
II	Interest amount due and remaining unpaid as at 31st March 2024/2023.	-	-
III	Interest paid in terms of section 16 of the MSME Act during the year.	-	-
IV	The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified.	-	-
V	Payment made beyond the appointed day during the year	-	-
VI	Interest Accrued and unpaid as at 31st March 2024/2023	-	-

Note-66 The Company has given Corporate Guarantee to the Bankers of Udaipur Cement Works Limited (UCWL), a 75% subsidiary of the Company for collaterally securing their Term Loans aggregating to ₹ 1639.79 Crore (Outstanding as on 31.3.2024 is ₹ 1220.77 Crore) (Previous Year : ₹ 1639.79 Crore incl. NCDs of ₹ 350 Crore - Outstanding ₹ 1002.13 Crore incl. NCDs of ₹ 350 Crore) .

The Company has received a Counter Indemnity of ₹ 1639.79 Crore from UCWL against above Corporate Guarantee given by the Company

Note-67 a Udaipur Cement Works Ltd (UCWL), the 75% Subsidiary of the Company has successfully completed the Rights Issue of ₹ 448.43 Crores in July 2023. The Proceeds of the Rights Issue have been deployed by UCWL in their Expansion Project. After the Rights Issue, the Company's Shareholding in UCWL has increased from 72.54% to 75%.

b Hansdeep Industries and Trading Company Ltd,(HITCL) the wholly owned subsidiary of the company (JKLC) has been declared as Preferred Bidder for one of Limestone Block 4GIIA located at Dist. Nagaur, Rajasthan by Directorate of Mines & Geology Department, Udaipur. As per the terms of allotment the HITCL has to make total payments of ₹ 43.21 Crore. The HITCL has made the payment of ₹ 8.65 Crore upto 31st March,2024 (Previous year ₹ 8.65 Crore)

This Limestone Mines would be transferred by HITCL to JKLC at some stage, in future, after obtaining requisite approval from the Government of Rajasthan.

Note-68 a Loans and Advances pursuant to regulation 23(3) read with schedule of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015

An amount of ₹ 3.33 crore (including ₹ 3.33 crore receivable within one year) (previous year ₹ 6.67 crore) (maximum balance due ₹ 6.67 crore, previous year ₹ 10.00 crore) due from BACL and arising out of an earlier scheme of reconstruction, arrangement and demerger sanctioned by Hon'ble High Courts of Rajasthan (Jodhpur) and Delhi.

(Loans / Advances to employees as per Company's policy are not considered.)"

b **Loans given as per regulation 34 (3) and 53(f) read with schedule v of SEBI (LODR) regulation of listing regulation of listing regulation with stock exchanges.**

₹ In Crore (10 Million)

Name of Company	Loan Given		Maximum Balance	
	2023-24	2022-23	2023-24	2022-23
Udaipur Cement Works Ltd.	-	85.40	-	85.40
Mahabal Cement Private Limited	66.33	-	66.33	-
Trivikram Cement Private Limited	3.00	-	3.00	-

c **Disclosure of transaction in pursuant to regulation 34(3) read with schedule V, part A, clause 2 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, with promoter/promoter group companies holding more than 10% of equity share capital of the Company**

Name of Company	Nature of transaction and amount
Bengal & Assam Company Limited.	Refer note 63

d **Details of loans given, investments made and guarantee given covered u/s 186(4) of the Companies Act 2013.**

The company has given loan to Subsidiary, Udaipur Cement Works Ltd (UCWL) amounting to nil (Previous year ₹ 85.40 Crore) against the proposed right issue by the Udaipur Cement Works Ltd. The Company has also given Corporate guarantee of ₹ 1220.77 Crore to the Bank for a long term loan availed by its Subsidiary, Udaipur Cement Works Ltd (Previous Year ₹ 1052.13 Crore).

Note-69 A **Impairment review :**

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets (except CWIP, refer note 2A). The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to-mid-term market conditions.

Key assumptions used in value-in-use calculations are:

(i) Operating margins (Earnings before interest and taxes),

(ii) Discount Rate and

(iii) Growth Rates and (iv) Capital Expenditure

B **Events occurring after the balance sheet date**

No adjusting or significant non-adjujsting events have occured between the reporting date and date of authorization of these financial statements

JK Lakshmi Cement Limited
Notes to Standalone Financial Statements for the Year ended March 31, 2024

Note-70 Ind AS 115 disclosures

₹ In Crore (10 Million)

S. No.	Particulars	2023-24	2022-23
1	Contract Balances		
	Trade Receivables (Refer Note No. 12)	40.15	60.51
	Contract Liabilities (Refer Note No. 29)	94.83	82.02
2	Reconciling the amount of revenue recognised during the year in the statement of profit and loss with the contracted price:		
	Revenue as per contract prices	6,810.67	6,433.40
	Discounts	(491.39)	(363.69)
	Revenue from contract with customer (Refer Note No. 32)	6,319.28	6,069.71
3	Revenue recognised that was included in the contract liability balance at the beginning of the period		
	Sale of goods	82.02	88.84

Note-71

a In earlier years, the Company had acquired 35% holding (at a cost of ₹ 2.10 crore) in M/s. Sungaze Power Private Limited (SPPL) which has set up a 6.50 MW solar Power Plant under Captive Power Plant (CPP) model at our Durg Cement Plant in the state of Chhattisgarh. The Company, as a Captive User, has no role & responsibility in the day-to-day management & operations of SPPL. As such, SPPL has not been considered as an Associate for consolidation purposes.

b During the FY 2023-24, the Company had acquired 26% holding (at a cost of ₹ 21.61 crore) in M/s. Amplus Helios Private Limited which has set up a 50.00 MW solar Power Plant under Captive Power Plant (CPP) model at our Durg Cement Plant in the state of Chhattisgarh. The Company, as a Captive User, has no role & responsibility in the day-to-day management & operations of Amplus Helios Private Limited. As such, Amplus Helios Private Limited has not been considered as an Associate for consolidation purposes.

Note-72

a During the year, the Company has acquired 85% stake in M/s. Agrani Cement Private Limited at a total Purchase Consideration of ₹ 325.11 Crores. Agrani Cement Private Limited along with its 3 Wholly Owned Subsidiaries (WOS) have been jointly granted Mining Rights. The Company has paid Purchase Consideration of only ₹ 125.11 Crores & the balance Purchase Consideration of ₹ 200 Crores is payable based on the achievement of agreed Milestones.

b During the year the Company has acquired 100% stake in Hidrive Developers and Industries Pvt. Ltd. at a total consideration of ₹ 16.32 Crores. Subsequent to acquisition the Company invested additional amount of ₹ 11.00 Crores against fresh isuue of Equity Share Cpaital by Hidrive Developers and Industries Pvt. Ltd.

Note-73 Other statutory information

i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii. The Company have not traded or invested in Crypto Currency or Virtual Currency during the financial year.

iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

v. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or "

- Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

vi. The Company have no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in Tax assessments under Income Tax Act, 1961.

vii. The quarterly Return of current assets filed by the Company with Bank having no material variances with Books of Account.

viii. Struck off Companies :-

₹ in Crore (10 Million)

Name of the struck off Company	Nature	Transaction during the year		Balance As on	
		2023-24	2022-23	31st March'24	31st March'23
Print Express Pvt Ltd.	Payable	0.02	-	0.01	-

ix. The Company had made the assessment for books of accounts as per definition in the Act and identified SAP as accounting Software used for the Creation and maintenance of books of accounts which have a feature of recording audit trail (Edit Log) facility and the same has operated throughout the year for all relevant transactions recorded. Further, in case of the Company, audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tempered with. However, the audit trail feature facility was not enabled at the database level to log any data changes for the accounting software used for maintaining the books of accounts.

Note-74 Previous year's figures have been re-grouped/re-classified wherever necessary and figures less than ₹ 50000 have been shown as actual in bracket.

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA (DIN : 00042983) — Chairperson & Managing Director

Dr. R.P. SINGHANIA (DIN : 00036129)
SADHU RAM BANSAL (DIN : 06471984)
N.G. KHAITAN (DIN : 00020588)
BHASWATI MUKHERJEE (DIN : 07173244)
RAVI JHUNJHUNWALA (DIN : 00060972)
— Directors

ARUN KUMAR SHUKLA (DIN : 09604989) — President & Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JK LAKSHMI CEMENT LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **JK Lakshmi Cement Limited** ("the Company" or "Holding Company") and its subsidiaries/step down subsidiaries (the Company and its subsidiaries including step down subsidiaries together referred to as "the Group") and an associate, which comprise the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries including step down subsidiaries and an associate referred to in the other matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and an associate as at March 31, 2024, its consolidated profit, consolidated comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group and an associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

	Component	Key Audit Matters	How our audit addressed the key audit matter
1	Holding Company and subsidiary Company ("Udaipur Cement Works Limited" or UCWL)	**Revenue recognition, discounts, incentives, rebates.** • Recognition of Revenue, measurement, presentation and disclosure as per Ind AS-115 "Revenue from Contracts with Customers". (Refer Sub-note No 13 of Note 1 of Accounting Policy). • Revenue is measured net of discounts, incentives, rebates etc. earned by customers on the Company's sales. • Due to the Company's and UCWL's presence across different marketing regions within the country and the competitive business environment, the assessment of the various types of discounts, incentives and rebate schemes is material and considered to be complex and judgmental. • Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives, and rebates. • Given the judgement required to estimate the amount of provisions, this is a key audit matter.	**Our procedures included:** <u>For recognition of revenue:</u> • We performed walkthroughs to understand the key processes and identify key controls related Ind AS 115 "Revenue from Contracts with Customers" • We performed revenue cut-off testing, by reference to bill dates of sales recorded either side of the financial year end had legally completed; and • Selected a sample of sales contracts and read, analysed and identified the distinct performance obligations in these contracts. <u>For Recognition of discount, incentive and rebates</u> • Assessing the appropriateness of the Company's accounting policies relating to discounts, incentives, rebates, etc by comparing with applicable accounting standards. • Assessing the design and testing the implementation and operating effectiveness of Company's internal controls over the approvals, calculation, provision and disbursement of discounts, incentives and rebates. • Obtained management's calculations for discounts, incentives and rebates accruals under applicable schemes on a sample basis and comparing the accruals made with the approved schemes. • Obtained and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end date to determine whether these were recorded appropriately. • Comparing the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to determine the appropriateness of current year provisions. • Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items. Based on our audit procedures we have concluded that revenue, discount, incentive and rebates is appropriately recognized, and that there was no evidence of management bias.
2	Holding Company	**Evaluation of uncertain civil and indirect tax positions and recoverability of amount deposited under protest as recoverable** The Company has material uncertain civil and indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	**Our procedure included:** Obtained details of completed tax assessments of earlier years and demands as on March 31, 2024 from management. We have done assessment of the managements underlying assumptions in estimating the tax provision and the possible outcome of the disputes.

	Component	Key Audit Matters	How our audit addressed the key audit matter
		The eventual outcome of these litigations is uncertain, and the positions taken by the management are based on the application of significant judgement and estimation. The review of these matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements.	Based on management estimates and Independent legal opinion taken by Management of the Company, the liability against these matters wherever not certain have been shown as contingent liability in the current financial statements.
		Based on management judgement and the advice from legal and tax consultants and considering the merits of the case, the Company has recognized provisions wherever required and for the balance matters, where the management expects favourable outcome, these litigations have been disclosed as contingent liabilities in the financial statements unless the possibility of out flow of resources is considered to be remote. Given the uncertainty and application of significant judgment in this area in terms of the eventual outcome of litigations, we determined this to be a key audit matter.	Our procedures on verification of the management's assessment of these matters included: • Understanding and evaluating process and controls designed and implemented by the management including testing of relevant controls. • Gaining an understanding of the civil and tax related litigations through discussions with the management, including the significant developments, additions and settlements during the year and subsequent to 31 March 2024. • Inspecting demand notices received from various tax authorities and evaluating the Company's written responses to those matters. • Evaluating the management's assessment on the likely outcome and potential magnitude by involving experts on complex or significant matters as considered necessary; and • Assessing the adequacy of the Company's disclosures. We did not identify any significant exceptions to the management's assessment of the ongoing civil, income tax and indirect tax litigations as a result of the above procedures.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including an associate in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of an associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group including an associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and an associate are responsible for assessing the ability of the Group and of an associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and an associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of an associate are also responsible for overseeing the financial reporting process of the Group and of an associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiaries including step down subsidiary and associate which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and an associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and an associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and an associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i. We did not audit the financial statements/financial information of four (4) subsidiaries/step down subsidiary whose financial statements/financial information reflect total assets of Rs. 2,670.63 crore as at March 31, 2024; as well as the total revenue of Rs. 1,164.38 crore for the year ended March 31, 2024, and net cash inflow amounting to Rs. 28.79 crore for the year ended March 31, 2024, as considered in these consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose audit reports for the year ended March 31, 2024, have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of these subsidiaries/step down subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries/step down subsidiary, is based solely on the report of the other auditors.

ii. The consolidated financial statements also include the Group's share of loss of Rs. 0.28 crore for the year ended March 31, 2024, in respect of an associate. This financial statements and other financial information have been audited by other auditor whose audit report for the year ended March 31, 2024, have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on the Other Legal and Regulatory Requirement below, is not modified in respect of above maters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 (the 'Order' or 'CARO'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries/step down subsidiary incorporated in India and an associate, there are no matters which require reporting as specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the considerations of the reports of the other auditors on separate financial statements of the subsidiaries including step down subsidiary and an associate referred to in the Other Matters paragraph above we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below;

    c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules made thereunder, as amended and other accounting principles generally accepted in India;

    e) On the basis of the written representations received from the directors of the Company as on March 31, 2024, taken on record by the Board of Directors of the Company and its subsidiaries/step down subsidiary and an associate incorporated in India and the reports of the statutory auditors of its subsidiary companies/step down subsidiary and an associate incorporated in India, none of the directors of the Group and an associate is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

f) The comment relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" which is based on the auditor's reports of the Group and an associate incorporated in India.

h) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Holding Company to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the considerations of the reports of the other auditors on separate financial statements;

i. The consolidated financial statement discloses the impact of pending litigations as at March 31, 2024 on the consolidated financial position of the Group and an associate -Refer Note 58, 60 and 61 to the consolidated financial statements;

ii. The Group did not have any long term contracts including derivative contracts for which there are any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies including step down subsidiaries and an associate incorporated in India.

iv. a) The respective managements of the Holding Company and its subsidiary company (including step down subsidiaries) and associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries (including step down subsidiary) and associate respectively that, to the best of their knowledge and belief , as disclosed in Note 74(iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies (including step down subsidiary) and its associate company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies (including step down subsidiaries) or its associate company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary companies (including step down subsidiary) and its associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries (including step down subsidiary) and associate respectively that, to the best of their knowledge and belief, as disclosed in the Note 74(v) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies (including step down subsidiary) or its associate company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies (including step down subsidiary), or its associate company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries (including step down subsidiary) and associate, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. a) The final dividend relating to financial year 2022-23 declared or paid during the year ended March 31, 2024, by the holding Company is in compliance with section 123 of the Act.

b) As stated in Note 52 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended March 31, 2024, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. There is no dividend declared or paid during the year by the subsidiaries/ step down subsidiary and associate incorporated in India.

vi. As stated in note 74 to the consolidated financial statements and based on our examination which included test checks performed by us on the Holding Company, its subsidiaries/step down subsidiary and by the respective auditors of the subsidiaries/step down subsidiary and associate of the Holding Company which are companies incorporated in India and audited under the Act, except for the instances mentioned below, the Group and its associate, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries/step down subsidairy and associate did not come across any instance of audit trail feature being tampered. Exceptional remark given in the respective auditors reports of the Group and its associate are as follows:

a. With respect to the accounting software system used by holding Company and one step-down subsidiary for maintaining its books of account for the year ended March 31, 2024, the audit trail facility was not enabled at the database level to log any data changes.

b. With respect to the accounting software system used by another subsidiary and three step-down subsidiaries for maintaining its books of account for the year ended March 31, 2024, there are inherent limitations with the said software like i) non-maintenance of user creation and deletion log ii) user identification issue after deletion of user ID iii) usage of user's system date and time instead of actual time.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

SUNIL WAHAL
Partner
Membership No:- 087294

Place: New Delhi
Date: May 23, 2023
UDIN: 24087294BKAHJB3438

Annexure 1 to the Independent Auditors' Report to the members of JK Lakshmi Cement Limited dated May 23, 2024, on its Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(g) of 'Report on Other Legal and Regulatory Requirements' section.

In conjunction with our audit of the consolidated financial statement of JK Lakshmi Cement Limited as of and for the year ended March 31, 2024, we have audited the Internal Financial Controls over Financial Reporting of JK Lakshmi Cement Limited (hereinafter referred to as "the Company" or "Holding Company") and its subsidiaries/stepdown subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and an associate company incorporated in India, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries/step down subsidiary and an associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiaries/step down subsidiaries and an associate considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group and an associate's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, and, both issued by the Institute of ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's and an associate's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and an associate company incorporated in India have maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company including its subsidiaries/step down subsidiaries and an associate company incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of Holding Company, in so far as it relates to separate financial statements of one associate company, two subsidiary companies and one step down subsidiary which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our audit report is not modified in respect of above matters.

For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

SUNIL WAHAL
Partner
Membership No:- 087294

Place: New Delhi
Date: May 23, 2023
UDIN : 24087294BKAHJB3438

JK Lakshmi Cement Limited
Consolidated Balance Sheet as at 31st March 2024

₹ In Crore (10 Million)

		Note No.	As at 31st March 2024	As at 31st March 2023
	ASSETS			
(1)	Non-current Assets			
	(a) Property, Plant and Equipment	2	4,630.42	3,333.85
	(b) Capital work-in-progress	3	383.22	890.21
	(c) Investment Properties	4	115.31	115.52
	(d) Goodwill	5	72.45	72.32
	(e) Other Intangible Assets	6	329.96	5.33
	(f) Investment in an Associate	7	10.77	13.00
	(g) Financial Assets			
	(i) Investments	7	23.71	2.10
	(ii) Loans	8	15.00	17.32
	(iii) Others	9	60.41	88.91
	(h) Other Non-Current Assets	11	167.59	77.11
			5,808.84	4,615.67
(2)	Current Assets			
	(a) Inventories	12	991.24	841.60
	(b) Financial Assets			
	(i) Investments	13	372.45	511.44
	(ii) Trade Receivables	14	44.31	65.42
	(iii) Cash and Cash Equivalents	15	126.67	142.94
	(iv) Bank Balance other than (iii) above	16	140.58	196.02
	(v) Loans	17	2.98	3.33
	(vi) Others	18	30.48	22.50
	(c) Current Tax Assets (Net)	19	5.88	6.52
	(d) Other Current Assets	20	126.61	135.39
			1,841.20	1,925.16
	TOTAL ASSETS		7,650.04	6,540.83
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	21	58.85	58.85
	(b) Other Equity		3,127.80	2,745.01
			3,186.65	2,803.86
	Non Controlling Interest	22	170.38	37.02
	LIABILITIES			
(1)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	23	1,563.88	1,528.93
	(ii) Lease Liabilities	24	48.00	23.90
	(iii) Other Financial Liabilities	25	271.24	263.04
	(b) Provisions	26	16.52	19.35
	(c) Deferred Tax Liabilities (Net)	10	265.10	132.66
	(d) Other Non-Current Liabilities	27	91.23	91.52
			2,255.97	2,059.40
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	28	461.01	317.38
	(ii) Lease Liabilities	29	11.13	9.52
	(iii) Trade Payables	30		
	Micro and Small Enterprises		14.61	19.00
	Others		541.35	567.01
	(iv) Other Financial Liabilities	31	727.75	441.54
	(b) Other Current Liabilities	32	276.77	280.24
	(c) Provisions	33	4.42	5.86
			2,037.04	1,640.55
TOTAL EQUITY AND LIABILITIES			7,650.04	6,540.83

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Notes on financial statements 2-78

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA (DIN : 00042983) — Chairperson & Managing Director

Dr. R.P. SINGHANIA (DIN : 00036129)
SADHU RAM BANSAL (DIN : 06471984)
N.G. KHAITAN (DIN : 00020588)
BHASWATI MUKHERJEE (DIN : 07173244)
RAVI JHUNJHUNWALA (DIN : 00060972)
} Directors

ARUN KUMAR SHUKLA (DIN : 09604989) — President & Director

JK Lakshmi Cement Limited

Consolidated Statement of Profit and Loss for the year ended 31st March 2024

₹ In Crore (10 Million)

		Note No.	For the year ended March 31 2024	For the year ended March 31 2023
I.	Revenue from Operations	34	6,788.47	6,451.50
II.	Other Income	35	68.11	57.52
III.	**Total Income (I+II)**		6,856.58	**6,509.02**
IV.	**Expenses :**			
	Cost of Materials Consumed	36	983.68	934.65
	Purchases of Stock-in-Trade	37	545.54	410.57
	Change in inventories of finished goods, work-in-progress and Stock-in-Trade	38	(78.59)	(40.85)
	Employee Benefits Expense	39	417.63	387.72
	Power & Fuel	40	1,744.77	1,893.46
	Transport Clearing & Forwarding Charges	41	1,320.12	1,258.21
	Finance Costs	42	150.43	133.40
	Depreciation and Amortization Expense (Net)	43	245.95	228.33
	Other Expenses	44	803.17	769.03
	Total Expenses (IV)		6,132.70	5,974.52
V.	**Profit before Exceptional Items and Tax (III-IV)**		723.88	534.50
VI.	Share in Profit / (Loss) of Associates (Net of Tax)		(0.28)	(0.02)
VII.	Exceptional Items - Gain/(Loss)		8.89	-
VIII.	**Profit before Tax (V+VI+VII)**		732.49	**534.48**
IX.	Tax Expense			
	(1) Current Tax		226.54	147.86
	(2) Deferred Tax		17.79	16.88
	(3) Tax Adjustments for Earlier Years		0.29	0.63
	Total Tax Expense (IX)		244.62	**165.37**
X.	**Profit for the Year**		487.87	**369.11**
XI.	**Profit for the Year attributable to**			
	Owners of the Parent		471.82	358.62
	Non Controlling Interest		16.05	10.49
			487.87	**369.11**
XII.	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit or Loss in subsequent periods			
	(1) Re-measurement (losses)/Gain on defined benefit plans		3.60	(1.85)
	(2) Income tax effect on above		(1.06)	0.55
	Total Other Comprehensive Income (XII)		2.54	**(1.30)**
XIII.	**Other Comprehensive Income for the Year attributable to :**			
	Owners of the Parent		2.17	(1.09)
	Non Controlling Interest		0.37	(0.21)
XIV.	**Total Comprehensive Income For The Year (XI + XII)**		490.41	**367.81**
XV.	**Total Comprehensive Income For The Year attributable to**			
	Owners of the Parent		473.99	357.53
	Non Controlling Interest		16.42	10.28
			490.41	**367.81**
XVI.	**Earnings per share:**	45		
	Basic Earnings per equity share (₹):		40.10	30.48
	Diluted Earnings per equity share (₹):		40.10	30.48

Material Accounting Policies 1
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As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA (DIN : 00042983) Chairperson & Managing Director

Directors:
Dr. R.P. SINGHANIA (DIN : 00036129)
SADHU RAM BANSAL (DIN : 06471984)
N.G. KHAITAN (DIN : 00020588)
BHASWATI MUKHERJEE (DIN : 07173244)
RAVI JHUNJHUNWALA (DIN : 00060972)

ARUN KUMAR SHUKLA (DIN : 09604989) President & Director

JK Lakshmi Cement Limited
Consolidated Statement of Changes in Equity
For the year ended 31st March 2024

A. Equity Share Capital

₹ In Crore (10 Million)

Particulars	As at 1st April 2022	Change during the year	As at 31st March 2023	Change during the year	As at 31st March 2024
Equity Shares (with equal rights) 117,670,066 (Previous year 117,670,066) of ₹ 5 each fully paid up	58.84	-	58.84	-	58.84
Add: Forfeited Shares	0.01	-	0.01	-	0.01
Total	58.85	-	58.85	-	58.85

B. Other Equity

₹ In Crore (10 Million)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income, that will not be reclassified to Statement of Profit and Loss	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Re-measurement of Net Defined Benefit Plans	
Balance as at 1st April'2022		25.64	88.65	950.74	1,391.08	(9.79)	2,446.32
Profit for the year	-	-	-	-	358.62	-	358.62
Dividend payment	-	-	-	-	(58.84)	-	(58.84)
Other Comprehensive (Loss)	-	-	-	-	-	(1.09)	(1.09)
Balance as at 31st March'2023	-	25.64	88.65	950.74	1,690.86	(10.88)	2,745.01
Profit for the year	-	-	-	-	471.82	-	471.82
Dividend payment	-	-	-	-	(67.66)	-	(67.66)
Acquisition of Subsidiary - (HDIPL)	0.15	-	-	-	-	-	0.15
Acquisition of Stake from Non Controlling Interest	-	-	-	-	(19.80)	-	(19.80)
Right Shares Issue Expenses - (UCWL)	-	-	(3.89)	-	-		(3.89)
Other Comprehensive Income	-	-	-	-	-	2.17	2.17
Balance as at 31st March'2024	0.15	25.64	84.76	950.74	2,075.22	(8.71)	3,127.80

Material Accounting Policies 1
Notes on financial statements 2-78

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA Chairperson & Managing Director
(DIN : 00042983)

Dr. R.P. SINGHANIA (DIN : 00036129)
SADHU RAM BANSAL (DIN : 06471984)
N.G. KHAITAN (DIN : 00020588)
BHASWATI MUKHERJEE (DIN : 07173244)
RAVI JHUNJHUNWALA (DIN : 00060972)
Directors

ARUN KUMAR SHUKLA President & Director
(DIN : 09604989)

JK Lakshmi Cement Limited
Consolidated Cash Flow Statement
For the year ended 31st March, 2024

₹ In Crore (10 Million)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax	732.49		534.48	
Adjustments for:				
Depreciation and Amortization Expense (net)	245.95		228.33	
Interest Income	(56.05)		(25.53)	
Interest income from other finanical asset at amortised cost	(3.87)		(6.88)	
(Profit) / Loss on sale of Property, Plant and Equipment (Net)	0.87		(0.31)	
(Profit) / Loss on sale of Current Investments (net)	(16.48)		(28.21)	
(Gain) / Loss on Fair Valuation of Current Investments	7.45		11.66	
Finance Costs	150.43		133.40	
Provision for Doubtful Debts	-		0.92	
Foreign Exchange Difference (net)	(5.77)		(1.92)	
Share in Profit / (Loss) of Associates (Net of Tax)	(0.28)		(0.02)	
Operating Profit before Working Capital changes	1,054.74		845.92	
Adjustments for:				
Trade and Other Receivables	32.81		(74.55)	
Inventories	(149.64)		(260.60)	
Trade and Other Payables	73.83		214.32	
Cash generated from Operations	1,011.74		725.09	
Income Tax Payments (Net)	(112.57)		(90.86)	
Net Cash from Operating Activities		899.17		634.23
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment and Intangible Assets	(1,010.99)		(737.23)	
Sale of Property, Plant and Equipment	4.95		5.21	
(Purchase) / Sale of Investments (net)	151.27		142.05	
Acquisition of Subsidiary & Associates	(163.05)		-	
Encashment / (Investments) in bank deposits	93.61		264.96	
Interest Received	44.22		25.52	
Net Cash from / (used in) Investing Activities		(879.99)		(299.49)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Redemption of Non Convertible Debentures	(350.00)		-	
Proceeds from Long-term Borrowings	849.31		264.15	
Repayment of Long-term Borrowings	(526.94)		(306.17)	
Repayment of Lease Obligation - Principal	(12.58)		(9.91)	
Repayment of Lease Obligation - Interest	(5.55)		(3.66)	
Net Proceeds from Rights Issue	93.13		-	
Short-term borrowings (net)	187.74		(1.03)	
Interest and Financial charges paid	(203.30)		(150.48)	
Dividend paid	(67.40)		(58.73)	
Net Cash from / (used in) Financing Activities		(35.59)		(265.83)

JK Lakshmi Cement Limited
Consolidated Cash Flow Statement
For the year ended 31st March, 2024

₹ In Crore (10 Million)

Particulars		For the year ended March 31, 2024		For the year ended March 31, 2023	
D.	Increase / (Decrease) in Cash and Cash Equivalents		(16.41)		68.91
E.	Cash and Cash Equivalents as at the beginning of the year / period		142.94		74.03
	Cash acquired persuant to acquisition of subsidiaries		0.14		
F.	Cash and Cash Equivalents as at the close of the year / period		126.67		142.94

Notes:

1.	Total Liabilities from Financing Activities	Long Term	Short Term	Long Term	Short Term
	Opening	1842.02	4.29	1851.21	5.32
	Cash Flow Changes				
	Inflow / (Repayments)	(27.63)	187.74	(42.02)	(1.03)
	Non - Cash Flow Changes				
	Others	9.08	9.39	32.83	
	Closing	**1823.47**	**201.42**	**1842.02**	**4.29**

2. Cash and Cash Equivalents include:

- Cash, Cheques in hand and remittances in transit	7.42	1.43
- Balances with Scheduled Banks	119.25	141.51
	126.67	142.94

3. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

4. Previous year's figures have been re-arranged and re-cast wherever necessary.

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA (DIN : 00042983) — Chairperson & Managing Director

Dr. R.P. SINGHANIA (DIN : 00036129)
N.G. KHAITAN (DIN : 00020588)
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BHASWATI MUKHERJEE (DIN : 07173244)
Directors

ARUN KUMAR SHUKLA (DIN : 09604989) — President & Director

Note-1 Group Overview, Basis of Preparation & Material Accounting Policies

1.1 (a) **The Group Overview:**

JK Lakshmi Cement Limited (JKLCL) and its subsidiaries and associate (hereinafter "The Group"), majorly manufactures and markets Cement, Clinker, RMC and AAC Blocks. The manufacturing facilities of the Group are situated in India. These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on May 23, 2024.

(b) **Statement of Compliance:**

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. The Financial Statements comply with IND AS notified by Ministry of Company Affairs("MCA"). Company has consistently applied the accounting policies used in the preparation for all periods presented.

(c) **Basis of preparation of Consolidated Financial Statements:**

The Consolidated Financial Statements comprise the Financial Statements of the Company and its Subsidiaries and Associate as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a Subsidiary begins when the Group obtains control over the Subsidiary and ceases when the Group loses control of the Subsidiary. Assets, liabilities, income and expenses of a Subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the Subsidiary.

(d) **Basis of Preparation**

The material accounting policies used in preparing the Financial Statements are set out in Note no. III of the Notes to the Standalone Financial Statements. Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency.

(e) **Basis of Measurement**

The Financial Statements have been prepared on accrual basis and under the historical cost convention except for the items that have been measured at fair value as required by relevant IND AS.

(f) **Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (As per Ind AS 113) and other Fair Value measurement have been done as per its respective standards.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of Fair Value disclosures, the Company has determined classes of Assets and Liabilities on the basis of the nature, characteristics and risks of the Asset or Liability and the level of the Fair Value Hierarchy in which they fall.

(g) Current & Non-Current Classifications

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when It is expected to be settled in normal operating cycle,It is held primarily for the purpose of trading, It is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle

(h) Significant Accounting Judgements, Estimates and Assumptions

The preparation of these Financial Statements requires management judgements, estimates and assumptions that affect the application of Accounting Policies, the Accounting disclosures made and the reports amounts of Assets, Liabilities, Income and Expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to Accounting estimates are recognised in the period in which the estimates are revised and any future periods effected pursuant to such revision.

1.2. a) The Consolidated Financial Statements comprises of audited Financial Statements of JK Lakshmi Cement Limited (Parent Company) and the followings as on 31/03/2024 and 31/03/2023.

Name	Proportion of ownership interest	Financial statements as on	For the period
Subsidiaries and Indirect Subsidiary			
Hansdeep Industries and Trading Company Ltd.(HITCL)	100%	31/03/2024	12 Months
Udaipur Cement Works Ltd.(UCWL)	75%	31/03/2024	12 Months
Ram Kanta Properties Pvt. Ltd.	100%	31/03/2024	12 Months
Hidrive Developers and Industries Pvt. Ltd.(HDIPL)	100%	31/03/2024	Since 30/08/2023
Agrani Cement Pvt. Ltd.	85%	31/03/2024	Since 12/02/2024
Mahabal Cement Pvt. Ltd.	85%	31/03/2024	Since 12/02/2024
Trivikram Cement Pvt. Ltd.	85%	31/03/2024	Since 12/02/2024
Avichal Cement Pvt. Ltd.	85%	31/03/2024	Since 12/02/2024
Associates:			
Dwarkesh Energy Ltd.(DEL)	35%	31/03/2024	12 Months

b) The Consolidated Financial Statements have been prepared based on a line-by-line consolidation using uniform accounting policies for like transactions and other events in similar circumstances. The effects of intra group transactions are eliminated in consolidation in accordance with IND AS 110 - 'Consolidated Financial Statement' notified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules,2015 as amended time to time.

c) Non-controlling Interest represents the equity in a subsidiary not attributable, directly or indirectly to a Parent. Non-controlling interest in the net assets of the subsidiaries being consolidated is identified and presented in the consolidated Balance Sheet separately from the equity attributable to the Parent's shareholders and liabilities. Profit or loss and each component of other comprehensive income are attributed to Parent and to non-controlling interest. Impact of any significant and immaterial Non-controlling interest is not considered.

d) In case of associates, where Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with IND AS 28 – Investment in Associates and Joint Ventures.

e) Post-acquisition, the Company accounts for its share in the change in net assets of the associate (after eliminating unrealized profits and losses resulting from transactions between the Company and its Associate to the extent of its share) through its Statement of Profit and Loss in respect of the change attributable to the associates' Statement of Profit and Loss and through its reserves for the balance.

f) The difference between the cost of investment and share of net assets at the time of acquisition of shares in the subsidiaries and associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

(g) Business Combination:- Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquire. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

The interest of non-controlling shareholders in the acquire is initially measured at the non-controlling shareholder's proportionate share of the acquiree's identifiable net assets.

1.3 Material Accounting Policies

(1) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated losses, if any. Cost includes expenses directly attributable to bringing the Asset to their location and conditions necessary for it to be capable of operating in the manner intended by the management. .

Subsequent cost are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that is future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of erection/ construction is transferred to the appropriate category of property, plant and equipment cost (net of income and including pre-operative cost / expenses) associated with the commissioning of an asset are capitalized until the period of commissioning has been completed and the asset is ready of its intended use.

Property, Plant and Equipment are eliminated from Financial Statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

Depreciation methods, estimated useful lives and residual value.

Deprecation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives as specified in Schedule II to Companies Act, 2013, except for Captive Power Plants and Split Grinding Units, Vehicles & Locomotive, office Equipments and Furniture Fixtures which is provided on Written Down Value Method (WDV) as per the said schedule. Depreciation on RMC is provided considering estimated useful life of 6 years on SLM basis.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit or Loss.

Depreciation on impaired assets is provided on the basis of their residual useful life.

(2) Investment Properties

Property that is held for long-term rentals yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using the Straight Line Method (SLM) over their estimated useful lives. The useful live has been determined based on technical evaluation performed by the management's expert.

The Residual Life, useful lives and depreciation method of investment properties are reviewed, and adjusted on Prospective basis as appropriate, at each financial year end. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

(3) Intangible Assets

Intangibles Assets are recognized if the future economic benefits attributable to the Assets are expected to flow to the Group and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized developments costs, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of Intangibles Assets are assessed as either finite or indefinite. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed atleast at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible Asset with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired.

Intangible Assets are amortized as follows:

- Computer Software & Mining Rights : Over a period of five years

Intangibles Assets with indefinite useful lives, if any are not amortised, but are tested for impairment annually , either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

Gain or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(4) Research and Development Cost

Revenue Expenditure on Research and Development is charged to Statement of Profit and Loss and Capital Expenditure is added to Property, plant and equipment.

However, Development expenditure on new product is capitalized as intangible asset.

(5) Inventories

Inventories are carried in the balance sheet as follows :

a)	Raw Materials, Packing Materials, Construction Materials, Stores & Spares.	: At cost, on Weighted Average Basis.
b)	Work-In Progress – Manufacturing	: At Lower of Cost of Material, plus appropriate Production Overheads and Net Realizable Value.
c)	Finished Goods – Manufacturing	: At Lower of Cost of Materials plus Appropriate Production Overheads and Net Realizable Value.
d)	Finished Goods – Trading	: At Lower of Cost, on Weighted Average Basis and Net Realizable Value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolete, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of Balance Sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Net Realisable Value is the estimated Selling Price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(6) Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with Banks / Financial Institutions, other short-term, highly liquid investments which are subject to an insignificant risk of changes in value.

(7) Impairment of Assets

The carrying amounts of Property, Plant & Equipment, Intangible Assets and Investment Properties are reviewed at each Balance Sheet date to assess impairment, if any, based on internal / external factors. An impairment loss is recognised, as an expense in the Statement of Profit & Loss, wherever the carrying amount of the Asset or Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount in subsequent years. Recoverable amount is determined :-

- In the case of an Individual Asset, at the higher of the Fair Value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, and appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(8) Foreign Currency Translations & Transitions

(i) Functional and Presentation Currency

The Group's financial statements are presented in INR, which is also the Group's Functional and Presentation Currency.

(ii) Transaction and Balance

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary Assets and liabilities related to foreign currency transactions are stated at exchange rate prevailing at the end of the year and exchange difference in respect thereof is recognised to Statement of Profit & Loss.

(9) Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial Assets

1.1 <u>Definition</u>

Financial Assets include Cash and Cash Equivalents, Trade and Other Receivables, Investments in Securities and other eligible Current and Non-Current Assets.

At initial recognition, all financial assets are measured at fair value. The classification is reviewed at the end of each reporting period.

(i) Financial Assets at Amortised Cost

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the statement of profit or loss. The losses arising from impairment are recognized in the Statement of Profit or Loss.

(ii) Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognized in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

(iii) Financial Assets at Fair value through Profit or Loss (FVTPL)

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.

1.2 Trade Receivables

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business Trade Receivables are initially recognized at their Transaction Value as reduced by provision for impairment, if any. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement. For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

1.3 Investment in Equity Shares

Investment in Equity Securities are initially measured at cost. Any subsequent fair value gain or loss is recognized through Statement of Profit and Loss if such investments in Equity Securities are held for trading purposes. The fair value gains or losses of all other Equity Securities are recognized in Other Comprehensive Income.

1.4 Derecognition of Financial Assets

A Financial Asset is primarily derecognized when:

- The right to receive cash flows from asset has expired, or
- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to

pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:

a) The Group has transferred substantially all the risks and rewards of the asset, or

b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2. Financial Liabilities

2.1 Definition

Financial Liabilities include Long-term and Short-term Loans and Borrowings, Trade and Other payables and Other eligible Current and Non-current Liabilities.

(a) Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's Financial Liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(b) Subsequent Measurement

The measurement of Financial Liabilities depends on their classification, as described below :

i) Financial Liabilities at Fair Value through Profit or Loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading. The Group has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

ii) Financial Liabilities measured at Amortized Cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method (''EIR'') except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortized cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

2.2 Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

2.3 Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

2.4 Trade and Other Payables

A payable is classified as trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.5 De-recognition of Financial Liability

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

3. Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4. Derivative Financial Instruments

The Group uses derivative financial instruments, such as forward contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(10) Grants

Grants from the Government are recognised when there is reasonable assurance that all underlying conditions will be complied with and that the grant will be received.

When loans or similar assistance are provided by Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. That grant is recognised in the Statement of Profit and Loss under 'other operating revenue'. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by recording the grant as deferred income which is released to the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

Grants related to income are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and are presented as 'other operating revenues'.

(11) Equity Share Capital

Ordinary Shares are classified as Equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from Retained Earnings, net of taxes.

(12) Provisions, Contingent Liabilities, Contingent Assets and Commitments

i) General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

ii) Contingent Liability

Contingent Liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.

- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

ii) Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

iv) Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower of expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Group recognizes impairment on the Assets with the contract.

v) Contingent Asset

A Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

(13) Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of Transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold & services rendered is net of variable consideration on account of various discounts & schemes offered by the Company as part of the contract.

i) Sale of Goods

Revenue is recognized upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties).

Taxes collected on behalf of the government are excluded from revenue. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably

ii) Non-Cash Incentives

The Group provides Non-Cash Incentives at Fair Value to customers. These benefits are passed on to customers on satisfaction of various conditions of various sales schemes. Consideration received is allocated between the products sold and non-cash incentives to be issued to customers. Fair value of the non-cash incentive is determined by applying principle of Ind AS 113 i.e. at market rate. A contract liability for the non-cash incentive is recognised at the time of sale.

iii) Power Distribution

Revenue from Power Distribution business is accounted on the basis of billings to the customers and includes unbilled revenues accrued up to the end of accounting year. Customers are billed as per the tariff rates issued by Electricity Regulatory Commission.

iv) Dividend Income

The Group recognises as income, when the Group's right to receive dividend is established, which becomes certain after shareholders' approval.

v) Lease Income

Lease Agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Leases rentals are recognized on straight –line basis as per the terms of the agreements in the Statement of Profit and Loss.

vi) Interest Income

For all Financial Instruments measured at amortized cost, interest income is recorded using Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the Financial Instrument or a shorter period, where appropriate, to the net carrying amount of the Financial Asset. Interest income is included in other income in statement of profit and loss.

vii) Renewable Energy Certificate

Renewable Energy Certificate (REC) benefits are recognized in Statement of Profit & Loss on Sale of REC. Income from Sale of RECs is recognized on the delivery to the Customers' Account.

viii) Export Benefit

Export incentives, Duty Drawbacks and other benefits are recognized in the Statement of Profit and Loss on accrual basis.

(14) Employees Benefits

i) Defined Contribution Plans

Contributions to the employees' regional provident fund, superannuation fund, Employees Pension Scheme and Employees' State Insurance are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii) Defined Benefit Plans

Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognized in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

The Provident Fund Contribution other than contribution to Employees' Regional Provident Fund, is made to trust administered by the trustees. The interest rate to the members of the trust shall not be lower than the statutory rate declared by the Central Government under Employees' Provident Fund and Miscellaneous Provision Act, 1952. The Employer shall make good deficiency, if any.

iii) Short Term Employee Benefits

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

iv) Long Term Employee Benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. Annual leaves can either be availed or enchased subject to restriction on the maximum accumulation of leaves.

v) Termination Benefits

Termination Benefits are recognized as an expense in the period in which they are incurred.

The Group shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) When the entity can no longer withdraw the offer of those benefits; and

(b) When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

(15) Borrowing Costs

(1) Borrowing Costs that are specifically attributable to the acquisition, construction, or production of a Qualifying Asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A Qualifying Asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

The Borrowing Cost consists of Interest & Other Incidental costs that the Group incurs in connection with the borrowing of such Funds.

(2) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(3) Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

(16) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-Of-Use Assets

The Group recognises Right-Of-Use Assets at the commencement date Of the lease (i.e., the date the underlying asset is available for use). Right-Of-Use Assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of Lease Liabilities. The cost of Right-Of-Use assets includes the amount of Lease Liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the Assets.

If ownership of the Leased Asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the Asset.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises Lease Liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its existing borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liabilities have been presented as a separate line and Right-of-use assets have been presented under Property Plant and Equipment in the balance sheet. Lease payments have been classified as cash used in financing activities.

iii) Short-Term Leases and leases of Low-Value Assets

The Group has elected not to recognise Right-Of-Use Assets and Lease liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease.

b) Group as a Lessor

Lease income from Operating Leases where the Group is a Lessor is recognized in income on a straight-line basis over the lease term unless the recipients are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective Leased Assets are included in the Balance Sheet based on their nature.

(17) Taxes on Income

a) Current Tax

i) Tax on Income for the Current Period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

ii) Current Income Tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss .Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred Tax is provided using the Balance Sheet Approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred Tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss.

Deferred Tax Items are recognized in correlation to the underlying transaction either in other comprehensive Income or directly in Equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

(18) Exceptional Items

On certain non-recurring occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

(19) Earnings Per Share (EPS)

i) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing

- The Profit or Loss attributable to Equity Shareholders of the Group by the Weighted Average number of Equity Shares outstanding during the Financial Year, adjusted for bonus elements in Equity Shares issued during the year.

ii) Diluted Earnings Per Share

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account

- The after Income Tax effect of interest and other financing costs associated with dilutive potential equity shares, and the Weighted Average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

(20) Segment Accounting

The Group is engaged primarily into manufacturing and trading of Cementious Material. The Group has only one business segment as identified by management namely Cementious Materials.

Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the Vice Chairman & Managing Director (Chief Operating Decision Maker).

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on each segments profit or loss and is measured consistently with profit or loss in the financial statements.

(21) Cash Dividend

The Group recognises a Liability to pay Dividend to Equity Holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in Other Equity. Interim Dividends are recognised as a Liability on the date of declaration by the Company's Board of Directors.

(22) Recent Accounting Pronouncements

No new amendments to Ind AS has been notified by the Ministry of Corporate Affairs ("MCA") during the current financial year.

Note-2 Property, Plant and Equipment

₹ In Crore (10 Million)

Particulars	Freehold Land	Right of Use		Buildings	Plant and Equipment	Furniture and Fixtures	Office Equip-ments	Vehicles and Locomotives	Railway Siding	Total
		Leasehold Building & Machinery	Leasehold Land							
Gross Block										
As at 1st April'2022	285.86	34.46	74.39	257.65	4,008.00	7.36	11.65	33.95	22.86	4,736.17
Additions/Adjustments	59.74	13.32	0.07	15.10	116.34	0.28	1.56	14.59	0.85	221.85
Disposals/Adjustments	-	4.36	-	-	15.24	0.02	0.34	10.20	-	30.16
As at 31st March'2023	345.60	43.42	74.46	272.75	4,109.10	7.62	12.87	38.34	23.71	4,927.86
Additions/Adjustments	56.79	36.28	2.50	15.74	1,337.71	0.44	2.55	9.52	58.07	1,519.61
Acqusition of Subsidairy (refer Note No. 77)	26.65	-	-	-	-	-	-	-	-	26.65
Disposals/Adjustments	-	0.99	-	-	2.36	-	0.01	10.32	-	13.68
As at 31st March'2024	429.04	78.71	76.96	288.49	5,444.45	8.06	15.41	37.54	81.78	6,460.44
Accumulated Depreciation										
As at 1st April'2022	-	11.97	4.40	93.62	1,244.74	4.92	8.13	19.17	5.92	1,392.85
Charged For the Year	-	10.51	1.19	12.70	192.19	0.59	1.42	6.37	1.47	226.43
On Disposal	-	4.36	-	-	12.75	0.01	0.28	7.87	-	25.27
As at 31st March'2023	-	18.12	5.59	106.32	1,424.18	5.50	9.27	17.67	7.39	1,594.01
Charged For the Year	-	13.78	1.47	12.48	205.41	0.49	1.56	7.12	1.56	243.87
On Disposal	-	0.63	-	-	0.77	-	0.01	6.46	-	7.86
As at 31st March'2024	-	31.27	7.06	118.80	1,628.82	5.99	10.82	18.33	8.95	1,830.02
Net Carrying Amount										
As at 31st March'2023	345.60	25.30	68.87	166.43	2,684.92	2.12	3.60	20.67	16.32	3,333.85
As at 31st March'2024	429.04	47.44	69.90	169.69	3,815.63	2.07	4.59	19.21	72.83	4,630.42

1) The Title Deeds of all the Immovable Properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except the following:

Description of Prpoerty	Gross Carrying Value As at 31st March'2024	Gross Carrying Value As at 31st March'2023	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of company
Lease Hold Land	4.02	4.02	Bihar Industrial Development Authority (BIADA).	No	July'2015	BIADA has given a notice to the Company on 30.06.2020 that the amount paid by the Company towards Leasehold Land has been forfeited. Aggrieved by the BIADA's notice, the Company had moved to Hon'ble Patna High Court in 2020. The Hon'ble High Court has directed BIADA to relook into the allotment of an alternate Land. On refusal of BIADA to give any alternate Land, the Company has filed a case against BIADA at Hon'ble Patna High Court in January 2023 for adjudication of the matter.

2) The Group has lease contracts for various buildings and plants used in its operations. Lease of buildings and plants have lease terms between 2 year to 10 years. The Group also has certain lease with lease terms of 12 months and less. The Group applies the 'short term leases' recognition exemption for these leases.

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Notes to Consolidated Financial Statements for the Year ended March 31, 2024

The following are the amounts recognised in Statement of Profit and Loss as per IND AS 116 ₹ In Crore (10 Million)

	Year Ended March 31 2024	Year Ended March 31 2023
Depreciation expense of right of use assets	15.25	11.70
Interest expense on lease liabilities	5.68	3.66
Expense relating to leases of short-term / low value assets (included in other expenses)	10.72	11.95
Total amount recognised in statement of profit and loss	**31.65**	**27.31**

Amounts recognised in Statement of Cash Flows: ₹ In Crore (10 Million)

	Year Ended March 31 2024	Year Ended March 31 2023
Total cash outflow for leases	29.12	25.52
Financing activities		
Repayment of principal	12.72	9.91
Repayment of interest	5.68	3.66
Operating activities		
Short term / low value assets lease payment	10.72	11.95

The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023:
₹ In Crore (10 Million)

	Year Ended March 31 2024	Year Ended March 31 2023
Balance at the beginning	33.42	30.01
Addition during the year	38.43	13.32
Finance cost accrued during the period	5.68	3.66
Payment of lease liabilities	(18.40)	(13.57)
Balance at the end	59.13	33.42
Non Current (Refer Note 24)	48.00	23.90
Current (Refer Note 29)	11.13	9.52

Note-3 Capital-Work-in-Progress (CWIP)

₹ In Crore (10 Million)

Movement in capital-work-in-progress	As at March 31 2024	As at March 31 2023
Opening balance (Gross)	988.01	348.98
Addition during the year	858.91	773.01
Capitalised during the year	(1,365.90)	(133.98)
Provision for impairment	(97.80)	(97.80)
Closing balance (Net)	383.22	890.21

Capital Work in Progress (CWIP) Ageing

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31st March'24					
Projects in Progress	323.05	12.40	2.19	-	337.64
Projects Temporarily Suspended (refer note 1)				45.58	45.58
Total	**323.05**	**12.40**	**2.19**	**45.58**	**383.22**
As on 31st March'23					
Projects in Progress	707.24	137.13	0.26	-	844.63
Projects Temporarily Suspended (refer note 1)				45.58	45.58
Total	**707.24**	**137.13**	**0.26**	**45.58**	**890.21**

1) The Suspended project is expected to be completed in next 2-3 years.

2) There are no projects as on reporting period which has exceeded cost as compared to its original cost. The Projects Temporarily Suspended are overdue for completion.

Note-4 Investment Properties

₹ In Crore (10 Million)

Particulars	Freehold Land	Leasehold Land	Buildings	Total
Gross Block				
As at 1st April'2022	107.60	0.04	8.57	116.21
Additions/Adjustments	-	-	-	-
Disposals/Adjustments	₹ 30,567	-	-	-
As at 31st March'2023	107.59	0.04	8.57	116.21
Additions/Adjustments	-	-	-	-
Disposals/Adjustments	-	-	-	-
As at 31st March'2024	107.59	0.04	8.57	116.21
Accumulated Depreciation				
As at 1st April'2022	-	₹ 45,874	0.52	0.53
Charged For the Year	-	₹ 3,494	0.16	0.16
On Disposal	-	-	-	-
As at 31st March'2023	-	₹ 49,368	0.68	0.69
Charged For the Year	-	₹10,446	0.21	0.21
On Disposal	-	-	-	-
As at 31st March'2024	-	₹ 59,814	0.89	0.90
Net Carrying Amount				
As at 31st March'2023	107.59	0.03	7.89	115.52
As at 31st March'2024	107.59	0.03	7.68	115.31
Fair Value*				
As at 31st March'2023				126.25
As at 31st March'2024				126.26
Rental Income				
For the FY 2022-23				1.15
For the FY 2023-24				1.36

Note : There is no material expenses incurred for the maintenance of investment properties derived out of the same.
Figure with symbol represents absolute figure.
*Based upon realisation value as calculated by independent valuer.

Note-5 Goodwill

Goodwill on Consolidations

Goodwill acquired in business combinaton is allocated, at acquisition, to the Cash Generating Units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows :

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Udaipur Cement Works Limited (UCWL)	72.25	72.25
Ram Kanta Properties Private Limited (RKPPL)	0.07	0.07
Agrani Cement Pvt. Ltd. (Refer Not No. 77)	0.13	
Total	72.45	72.32

There is no impairment of the goodwill.

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

Note-6 Other Intangible Assets ₹ In Crore (10 Million)

Particulars	Software	Mining Rights	Total
Gross Block			
As at 1st April'2022	10.71	-	10.71
Additions/Adjustments	0.52	2.15	2.67
Disposals/Adjustments	-	-	-
As at 31st March'2023	11.23	2.15	13.38
Additions/Adjustments	1.49		1.49
Additions on Acquisition of Subsidiary (Refer Not No. 77)		325.00	325.00
Disposals/Adjustments	-	-	-
As at 31st March'2024	12.72	327.15	339.87
Accumulated Amortisation			
As at 1st April'2022	6.30	-	6.30
Charged For the Year	1.57	0.18	1.75
Disposal	-	-	-
As at 31st March'2023	7.87	0.18	8.05
Charged For the Year	1.68	0.18	1.86
Disposal	-	-	-
As at 31st March'2024	9.55	0.36	9.91
Net Carrying Amount			
As at 31st March'2023	3.36	1.97	5.33
As at 31st March'2024	3.17	326.79	329.96

Note-7 Investments ₹ In Crore (10 Million)

Particulars	As at 31st March 2024 Number	As at 31st March 2024 Amount	As at 31st March 2023 Number	As at 31st March 2023 Amount
Investment in an Associate*				
Dwarkesh Energy Ltd.				
Equity Shares of face value ₹ 10 unquoted	350,000	(0.23)	350,000	0.05
7% Optionally Cumulative Convertible Redeemable Preference Share of Face Value ₹ 100/- unquoted	1,100,000	11.00	1,100,000	12.95
		10.77		13.00
Investment in Other Financial Assets				
Others - Fair Value through Profit and Loss				
Sungaze Power Pvt Ltd. (₹ 14.66/- each) { refer Note 75}	1,432,308	2.10	1,432,308	2.10
Amplus Helios Pvt. Ltd. (₹ 10/- each) { refer Note 76}	21,608,639	21.61		
		23.71		2.10
		34.48		15.10
Aggregate carrying amount of quoted investments		-		-
Aggregate market value of quoted investments		-		-
Aggregate amount of unquoted investments		34.48		15.10

* Share of Post acquisition Loss / Gain has been adjusted in carrying amount.
* During the year preference share holders of Associate of holding Company, Dwarkesh Energy Ltd passed a resolution to waive off accumulated dividend on Preference Share. Being the Preference Share holder the company has also taken impact of said transaction appropriately in the Statement of Profit and Loss.

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-8 Non Current Financial Assets - Loans		
Unsecured, Considered Good:		
(At amortised cost)		
Loan to Related Parties	-	2.32
Loan to Others	15.00	15.00
Secured		
Which have Significant Increase in Credit Risk	-	-
Credit Impaired	-	-
	15.00	17.32
Note : No loans or advances are due by directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans or advances are due by firms or private companies in which any director is a partner, a director or a member.		
Note-9 Other Non Current Financial Assets (At amortised cost)		
Unsecured, Considered Good:		
Security Deposits	57.82	48.15
Bank Deposits with original maturity for more than 12 months*	2.59	40.76
	60.41	88.91
* Includes ₹ 2.59 crore (previous year ₹ 2.59 crore) under lien		
Note-10 Deferred tax (Asset)/Liabilities (Net)		
Deferred Tax Liability		
Related to Property, Plant and Equipments	425.03	435.95
Others	11.07	11.82
Less: Deferred Tax Assets		
Expenses / Provisions allowable	49.83	74.56
Unabsorbed Depreciation & Brought Forward Business Losses	92.55	98.77
Others	10.99	10.56
MAT Credit Entitlement	17.63	131.22
Deferred Tax (Asset)/Liabilities (Net)	265.10	132.66
Note-11 Other Non-Current Assets		
Unsecured, considered good:		
Capital Advances *	167.59	74.92
Deferred Expenditure	-	2.19
	167.59	77.11
* Refer footnote of note 8		
Note-12 Inventories (at lower of cost or net realisable value)		
Raw Materials (including in transit ₹ 1.33 Crore (previous year ₹ 45126)	71.38	48.60
Work -in -progress	229.27	126.68
Finished Goods (including in transit ₹ 13.21 Crore (previous year ₹ 8.23 crore)	42.92	40.24
Stock-in -Trade (including in transit Nil (previous year ₹ 0.18 Crore)	2.57	6.98
Stores and Spares	135.18	137.12
Fuel Stock (including in transit ₹ 202.68 crore (previous year ₹ 241.35 crore)	493.84	466.52
Packing Materials	16.08	15.46
	991.24	841.60
For Hypothecation refer Note 28		

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-13 Current Investments		
Investment at fair value through Profit & Loss		
Investment in quoted Non Convetible Debentures	235.61	164.09
Investment in quoted mutual funds (debt base)	103.02	135.67
Investment in quoted bonds & Commercial Paper	33.82	211.68
	372.45	511.44
Aggregate book value of quoted investments	372.45	511.44
Aggregate market value of quoted investments	372.45	511.44
Aggregate book value of unquoted investments	-	-
Note-14 Trade Receivables @		
Considered good - Secured	10.43	20.60
Considered good - Unsecured	33.88	44.82
Which have Significant Increase in Credit Risk	-	-
Credit Impaired	6.48	8.59
Less :- Provision/Allowances for doubtful debts	(6.48)	(8.59)
	44.31	65.42

@ Contract Assets as Per IND AS 115

For Hypothecation Refer Note 28

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0-90 days.

Trade Receivables ageing

	Outstanding For Following Periods From Due Date of Payment as on 31st March'24						
Particulars	Not Due	Less Than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More Than 3 Years	Total
A. Undisputed							
Considered good	35.03	9.01	-	-	-	-	44.04
Credit Impaired	-	-	-	0.02	0.21	2.91	3.14
	35.03	9.01	-	0.02	0.21	2.91	47.19
Less Credit Impaired	-	-	-	(0.02)	(0.21)	(2.91)	(3.14)
Total	**35.03**	**9.01**	**-**	**-**	**-**	**-**	**44.04**
B. Disputed							
Considered good	-	-	-	-	-	0.27	0.27
Credit Impaired	-	-	-	-	0.08	3.25	3.33
	-	-	-	-	0.08	3.52	3.60
Less Credit Impaired	-	-	-	-	(0.08)	(3.25)	(3.33)
Total	**-**	**-**	**-**	**-**	**-**	**0.27**	**0.27**
Total (A+B)	**35.03**	**9.01**	**-**	**-**	**-**	**0.27**	**44.31**

	Outstanding For Following Periods From Due Date of Payment as on 31st March'23						
Particulars	Not Due	Less Than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More Than 3 Years	Total
A. Undisputed							
Considered good	29.44	28.12	0.01	-	0.01	-	57.58
Credit Impaired	-	-	-	0.15	0.34	2.58	3.07
	29.44	28.12	0.01	0.15	0.35	2.58	60.65
Less Credit Impaired	-	-	-	(0.15)	(0.34)	(2.58)	(3.07)
Total	**29.44**	**28.12**	**0.01**	**-**	**0.01**	**-**	**57.58**
B. Disputed							
Considered good	-	-	2.51	2.54	2.51	0.28	7.84
Credit Impaired	-	-	-	1.14	1.04	3.33	5.51
	-	-	2.51	3.68	3.55	3.61	13.35
Less Credit Impaired	-	-	-	(1.14)	(1.04)	(3.33)	(5.51)
Total	**-**	**-**	**2.51**	**2.54**	**2.51**	**0.28**	**7.84**
Total (A+B)	**29.44**	**28.12**	**2.52**	**2.54**	**2.52**	**0.28**	**65.42**

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-15 Cash and Cash Equivalents		
On Current Account	74.25	51.51
Deposits with original maturity of Less than 3 months *	45.00	90.00
Cheques , Draft on hand/transit	7.08	0.94
Cash on hand	0.34	0.49
	126.67	142.94
* includes Nil (previous year ₹ 0.37 crore) under lien		
Note-16 Bank Balances Other than Cash and Cash Equivalents		
Deposits with remaining maturity for more than 3 months but less than 12 months *	138.83	194.52
On Unpaid Dividend / Interest Accounts	1.75	1.50
	140.58	196.02
* includes ₹ 0.56 crore (previous year ₹ 0.38 crore) under lien		
Note-17 Current Financial Assets - Loans		
Unsecured, Considered Good:		
Loans to Related Party (refer Note 68)	2.98	3.33
	2.98	3.33
Note-18 Other Current Financial Assets		
Unsecured, considered good unless otherwise stated		
Receivables (Railway claims, Insurance claims, Subsidy and other receivables)		
Considered good- Unsecured	5.78	10.86
Credit Impaired	4.22	4.22
Less: Provision for doubtful claims	(4.22)	(4.22)
	5.78	10.86
Interest Receivable from Banks and others	22.86	11.03
Advances to Employees (Loans)	1.39	0.61
Marked to Market Gain	0.45	-
	30.48	22.50

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-19 Current Tax Assets (Net)		
Advance Income Tax (Net of Provision)	5.88	6.52
	5.88	6.52
Note-20 Other Current Assets		
(unsecured considered good unless otherwise stated)		
Prepaid expenses	7.46	10.80
Balance with Govt. Authorities	36.63	57.35
Other Advances	82.25	66.97
Deferred Expenditure	0.27	0.27
	126.61	135.39
Note-21 Equity Share Capital		
SHARE CAPITAL		
Authorised :		
Equity Shares - 250,000,000 (Previous year 250,000,000) of ₹ 5 each	125.00	125.00
Preference Shares - 5,000,000 (Previous year 5,000,000) of ₹100 each	50.00	50.00
Unclassified Shares	25.00	25.00
	200.00	200.00
Issued, Subscribed and Paid up :		
Equity Shares (with equal rights) 117,670,066 (Previous year 117,670,066) of ₹ 5 each fully paid up	58.84	58.84
Add: Forfeited Shares	0.01	0.01
	58.85	58.85

a. Reconciliation of number of Share Outstanding :

Particular	31st March 2024	31st March 2023
Opening Balance	117,670,066	117,670,066
Shares Issued during the year	-	-
Shares Outstanding at the end of the year	117,670,066	117,670,066

b. List of shareholders holding more than 5% of the equity share capital of the Company:

Shareholder name	31st March 2024 Number	31st March 2023 Number
Bengal & Assam Company Ltd.	52,134,384	52,099,121
Axis Mutual Fund Trustee Ltd.		7,342,519

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023

c. Disclosure of Shareholding of Promoters Group

Name of Promoters*	As at 31st March'2024		As at 31st March'2023	
	No of Shares	% of Total Number of Shares	No of Shares	% of Total Number of Shares
Bengal & Assam Company Limited	52,134,384	44.31	52,099,121	44.28
Shri Bharat Hari Singhania	206,848	0.18	206,848	0.18
Smt. Vinita Singhania	280,058	0.24	280,058	0.24
Total	52,621,290	44.73	52,586,027	44.70
% Change in holding during the year	0.03%		Nil	

* In addition, as on 31st March 2024, there are 19 entities holding 19,04,632 Equity Shares (1.61%) and as on 31st March 2023, there are 19 entities holding 19,04,632 Equity Shares (1.61%) , who are constituents of the Promoter Group as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

d. Terms/ right attached to equity shareholders :

i) The Company has only one class of Equity Shares having a par value of Rs 5 per share. Each holder of equity shares is entitled to one vote per share held.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders and are subject to preferential rights of preference shares (if issued)

iii) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

e. Nature of Reserves :-

Capital Redemption Reserve:- Represents the statutory reserve created when Preference Share Capital is redeemed.

Securities Premium :- Represents the amount received in excess of Par value of Securities.

Capital Reserve :- Represents Reserve created on acquisition of subsidiary.

f. During the last five years, the Company has not issued any bonus shares nor are there any shares bought back and issued for consideration other than cash.

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-22 Non Controlling Interest		
Non Controlling Interest at the beginning of the year	**37.02**	**26.74**
Profit for the year attributable to Non Controlling Interest	16.05	10.49
Other Comprehensive Loss attributable to Non Controlling Interest	0.37	-0.21
Share of Total Comprehenshive Income attributable to Non Controlling Interest for the Year	16.42	10.28
Share in Share Premium Reserve and additional Share Capital	116.94	-
Non Controlling Interest at the end of the year	**170.38**	**37.02**

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

Note-23 Non Current Borrowings

₹ In Crore (10 Million)

	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current*	Non Current	Current*
SECURED LOANS				
Bonds/Debentures :-				
Redeemable Non- Convertible Debentures	-	-	350.00	-
Term Loans :-				
From Banks	1525.73	231.14	950.66	216.99
From Government	14.60	14.36	27.03	32.80
Term Loan In Foreign Currency	-	-	175.17	28.76
	1540.33	245.49	1502.86	278.55
UNSECURED LOANS				
Public Deposits	23.55	14.10	26.07	34.54
	23.55	14.10	26.07	34.54
Less:- current maturities of long term debt shown under Note No- 28		259.59		313.09
	1563.88	-	1528.93	-

* Due & Repayable within one year

Parent Company

1 Term Loan from a Bank of ₹ 39.97 Crore is secured by way of an Exclusive First Charge on all the Immovable and Movable Fixed Assets of the Company's Cement Grinding Unit in the State of Gujarat. This Term Loan is repayable in 7 equal quarterly instalments.

2 Term Loans from Banks aggregating to ₹ 150.00 Crore are secured by way of a Pari Passu First Charge on all the Immovable and Movable Fixed Assets of the Company's Cement Plant in the State of Chattisgarh. These Term Loans from Banks are repayable in 6 equal Quarterly Instalments.

3 Term Loan from a Bank of ₹ 76.41 Crore is secured by way of an Exclusive First Charge on Movable Fixed Assets of the Company's 20 MW Thermal Power Plant at Durg, Chattisgarh. This Term Loan is repayable in 34 unequal Quarterly Instalments.

4 Term Loan from a Bank of ₹ 62.68 Crore is secured by way of an Exclusive First Charge on all the Immovable & Movable Fixed Assets of the Company's Cement Grinding Unit at Cuttack, Odisha. This Term Loan is repayable in 39 equal Quarterly Instalments.

5 Interest Free Loan (IFL) from The Director of Industries & Commerce, Haryana of ₹ 32.53 Crore granted to Company in relation to its Cement Grinding Unit at Jhajjar, Haryana, is secured by Bank Guarantee of equivalent amount and shall be repaid at the end of 5th year from the respective disbursement dates. The said IFL has been recognised on Amortised Cost Basis.

6 Term Loan from a Bank of ₹ 162.44 Crore is secured / to be secured by way of a Pari Passu First Charge on all the Immovable and Movable Fixed Assets pertaining to the Company's Cement Unit in the State of Rajasthan subject to the prior charges in favour of Banks on Specified Assets and Company's Banks for Working Capital on Specified Movables Assets. This Term Loan is repayable in 21 unequal Quarterly Instalments.

7 Public Deposits represents the Deposits accepted by the Company from Public under its Fixed Deposit Scheme having maturity of 1, 2 & 3 years from the date of deposits.

8 The above outstanding Term Loans are net of the Processing charges as per IND AS 109

Subsidiary (Udaipur Cement Works Ltd.)

1 Term Loans aggregating to ₹ 1220.77 Crore from Banks are secured by a (i) Pari Passu First Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan & (ii) Pari Passu Second Charge on Current Assets of the Company

The said Term Loans are also secured by a Corporate Guarantee of the Holding Company.

- Term Loan of ₹ 56.72 Crore shall be repayable in 22 unequal Quarterly Instalments
- Term Loan of ₹ 57.00 Crore shall be repayable in 18 unequal Quarterly Instalments
- Term Loan of ₹ 68.00 Crore shall be repayable in 20 unequal Quarterly Instalments
- Term Loan of ₹ 193.20 Crore shall be repayable in 24 unequal Quarterly Instalments
- Term Loan of ₹ 27.50 Crore shall be repayable in 20 equal Quarterly Instalments
- Term Loans of ₹ 818.35 Crore shall be repayable in 44 unequal Quarterly Instalments commencing from 31st December 2025.

2 Term Loan of ₹ 50 Crore from a Bank is to be secured by a (i) Pari Passu First Charge on all the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan & (ii) Pari Passu Second Charge on Current Assets of the Company This Term Loan shall be repayable in 32 equal Quarterly Instalments commencing from 30th June 2024.

3 During the year, the Company, by exercising its Call Option, has fully redeemed the 8.96% Guaranteed Rated Secured Listed Redeemable Privately Placed Non Convertible Debentures of ₹ 350 Crore.

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-24 Non Current Lease Liabilities		
Lease Liabilities	48.00	23.90
	48.00	23.90
Note-25 Other Non Current Financial Liabilities		
Trade and other Deposits	225.65	217.45
Other Liabilities	45.59	45.59
	271.24	263.04
Note-26 Non Current Provisions		
Provision for Employees' Benefits	16.52	19.35
	16.52	19.35
Note-27 Other Non-Current Liabilities		
Deferred Revenue	1.15	1.75
Liability for Employees Subsidised Car Scheme	5.82	6.78
Government & Other Dues	84.26	82.99
	91.23	91.52
Note-28 Short Term Borrowings		
Current maturities of long-term debts (Refer Note-23)	259.59	313.09
Secured Loans		
Working Capital Borrowing from Banks	200.00	-
Unsecured Loans		
Public Deposits	1.42	4.29
	461.01	317.38

Parent Company

Working capital borrowings from banks are secured / to be secured by Hypothecation of stocks and book debts etc. of the Company, both present & future and by a second charge on the movable & immovable Fixed Assets of the Company's Cement Plants in the States of Rajasthan and Chattisgarh (except those assets which are exclusively charged to other lenders)

Subsidiary Company

Working capital facilities are secured by way of First Pari Passu Charge on the entire Current Assets of the Company and Second Pari Passu Charge on the Movable & Immovable Fixed Assets of the Company's Cement Unit in the State of Rajasthan, both Present and future. The Working Capital facilities are also secured by Corporate Guarantee of Holding Company.

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-29 Non Current Lease Liabilities		
Lease Liabilities	11.13	9.52
	11.13	9.52
Note-30 Trade Payables		
Micro and Small Enterprises (refer note 64)	14.61	19.00
Others	541.35	567.01
	555.96	586.01

Trade Payable ageing

Particulars	Outstanding For Following Periods From Due Date of Payment as on 31st March'24						
	Unbilled Due	Not Due	Less Than 1 Year	1- 2 Year	2-3 Year	More Than 3 Years	Total
(i) MSME	-	12.69	1.91	0.02	0.00	0.00	14.61
(ii) Others	23.39	452.66	57.37	6.36	1.01	0.56	541.35
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	23.39	465.35	59.28	6.38	1.01	0.56	555.96

Particulars	Outstanding For Following Periods From Due Date of Payment as on 31st March'23						
	Unbilled Due	Not Due	Less Than 1 Year	1- 2 Year	2-3 Year	More Than 3 Years	Total
(i) MSME	-	15.74	3.19	0.07	0.00	0.00	19.00
(ii) Others	19.83	481.88	61.16	1.83	1.16	1.15	567.01
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	19.83	497.62	64.35	1.90	1.16	1.15	586.01

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-31 Other Current Financial Liabilities		
Interest Accrued but not due on borrowings	3.64	18.55
Unclaimed dividends #	1.76	1.50
Unclaimed matured Public Deposits and interest #	1.68	0.48
Capital Creditors	72.26	58.49
Other liabilities (including Rebates to Customers)	448.41	358.37
Contingent Consideration (refer Note No. 77)	200.00	-
Mark to Market Loss	-	4.15
	727.75	441.54

Investor Education and Protection Fund will be credited as and when due.

	As at 31st March 2024	As at 31st March 2023
Note-32 Other Current Liabilities		
Advance from Customers	106.95	93.88
Govt. and other dues	167.99	180.69
Deferred Revenue	1.83	5.67
	276.77	280.24

₹ In Crore (10 Million)

	As at 31st March 2024	As at 31st March 2023
Note-33 Current Provisions		
Provision for Employees' Benefit	4.42	5.86
	4.42	5.86

	For the year ended 31st March 2024	For the year ended 31st March 2023
Note-34 Revenue From Operations @		
Revenue from contracts with customers		
Sale of products		
Cement & Clinker	6,236.71	5,972.52
Smart Building Solution (SBS) Products	551.27	478.68
Other Operating Revenues	0.49	0.30
	6,788.47	6,451.50
@ Refer Note No. 72		
Note-35 Other Income		
Interest Income	56.05	25.53
Interest income from other finanical asset at amortised cost	3.87	6.88
Profit on sale * of (Net of Reversal of unrealised gain of Previous year ₹ 4.70 crore (Prev. year ₹16.35 crore))		
Current Investments	9.03	16.55
Profit/(loss) on Sale of Assets (Net)	(0.87)	0.31
Other Non - Operating Income	0.03	8.25
	68.11	57.52
Note-36 Cost of Material Consumed		
Raw Material Consumed	983.68	934.65
	983.68	934.65
Note-37 Purchase of Stock - in -Trade		
Purchase of Traded goods	545.54	410.57
	545.54	410.57
Note-38 Change In Inventories of Finished Goods, Work-In-Progress and Stock- In -Trade		
Opening Stocks		
Work in progress	126.68	95.62
Finished Goods	40.24	35.75
Stock-in-Trade	6.98	1.48
	173.90	132.85
Closing Stocks		
Work in progress	229.27	126.68
Finished Goods	42.92	40.24
Stock-in-Trade	2.57	6.98
	274.76	173.90
Less : Preoperative period Stocks	(22.27)	(0.20)
	(78.59)	(40.85)

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

₹ In Crore (10 Million)

	For the year ended 31st March 2024	For the year ended 31st March 2023
Note-39 Employee Benefits Expense		
Salaries and Wages	354.92	325.09
Contribution to Provident and Other Funds	23.58	24.36
Staff Welfare Expenses	39.13	38.27
	417.63	387.72
Note-40 Power & Fuel		
Power & Fuel	1,744.77	1,893.46
	1,744.77	1,893.46
Note-41 Transport, Clearing and Forwarding Charges		
Transport, Clearing and Forwanding Charges	1,320.12	1,258.21
	1,320.12	1,258.21
Note-42 Finance Costs		
Interest expenses *	137.26	122.01
Interest expenses at amortised cost	5.12	6.10
Interest on Lease Liabilities	5.68	3.66
Other borrowing cost	2.37	1.63
	150.43	133.40
* net of finance cost capitalised refer note 55		
Note-43 Depreciation and Amortization Expense (Net)		
Depreciation on Property, Plant and Equipment	244.09	226.58
Amortisation on Intangible Assets	1.86	1.75
	245.95	228.33
Note-44 Other Expenses		
Consumption of Stores and Spares	194.29	159.68
Consumption of Packing Material	197.56	218.90
Rent (Net of realisation ₹ 0.97 crore, previous year ₹ 0.75 crore)	10.72	11.95
Repairs to Buildings	7.40	7.00
Repairs to Machinery	87.15	73.21
Insurance	9.88	10.67
Rates and Taxes	7.55	8.06
Commission on Sales	117.94	113.31
Directors' Fee & Commission	2.37	4.24
Provision for Doubtful Debts	-	0.92
Advertisement and Sales Promotion	69.27	62.39
Travelling, Consultancy & Misc. expenses etc. #	99.04	98.70
	803.17	769.03
# refer note 62, also refer note 53 for remuneration of auditors		
Note-45 Earning Per Equity Share		
Profit for the year attributable to Equity Shareholders of Parent	471.82	358.62
Weighted average number of equity shares outstanding	117,670,066	117,670,066
Basic Earnings per equity share (₹): (Face value of ₹ 5 each)	40.10	30.48
Diluted Earnings per equity share (₹): (Face value of ₹ 5 each)	40.10	30.48

Note-46 Financial Risk Management Objectives and Policies.

The Group realizes that risks are inherent & integral part of any business. The primary focus is to foresee the unpredictability of financial market & seek to minimize potential adverse effect on its financial performance. The Group's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk.

46.1 **Market Risk:** Market risk is the risk of loss of future earnings, fair values or future cash flows that may results from change in the price of a financial instrument. The value of a financial instrument may change as result of change in the interest rates, foreign currency exchange rates, equity prices and other market changes may affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments and deposits, foreign currency receivables, payables and loans and borrowings. Market risk comprises mainly three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk.

The Group has an elaborate risk management system to inform Board Members about risk management and minimization procedures.

a) **Foreign Currency Risk :** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group makes certain imports in foreign currency & therefore is exposed to Foreign Exchange Risk.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change of US $ with all other variables held constant. The impact on the Group's Profit/(Loss) Before Tax due to changes in Foreign Exchange Rate :

₹ in Crore (10 Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Appreciation in USD	+₹0.25	+₹0.25
Effect on profit/(loss) before tax	(0.34)	(1.04)
Depreciation in USD	-₹0.25	-₹0.25
Effect on profit/(loss) before tax	0.34	1.04

b) **Interest Rate Risk :-**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Group mitigates this risk by maintaining a proper blend of Fixed & Floating Rate Borrowings as also a mix of Rupee & Foreign Currency Borrowings. The following Table shows the blend of Group's Fixed & Floating Rate Borrowings in Indian Rupee & in Foreign Currency:

₹ in Crore (10 Million)

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
1	**Loans in Rupees**		
	- Fixed Rate	189.06	64.89
	- Floating Rate	1,806.88	1,517.65
	- Interest Free	28.95	59.83
	Total	**2,024.89**	**1,642.37**
2	Loan in US $		
	- Fixed Rate	-	-
	- Floating Rate	-	203.94
	Total	-	**203.94**
3	**Grand Total**	**2,024.89**	**1,846.31**

The Group regularly scans the Market & Interest Rate Scenario to find appropriate Financial Instruments & negotiates with the Lenders in order to reduce the effective Cost of Funding.

Interest Rate Sensitivity: The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial assets affected. With all other variables held constant, the Group 's profit/(loss) before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

₹ in Crore (10 Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Increase in Interest Basis Points	+ 25	+ 25
Effect on Profit/(loss) Before Tax	(4.28)	(4.16)
Decrease in Interest Basis Points	- 25	- 25
Effect on Profit/(loss) Before Tax	4.28	4.16

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

c) Commodity Price Risk and Sensitivity:

The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under check, cost of material is hedged to the extent possible.

46.2 Credit Risk:

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivable:- Customer Credit Risk is managed based on Group's established policy, procedures and controls. The Group periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and aging of trade receivables. Individual credit risk limits are set accordingly.

The credit risk from the organized and bigger buyers is reduced by securing Bank Guarantees/Letter of Credits/part advance payments/post dated cheques. The Outstanding's of different parties are reviewed periodically at different level of organization. The outstanding from the trade segment is secured by two tier security – security deposit from the dealer himself, and our business associates who manage the dealers are also responsible for the outstanding from any of the dealers in their respective region. Impairment analysis is performed based on historical data at each reporting period on an individual basis. **For aging of trade receivables refer note 14.**

Financial Instruments and Deposits with Banks:

The Group considers factors such as track record, size of institution, market reputation and service standards to select the bank with which balances and deposits are maintained. Generally, balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant cash and deposit balances other than those required for its day to day operation.

46.3 Liquidity Risk:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The Group relies on a mix of borrowings, and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowings facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Maturity Profile of Financial Liabilities:

The following Table provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

₹ in Crore (10 Million)

S.No	Particulars	Undiscounted Amount	Due within 1 Year	Due between 1-5 Years	Due after 5 Years	Total
1	As on 31st March, 2024					
	- Borrowings	2,040.16	480.50	819.31	740.35	2,040.16
	- Trade Payables	555.96	555.96	0.00	0.00	555.96
	- Other Liabilities	998.99	727.76	31.69	239.54	998.99
	- Lease Liabilities	78.65	16.38	44.89	17.38	78.65
	Total	3,673.76	1,780.60	895.89	997.27	3,673.76
2	As on 31st March, 2023					
	- Borrowings	1,837.72	338.77	1,258.11	240.84	1,837.72
	- Trade Payables	586.01	586.01	-	-	586.01
	- Other Liabilities	704.56	441.52	27.34	235.70	704.56
	- Lease Liabilities	41.39	12.44	25.99	2.96	41.39
	Total	3,169.68	1,378.74	1,311.44	479.50	3,169.68

Note-47 Capital Risk Management:

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Group also proposes to maintain an optimal structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued capital, securities premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings less cash and short term deposits.

₹ in Crore (10 Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Borrowings	2024.89	1846.31
Less : Cash and Cash Equivalents (including Current Investments & Other Bank Balances)	639.70	850.40
Net Debt	**1385.19**	**995.91**
Equity Share Capital	58.85	58.85
Other Equity	3127.80	2745.01
Total Capital	**3186.65**	**2803.86**
Capital and Net Debt	**4571.84**	**3799.77**
Gearing Ratio	**30.30%**	**26.21%**

The Group monitors capital using a gearing ratio, which is Net Debt divided by Total Capital plus Net Debt. Net Debt is calculated as total borrowings including short term and current maturities of long term debt. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

Note-48 Fair Value of Financial Assets and Liabilities:

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

₹ in Crore (10 Million)

Particulars	31st March 2024		31st March 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
A. Financial Assets				
(i) At Fair Value through Profit and Loss :-				
Investments				
- Equity Shares	23.71	23.71	2.10	2.10
- Mutual Funds	103.02	103.02	135.67	135.67
- NCD's & Others	269.43	269.43	375.77	375.77
- Preference Shares	11.00	11.00	12.95	12.95
Total (i)	**407.16**	**407.16**	**526.49**	**526.49**
ii) At Amortised Cost : -				
a) Bank FDs	166.40	166.40	325.28	325.28
b) Cash & Bank Balances	103.46	103.46	54.44	54.44
c) Trade Receivables	44.31	44.31	65.42	65.42
d) Loans	17.98	17.98	20.65	20.65
e) Others	88.30	88.30	70.74	70.74
Total (ii)	**420.45**	**420.45**	**536.53**	**536.53**
Total (A)	**827.61**	**827.61**	**1063.02**	**1063.02**
B Financial Liablities				
i) At Fair Value through Profit and Loss : -				
- Borrowings	2024.89	2024.89	1846.31	1846.31
- Trade Payables	555.96	555.96	586.01	586.01
- Other Financial Liabilities	998.99	998.99	704.56	704.56
Total (B)	**3579.84**	**3579.84**	**3136.88**	**3136.88**

Fair Valuation Techniques:

The Group maintains policies and procedures to value Financial Assets & Financial Liabilities using the best and most relevant data available. The Fair Values of the Financial Assets and Liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:-

1 Fair Value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 Other non-current receivables are evaluated by the Group, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are considered to account for the expected losses of these receivables. As at end of each reporting year, the carrying amounts of such receivables, net of allowances (if any), are not materially different from their calculated fair values.

3 Fair value of Investments in quoted mutual funds and equity shares are based on quoted market price at the reporting date. The fair value of unquoted Investments in preference shares are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The fair value of unquoted Investments in equity shares are estimated on net assets basis.

4 Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.

5 The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

Fair Value Hierarchy:

The following Table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below:

i. **Level 1:** Quoted prices in active markets.

ii. **Level 2:** Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

iii. **Level 3:** Inputs that are not based on observable market data.

The following Table provides the Fair Value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 2 as described below:

(A) Financial Assets

₹ in Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
As at 31st March'2024			
Financial Assets at FVTPL			
- Unquoted Equity Shares	-	-	23.71
- Unquoted Preference Shares	-	-	11.00
- Mutual Funds	103.02	-	-
- NCD and Others	-	269.43	-
Total Financial Assets	103.02	269.43	34.71

₹ in Crore (10 Million)

Particulars	Level 1	Level 2	Level 3
As at 31st March'2023			
Financial Assets at FVTPL			
- Unquoted Equity Shares	-	-	2.10
- Unquoted Preference Shares	-	-	12.95
- Mutual Funds	135.67	-	-
- NCD and Others	-	375.77	-
Total Financial Assets	135.67	375.77	15.05

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2024.

Note-49 Segment Information:

The Group is engaged primarily into manufacturing of Cement. The Group has only one business segment as identified by management namely Cementious Materials. Segments have been identified taking into account nature of product and differential risk and returns of the segment. The business segments are reviewed by the VC&MD of the Parent Company (Chief Operating Decision Maker).

Information about major customers

There are no revenues from transactions with a single external customer amounting to 10 per cent or more of a Group's revenues during the current and previous year.

Note-50 Deferred Revenue:

₹ in Crore (10 Million)

Particulars	As at March 31 2024	As at March 31 2023
Opening	7.42	13.10
Deferred during the year	-	-
Relesed to Profit and Loss	(4.44)	(5.68)
Closing	2.98	7.42

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Note-51 Income Tax Expense:

i. Amount recognized in Statement of Profit and Loss :-

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
A. Current Tax		
Current Tax	226.54	147.86
Adjustment in respect of current income tax of previous year	0.29	0.63
Total A	226.83	148.49
B. Deferred Tax		
Relating to origination and reversal of temporary difference	17.79	16.88
Total Deferred Tax Assets (net)	17.79	16.88
Total Tax Expense (A+B)	244.62	165.37

ii. Deferred Tax recognized in Other Comprehensive Income (OCI):

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Deferred Tax (Gain)/Loss on defined benefit	1.06	(0.55)

iii. Reconciliation of Effective Tax Rate.

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Accounting Profit/(Loss) before Income Tax	732.77	534.50
At Applicable Statutory Income Tax Rate	25.17%-34.94%	25.17%-34.94%
Computed Income Tax Expense/(Income)	247.49	182.92
Increase/(Reduction) in taxes on account of :-		
Income not taxable	(23.06)	(16.16)
Deferred Tax related to Property, Plant & Equipment & Others	23.38	14.62
Previous Year Tax Adjustments	0.29	0.63
Income not taxable during tax holiday period	(13.55)	(14.19)
Tax on which deduction is not admissible	10.07	9.55
Reversal of deferred tax liability on account of change in tax rate@	-	(12.00)
Income Tax Expense/(Income) Reported to the Statement of Profit & Loss	244.62	165.37

@ The Government of India has inserted a New Section 115 BAA in the Income Tax Act, 1961 which provides an option to the Parent Company for paying Income Tax at reduced rates, subject to certain conditions. The Parent Company is continuing to provide for Income Tax at Higher Old Rates, based on available MAT Credit Entitlement & various available exemptions / deductions. However, the Parent Company has applied the Lower Income Tax Rates on Deferred Tax Assets / Liabilities to the extent there are expected to be realized or settled in future when the Company may be subjected to Lower Tax Rate and accordingly during the Year ended 31st March 2024, the Parent Company has reversed the Deferred Tax Liability of Nil (Previous Year ₹ 12 Crore).

iv. Reconciliation of Deferred Tax Liabilities (Net)

₹ in Crore (10 Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	(132.66)	(53.05)
Deferred Tax recognized in Statement of Profit and Loss	(17.79)	(16.88)
Other Comprehensive Income	(1.06)	0.55
Previous year adjustment	-	(0.63)
MAT Credit utilization	(113.59)	(62.65)
Closing Balance	(265.10)	(132.66)

v. **Deferred Tax:**

Deferred Tax relates to the followings:

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Deferred Tax Assets Related to:-		
Brought Forward Losses Setoff	(6.21)	(8.70)
Disallowances/Allowances under Income Tax	(24.74)	0.41
Others	0.42	0.05
Total Deferred Tax Assets	**(30.53)**	**(8.24)**
Deferred Tax Liabilities Related to :-		
Property, Plant and Equipment	10.93	(8.87)
Others	0.75	0.78
Total Deferred Tax Liabilities	**11.68**	**(8.09)**
Net total movement in Statement of Profit & Loss	(18.85)	(16.33)
Movement in Statement of Profit & Loss	17.79	(16.88)
Movement in OCI	(1.06)	(0.55)

Note-52 Dividends:

The following dividends were declared and paid by the Parent Company during the year:-

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Final Dividend For the year ended 31st March'2023 – 75% i.e.₹ 3.75 per equity share (31st March'2022 – 100% i.e. ₹ 5.00 per equity share)	44.13	58.84
Interim Dividend For the year ended 31st March'2024 – 40% i.e. ₹ 2.00 per equity share (31st March'2023 – nil)	23.53	-
Total	67.66	58.84

The following dividends were proposed by the board of directors in their meeting held on 23rd May 2024, subject to approval of shareholders at Annual General Meeting and are not recognized as liability.

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
For the year ended 31st March'2024 - 90% i.e. ₹ 4.50 per equity share per equity share (31st March'2023 – 75% i.e. ₹ 3.75 per equity share)	52.96	44.13

Note-53 Amount paid to Auditors

₹ in Crore (10 Million)

S. No	Particulars	2023-24	2022-23
A	Statutory Auditor		
	Statutory audit fee	0.29	0.24
	Tax audit fee	0.07	0.05
	Limited review fee, GST audit fee & other services	0.06	0.08
	Reimbursement of Expenses	0.04	0.02
B	Total (A)	**0.46**	**0.39**
C	Cost Auditors		
	Audit Fee	0.03	0.02

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Note-54 Retirement Benefit Obligations:

A. Expenses Recognised for Defined Contribution Plan.

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Company's Contribution to Provident Fund	18.21	17.51
Company's Contribution to ESI	0.61	0.53
Company's Contribution to Superannuation Fund	1.04	1.16
Total	19.86	19.20

B Defined Contribution Plan - Provident Fund

₹ in Crore (10 Million)

Particulars	2023-24
Present Value of Obligation	141.47
Fair value of Plan Assets	133.02
Net Assets/(Liability) recognised in Balance Sheet as Provision	(8.45)

C Defined Benefit Plans

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Consolidated Balance Sheet as at March 31, 2024 and March 31, 2023, being the respective measurement dates:

1 Change in Present Value of Defined Benefit Obligation during the year

₹ in Crore (10 Million)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
Present Value of obligation as on 1st April'22	67.30	14.82
Current Service Cost	4.44	2.58
Interest Cost	4.38	0.96
Benefits Paid	(13.66)	(6.41)
Remeasurement - actuarial loss / (gain)	1.23	7.16
Present Value of obligation as on 31st March'23	63.69	19.11
Present Value of obligation as on 1st April'23	63.69	19.11
Current Service Cost	4.11	2.37
Interest Cost	4.45	1.33
Benefits Paid	(12.68)	(7.04)
Remeasurement - actuarial loss / (gain)	(2.13)	1.30
Present Value of obligation as on 31st March'24	57.44	17.07

2 Change in Fair Value of Plan Assets - Gratuity

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Fair Value of plan assets at beginning of year	69.37	56.40
Expected Return on plan assets	4.85	3.67
Employer contributions	13.20	23.59
Benefit paid	(12.68)	(13.66)
Actuarial gain / (loss)	1.46	(0.63)
Fair Value of plan assets at end of year	76.20	69.37
Present Value of Obligation	57.44	63.69
Net funded status of plan	(15.64)	(5.68)
Actual Return on plan assets	6.31	3.04

3 Expenses recognised in Statement of Profit and Loss

₹ in Crore (10 Million)

Particulars	Gratuity (Funded)	Leave Encashment
Current Service Cost	4.44	2.58
Interest Cost	4.38	0.96
Expected return plan assets	(3.67)	-
Remeasurement - actuarial loss / (gain)	-	7.16
For the year ended 31st March'23	**5.15**	**10.70**
Actual return on plan assets	3.04	-
Current Service Cost	4.11	2.37
Interest cost	4.45	1.33
Expected return plan assets	(4.85)	-
Remeasurement - actuarial loss / (gain)	0.03	1.30
For the year ended 31st March'24	**3.74**	**5.00**
Actual return on plan assets	6.31	-

4 Recognised in Other Comprehensive Income

₹ in Crore (10 Million)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	1.85
For the year ended 31st March'23	
Remeasurement - Actuarial loss/(gain)	(3.60)
For the year ended 31st March'24	

5 The Principal actuarial assumptions used for estimating the Group's Defined Obligations are set out below :-

Weighted Average Actuarial Assumptions	As at 31st March'24	As at 31st March'23
Attrition Rate		
Discount Rate	7.00%	7.50%
Expected Rate of increase in salary	5.50%	5.5% - 7.00%
Expected Rate of Return on Plan Assets	6.50%	6.50%
Mortality Rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Expected Average remaining working lives of employees (years)	16.10 to 20.01	15.84 to 20.13

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

6 Sensitivity analysis

₹ in Crore (10 Million)

Particulars	Change in assumption	Increase/(Decrease) in obligation
Gratuity :-		
For the year ended 31st March'23		
Discount Rate	0.50%	(1.90)
	-0.50%	2.04
Salary Growth Rate	0.50%	2.06
	-0.50%	(1.93)
For the year ended 31st March'24		
Discount Rate	0.50%	(1.66)
	-0.50%	1.79
Salary Growth Rate	0.50%	1.81
	-0.50%	(1.69)

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₹ in Crore (10 Million)

Particulars	Change in assumption	Increase/(Decrease) in obligation
Leave Encashment :-		
For the year ended 31st March'23		
Discount Rate	0.50%	(0.89)
	-0.50%	0.97
Salary Growth Rate	0.50%	0.97
	-0.50%	(0.90)
For the year ended 31st March'24		
Discount Rate	0.50%	(0.81)
	-0.50%	0.89
Salary Growth Rate	0.50%	0.89
	-0.50%	(0.82)

Sensitivities due to mortality & withdrawals are not material & hence imapct of change not calculated.

7 History of experience adjustments is as follows

₹ in Crore (10 Million)

Particulars	Gratuity
For the year ended 31st March'2022	
Plan Liabilities - Loss/(Gain)	0.67
Plan Assets - Gain/(Loss)	(0.63)
For the year ended 31st March'2024	
Plan Liabilities - Loss/(Gain)	(0.54)
Plan Assets - Gain/(Loss)	1.46

Estimate of expected benefit payments

₹ in Crore (10 Million)

Particulars	Gratuity	Leave Encashment
April'2024 - March'2025	23.39	3.81
April'2025 - March'2026	1.82	0.79
April'2026 - March'2027	2.34	0.65
April'2027 - March'2028	2.40	0.58
April'2028 - March'2029	2.40	0.68
April'2029 - March'2030	2.95	0.62
April'2030 onwards	22.14	7.11
Total	57.44	14.24

8 Statement of Employee benefit provision

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Gratuity	5.65	11.25
Leave Encashment	7.59	12.80
Superannuation	0.98	1.09
Total	14.22	25.14

9 Current and Non-Current provision for Gratuity and Leave Encashment

The following table sets out the funded status of the plan and the amounts recognised in the Group's Balance Sheet.

₹ in Crore (10 Million)

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
For the year ended 31st March'2023		
Current	(6.28)	4.13
Non Current	5.49	14.97
For the year ended 31st March'2024		
Current	(16.59)	4.29
Non Current	3.60	12.77

10 Employee benefit expense

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Salary and Wages	354.92	325.09
Costs-defined benefit plan	3.70	5.16
Costs-defined contribution plan	19.88	19.20
Welfare expense	39.13	38.27
Total	417.63	387.72

OCI presentation of defined benefit plan

Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss. IND AS 19 does not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on Government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

Note-55 Capital work in Progress includes Machinery in stock, construction / erection materials and also include the following pre -operation expenses pending allocation.

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Raw Material Consumed	9.58	4.11
Stores and Spares	1.00	0.51
Repair & Maintenance	2.51	0.95
Power & Fuel	44.70	2.24
Salaries and Wages	5.50	5.80
Staff Welfare expenses	0.11	0.03
Insurance	0.37	0.69
Transport ,Clearing and Forwarding Charges	1.64	1.67
Travelling, Consultancy & Miscellaneous Expenses	0.80	0.20
Finance costs	43.51	31.21
	109.72	47.41
Less: Sales	32.98	5.94
Increase in Stock	-	0.20
	76.74	41.27
Stock of Work -in -Process transferred to statement of Profit and Loss	22.25	
Add: Expenditure upto previous year	43.34	4.06
Less: Transferred to Property, Plant & Equipment	96.22	1.99
	1.61	43.34

JK Lakshmi Cement Limited
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Note-56 Expenses charged to cost of material consumed

₹ in Crore (10 Million)

	2023-24	2022-23
Salaries & Wages	7.18	7.78
Contribution to Provident and Other Funds	0.52	0.53
Employees' Welfare Expenses	1.06	1.00
Consumption of Stores and Spares	60.97	58.32
Power & Fuel	11.86	11.51
Repairs to Machinery	4.67	4.52
Material Handing	145.97	136.82
Rates and Taxes	25.26	26.14
Royalty	110.24	101.34
Miscellaneous Expenses	3.14	2.16
Total	370.87	350.12

Note-57 Estimated amount of contracts remaining to be executed on capital account (Net of Advances) ₹ 328.16 crore (previous year ₹ 392.73 crore).

Estimated amount of contracts remaining to be executed on Other account (Net of Advances) ₹ 34.58 crore (previous year ₹ 34.58 crore).

Note-58 Contingent liabilities in respect of claims not accepted by the Group (matters in appeals) and not provided for are as follows :

₹ in Crore (10 Million)

		March 31, 2024	March 31, 2023
a)	Service tax	6.64	6.64
b)	Sale tax and interest	34.61	36.51
c)	Income tax	42.31	44.16
d)	Excise duty	1.83	1.77
e)	Other matters	10.97	21.46
	Total	96.36	110.54

Note-59 In respect of certain disallowances and additions made by the Income Tax Authorities, Appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally settled.

Note-60 Contingent liability for non-use of jute bags for Cement packing upto 30th June, 1997, as per Jute Packaging Materials (Compulsory use of Packaging Commodities) Act, 1987 is not ascertained and the matter is subjudice. The Government has excluded Cement Industry from application of the said Order from 1st July, 1997.

Note-61 Competition Commission of India (CCI) vide its Order dated 19th Jan, 2017 has imposed penalty on certain Cement Companies including a Penalty of 6.55 crore on the Parent Company pursuant to a reference filed by the Government of Haryana. The Parent Company has filed an appeal with Competition Appellate Tribunal (COMPAT) against the said Order. COMPAT has since granted a stay on CCI Order. After the merger of COMPAT with National Company Law Appellate Tribunal (NCLAT), the Parent Company's case also stands transferred to NCLAT.

Although based on legal opinion, the Parent Company believes that it has a good case but out of abundant caution the Parent Company had provided full amount in earlier years.

Note-62 a) Disclosure in respect of Corporate Social Responsibility Expenditure:

₹ in Crore (10 Million)

Particulars	March 31, 2024	March 31, 2023
Amount required to be spent by the Group during the year.	11.59	10.35
Amount of expenditure incurred:-		
JK Lakshmi Arogya Project (Health)	1.17	0.83
JK Lakshmi Vidya Project (Education)	2.14	1.62
JK Lakshmi Aajivika Project (Livelihood)	5.26	4.56
JK Lakshmi Kaushal Parshikshan Project (Skill Development)	0.08	0.03
JK Lakshmi Swajal & Swachhta Project (Water & Sanitation)	0.64	0.82
JK Lakshmi Gramin Vikas Project (Rural Development)	0.74	1.31
UCWL Aarogya Project	0.35	0.27
UCWL Vidya Project	0.16	0.15
UCWL Aajivika Project	0.16	0.18
UCWL Kaushal Parshikshan Project	0.09	0.12
UCWL Swajal & Swachhta Project	0.11	0.09
UCWL Gramin Vikas Project	0.20	0.13
Overhead Expenditure	0.49	0.24
Total	**11.59**	**10.35**
Shortfall at the end of year	Nil	Nil
Total of previous years shortfall	-	**1.23**

Reason for Shortfall - On account of Ongoing Projects and Deposited in a Separate Bank Account.

b) foreign exchange fluctuation of gain (net) ₹ 5.67 crore (previous year gain (net) ₹ 1.30 crore).

c) Miscellaneous expenses include, contribution of ₹ 5.00 crore (previous year ₹ 3.00 crore) made to a political party/electoral board as prescribed u/s 182 of the Companies Act, 2013

Note-63 Derivative Financial Instruments

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts (including option contracts - seagull structure) to manage some of its transaction exposures. The foreign exchange forward contracts and foreign exchange option contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to thirty six months.

Foreign currency risk

The Company has entered into foreign exchange forward contracts and foreign exchange option contracts with the intention to reduce the foreign exchange risk on repayment of buyer's credit and foreign currency loan, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Forward & Option Contract outstanding for the purpose of hedging at the Balance Sheet Date

Sl. No.	Foreign Currency	As at March 31, 2024		As at March 31, 2023	
		F CY	Amount (₹ Crore)	F CY	Amount (₹ Crore)
	Forward				
1	USD	21.70 Mn	181.49	8.78 Mn	73.58
2	Euro	0.52 Mn	4.68	Nil	Nil
	Option				
1	USD	-	-	11.76 Mn	97.79

Foreign Currency Exposure not hedged as at the Balance Sheet Date

Sl. No.	Foreign Currency	As at March 31, 2024		As at March 31, 2023	
		F CY	Amount (₹ Crore)	F CY	Amount (₹ Crore)
1	Forward				
	ECB	Nil	Nil	21.50 Mn	176.69

Note-64 Based on information available with the Group in respect of MSME ('The Micro Small & Medium Enterprises Development Act 2006'). The details are as under:

₹ in Crore (10 Million)

	2023-24	2022-23
i) Principal and Interest amount due and remaining unpaid as at 31st March 2024/2023	14.61	19.00
ii) Interest paid in terms of section 16 of the MSME Act during the year	-	-
iii) The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified	-	-
iv) Payment made beyond the appointed day during the year	-	-
v) Interest Accrued and unpaid as at 31st March 2024/2023	-	-

Note-65 Loans given as per regulation 34 (3) and 53(f) read with schedule v of SEBI (LODR) regulation of listing regulation of listing regulation with stock exchanges.

₹ In Crore (10 Million)

Name of Company	Loan Given		Maximum Balance	
	2023-24	2022-23	2023-24	2022-23
Udaipur Cement Works Ltd.	-	85.40	-	85.40
Mahabal Cement Private Limited	66.33	-	66.33	-
Trivikram Cement Private Limited	3.00	-	3.00	-

Note-66 Hansdeep Industries and Trading Company Ltd,(HITCL) the wholly owned subsidiary of the company (JKLC) has been declared as Preferred Bidder for one of Limestone Block 4GIIA located at Dist. Nagaur, Rajasthan by Directorate of Mines & Geology Department, Udaipur. As per the terms of allotment the HITCL has to make total payments of ₹ 43.21 Crore. The HITCL has made the payment of ₹ 8.65 Crore upto 31st March,2024 (Previous year ₹ 8.65 Crore)

This Limestone Mines would be transferred by HITCL to JKLC at some stage, in future, after obtaining requisite approval from the Government of Rajasthan.

Note-67 a) Loans and Advances pursuant to regulation 23(3) read with schedule of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015

An amount of ₹ 3.33 crore (including ₹ 3.33 crore receivable within one year) (previous year ₹ 6.67 crore) (maximum balance due ₹ 6.67 crore, previous year ₹ 10.00 crore) due from BACL and arising out of an earlier scheme of reconstruction, arrangement and demerger sanctioned by Hon'ble High Courts of Rajasthan (Jodhpur) and Delhi.

(Loans / Advances to employees as per Company's policy are not considered.)

b) Disclosure of transaction in pursuant to regulation 34(3) read with schedule V, part A, clause 2 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, with promoter/promoter group companies holding more than 10% of equity share capital of the Company.

Name of Company	Nature of transaction and amount
Bengal & Assam Company Limited	Refer note 68

c) Details of loans given, investment made and guarantee given covered u/s 186(4) of the Companies Act 2013, with respect to subsidiary UCWL;

a) The liabilities pertaining to the statutory levies and pending legal cases prior to 01.12.1993 (date of takeover of the cement undertaking from Bajaj Hindustan Limited) will be borne by Bajaj Hindustan Limited.

b) UCWL has opted for the fair value of Property Plant and Equipment on the date of transition to IND AS. However, to be in line with the Accounting Policy of parent Company, the Company has considered the financial statements of UCWL without considering the fair value adjustments in consolidated financial statements.

d) **Details of Materials Non-Controlling Interest.**

Summarized financial information of UCWL, which has material non-controlling interest:

₹ in Crore (10 Million)

Particulars	As at 31st March'24	As at 31st March'23
Assets		
Non-Current Assets	1,970.94	1,496.73
Current Assets	394.68	199.65
Liabilities		
Non-current Liabilities	1,355.60	1,159.67
Current Liabilities	328.31	401.88
Equity	**681.71**	**134.83**
Percentage of Ownership held by Non-controlling Interest	25.00%	27.46%
Accumulated Non controlling Interest	**170.43**	**37.02**
Revenue	1,174.36	1,032.26
Net Profit/(Loss) after tax	63.63	38.20
Other Comprehensive Income (net of tax)	1.47	(0.76)
Total Comprehensive Income	65.10	37.44
Total Comprehensive Income allocated to Non controlling interests	**16.28**	**10.28**
Net Cash Inflow/(Outflow) from Operating Activities	128.11	99.41
Net Cash Inflow/(Outflow) from Investing Activities	(674.88)	(500.42)
Net Cash Inflow/(Outflow) from Financing Activities	575.52	171.12
Net Cash Inflow / (Outflow)	**28.75**	**(229.89)**

e) The summarized aggregate financial information of associates as follows:-

₹ in Crore (10 Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying Amount of Interest in Associates	10.77	13.00
- Share in Profit /(Loss)	(0.28)	(0.02)
- Share in Total Comprehensive Income/(Loss)	(0.28)	(0.02)
- Dividend Received	-	-

f) Additional information pursuant to Schedule III of Companies Act, 2013 on Consolidated Statement

For the FY 2023-24

Name of Company	Net Assets (TA-TL)		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount ₹ In Crore	As % of Consolidated Total Comprehensive Income	Amount ₹ In Crore
Holding Company :-				
JK Lakshmi Cement Ltd.	96.70%	3,081.44	89.74%	425.37
Subsidiary Company:-				
Udaipur Cement Works Ltd.	24.81%	790.69	13.73%	65.10
Hansdeep Industries & Trading Company Ltd.	3.66%	116.56	0.02%	0.11
Ram Kanta Properties P. Ltd.	3.64%	115.93	0.07%	0.34
Hi Drive Investment Pvt. Ltd.	0.87%	27.68	0.04%	0.20
Agrani Cement Pvt. Ltd. (consolidated)	-0.01%	(0.32)	-0.09%	(0.43)
Non Controlling Interest	**5.35%**	**(170.38)**	**-3.46%**	**(16.42)**
Associates :-				
Dwarkesh Energy Ltd.			-0.06%	(0.28)
Total Elimination	-24.32%	(774.95)		
Total	**100%**	**3,186.65**	**100%**	**473.99**

For the FY 2022-23

Name of Company	Net Assets (TA-TL)		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount ₹ In Crore	As % of Consolidated Total Comprehensive Income	Amount ₹ In Crore
Holding Company :-				
JK Lakshmi Cement Ltd.	97.14%	2,723.74	92.36%	330.23
Subsidiary Company:-				
Udaipur Cement Works Ltd.	8.80%	246.85	10.47%	37.44
Hansdeep Industries & Trading Company Ltd.	4.15%	116.45	0.00%	(0.01)
Ram Kanta Properties P. Ltd.	4.12%	115.60	0.05%	0.18
Non Controlling Interest	**(1.32%)**	**(37.02)**	**-2.88%**	**(10.28)**
Associates :-				
Dwarkesh Energy Ltd.	-	-	0.00%	(0.02)
Total Elimination	(12.90%)	(361.75)		
Total	**100%**	**2,803.86**	**100%**	**357.53**

Note-68 Related Party Disclosure

List of Related Parties

I Associates

Dwarkesh Energy Ltd.

II Key Management Personnels (KMPs)

Shri Bharat Hari Singhania (Ceased to be Chairman w.e.f. 1st April'24)	Chairman
Smt. Vinita Singhania (Chairperson & Managing Director w.e.f. 1st April'24)	Vice Chairman & Managing Director
Shri Arun Kumar Shukla	President and Director

Ms. Bhaswati Mukharjee	Independent & Non Executive Director
Shri N.G. Khaitan	Independent & Non Executive Director
Dr. Raghupati Singhania	Non Independent & Non Executive Director
Shri Ravi Jhunjhunwala	Independent & Non Executive Director
Shri Sadhu Ram Bansal	Independent & Non Executive Director
Shri Sudhir A Bidkar	Chief Financial Officer
Shri Amit Chaurasia	Company Secretary
Shri S.K. Wali (Ceased to be Whole-time director w.e.f. 1st August'22)	Whole-time Director
Dr. S. Chouksey (Ceased to be Whole-time director w.e.f. 1st August'22)	Whole-time Director
Shri Brijesh K Daga (Ceased w.e.f. 1st September'22)	Sr. VP & Company Secretary
Shri B.V. Bhargava (Ceased to be director w.e.f. 31st August'22)	Independent & Non Executive Director

III Enterprise which holds more than 20% of Equity share

Bengal & Assam Company Ltd. (BACL)

IV Trusts under common control

JK Lakshmi Cement Ltd. Compulsory Employees Provident Fund
JK Lakshmi Cement Ltd. Officers Superannuation Fund
JK Lakshmi Cement Ltd. Employees Gratuity Fund
JK Udaipur Udyog Ltd. Officers' Superannuation Fund Trust
JK Udaipur Udyog Ltd. Employees' Group Gratuity Fund Trust

The following transactions were carried out with related parties in the ordinary course of business :

i) ₹ in Crore (10 Million)

Nature of Transactions	Associates	Enterprise which holds more than 20% of Equity Share	Trust under common control	Associates	Enterprise which holds more than 20% of Equity Share	Trust under common control
	2023-24			2022-23		
- Sharing of Expenses received	0.02	0.20	-	0.02	0.09	-
- Payment of Expenses	-	2.67	-	-	2.66	-
- Other Income	-	-	-	-	0.36	-
- Loan Received back	-	3.33	-	-	3.33	-
- ICD received back		-			10.00	
- Contribution	-	-	16.23	-	-	12.73
Outstanding as at year end:						
- **Loan Receivable**		2.98			5.65	
- **Security Deposit Given**		1.78			1.78	
- **EPF (Contribution Payable)/Advance Receivable**			0.24			(0.14)
- **SF (Contribution Payable)/Advance Receivable**			0.47			(1.09)
- **GF (Contribution Payable)/Advance Receivable**			18.76			6.78

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

ii Transactions with KMPs

A Remuneration Paid to KMPs

₹ in Crore (10 Million)

Particulars	2023-24	2022-23
Short Term Employee benefits	37.12	32.04
Post Employment benefits*	-	32.04
Other Payments	2.22	4.10
Receivable/(Payable) :	(19.17)	(12.58)

*As the liability for gratuity and leave encashment are provided on actuarial basis for the company as a whole and payment is made on actual basis.

The transactions with related parties have been made on terms equivalent to those that prevail in arm's length transactions.

B. Other transactions with KMPs

During the year the Company has paid ₹ 4.08 Crore to each of Shri Bharat Hari Singhania (Chairman), Smt. Vinita Singhania (Vice Chairperson & Managing Director) and Dr. Raghupati Singhania (Independent & Non-Executive Director) for acquisition of Equity Shares of Hidrive Developers and Industries Pvt. Ltd.

Note-69 JK Lakshmi Cement Ltd., parent Company is listed on Stock Exchanges (BSE/NSE) in India. Parent Company has prepared standalone financial statement as required under Companies Act, 2013 and listing requirements. The standalone financial statement is available on Parent's website for public issue.

Note-70 Impairment review :

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

i) Operating margins (Earnings before interest and taxes),

ii) Discount Rate,

iii) Growth Rates and (iv) Capital Expenditure

Note-71 Events occurring after the Balance Sheet date

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization of these financial statements

Note-72 Ind AS 115 disclosures

₹ in Crore (10 Million)

Sl. No.	Particulars	2023-24	2022-23
1	Contract Balances		
	Trade Receivables (Refer Note No. 14)	44.31	65.42
	Contract Liabilites (Refer Note No. 32)	106.95	93.88
2	Reconciling the amount of revenue recognised during the year in the statement of profit and loss with the contracted price:		
	Revenue as per contract prices	7,308.05	6,831.66
	Discounts	(519.58)	(380.16)
	Revenue from contract with customer (Refer Note No. 34)	6,788.47	6,451.50
3	Revenue recognised that was included in the contract liability balance at the beginning of the period		
	Sale of Goods	93.88	97.84

Note-73 i Exceptional Item of ₹ 8.89 Crore (previous year Nil) pertaining to Subsidiary Company includes;

RIPS Benefit for the Financial Year 2021-22 received from the Government of Rajasthan for the extended one-year period post Covid-19 Pandemic.

ii The Subsidiary Company has successfully commissioned its Expansion Project of 1.50 Million Tonnes Per Annum of Clinker & Cement Grinding Section of 2.50 Million Tonnes Per Annum. With this, the Company's Clinker Capacity has doubled to 3 Million Tonnes Per Annum and Cement Capacity has increased from 2.20 Million Tonnes Per Annum to 4.70 Million Tonnes Per Annum.

iii The Subsidiary Company has commissioned an additional 6 MW Waste Heat Recovery Power Plant. With this, the share of sourcing from Renewable Energy has gone up to 50%.

iv The Subsidiary Company has successfully completed the Rights Issue of ₹ 448.83 Crore in July 2023. Pursuant to the Rights Issue, the Company issued 249,127,853 Equity Shares of ₹ 4 each at a price of ₹ 18 Per Equity Share (inclusive of a Premium of ₹ 14 Per Equity Share)

v. The Subsidiary Company had temporarily parked the Proceeds of Rights Issue in Fixed Deposit with Banks, pending their deployment in the Expansion Project. The interest of ₹ 7.00 Crore earned on such Fixed Deposits with Banks have been included in Other Income.

Note-74 i The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii The Group have not traded or invested in Crypto Currency or Virtual Currency during the financial year

iii The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

v The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vi The Company have no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in Tax assessments under Income Tax Act, 1961.

vii Struck off Companies in Parent Company.

₹ in Crore (10 Million)

Name of the struck off Company	Nature	Transaction during the year		Balance As on	
		2023-24	2022-23	31st March'24	31st March'23
Print Express Pvt Ltd.	Payable	0.02	-	0.01	-

viii) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Group have used multiple accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software, except for instances mentioned below –

i) With respect to the accounting software system used by holding Company and one step-down subsidiary

JK Lakshmi Cement Limited
Notes to Consolidated Financial Statements for the Year ended March 31, 2024

for maintaining its books of account for the year ended March 31, 2024, the audit trail facility was not enabled at the database level to log any data changes.

ii) With respect to the accounting software system used by another subsidiary and three step-down subsidiaries for maintaining its books of account for the year ended March 31, 2024, there are inherent limitations with the said software like i) non-maintenance of user creation and deletion log ii) user identification issue after deletion of user ID iii) usage of user's system date and time instead of actual time.

Note-75 In earlier years, the Holding Company had acquired 35% holding (at a cost of ₹ 2.10 crore) in M/s. Sungaze Power Private Limited (SPPL) which has set up a 6.50 MW solar Power Plant under Captive Power Plant (CPP) model at our Durg Cement Plant in the state of Chhattisgarh. The Company, as a Captive User, has no role & responsibility in the day-to-day management & operations of SPPL. As such, SPPL has not been considered as an Associate for consolidation purposes.

Note-76 During the FY 2023-24, the Holding Company had acquired 26% holding (at a cost of ₹ 21.61 crore) in M/s. Amplus Helios Private Limited which has set up a 50.00 MW solar Power Plant under Captive Power Plant (CPP) model at our Durg Cement Plant in the state of Chhattisgarh. The Company, as a Captive User, has no role & responsibility in the day-to-day management & operations of Amplus Helios Private Limited. As such, Amplus Helios Private Limited has not been considered as an Associate for consolidation purposes.

Note-77 **Summary of acquisitions during the year ended March 31, 2024:**

During the year ended March 31, 2024, the Holding Company has completed two business combinations by acquiring equity interest in:

a) Hidrive Developers & Industries Private Limited (HDIPL), JK Lakshmi Cement Limited (Holding Company) acquired 100% stake in HDIPL on August 30, 2023 for total cash consideration of ₹ 16.33 Crores

b) Agrani Cement Private Limited (ACPL), the JK Lakshmi Cement Limited (Holding Company) has acquired 85% stake in M/s. Agrani Cement Private Limited on February 12, 2024 at a total Purchase Consideration of ₹ 325.11 Crores. Agrani Cement Private Limited along with its 3 Wholly Owned Subsidiaries (WOS) {(i) Avichal Cement Private Limited, (ii) Mahabal Cement Private Limited & (iii) Trivikram Cement Private Limited} have been jointly granted Mining Rights. The Company has paid Purchase Consideration of only ₹ 125.11 Crores & the balance Purchase Consideration of ₹ 200 Crores is payable based on the achievement of agreed Milestones.

The following table presents the purchase price allocation:

₹ in Crore (10 Million)

Particulars	HDIPL	ACPL
Fair value of Identifiable Net Assets	16.48	(0.02)
Fair value of mining rights-including intangibles	-	325.00
Total	16.48	324.98
Goodwill/(Capital Reserve)	(0.15)	0.13
Non-controlling interest	-	-
Total purchase price	16.33	325.11

Note-78 Previous year's figures have been re-grouped/re-classified wherever necessary and figures less than ₹ 50,000 have been shown as actual in bracket.

As per our report of even date
For S. S. KOTHARI MEHTA & CO. LLP
Chartered Accountants
Firm Registration No.: 000756N/N500441

SUNIL WAHAL
Partner
Membership No.: 087294

Place: New Delhi
Date: 23rd May, 2024

SUDHIR A. BIDKAR
Chief Financial Officer

AMIT CHAURASIA
Company Secretary

For and on behalf of the Board of Directors

VINITA SINGHANIA (DIN : 00042983) — Chairperson & Managing Director

Dr. R.P. SINGHANIA (DIN : 00036129)
N.G. KHAITAN (DIN : 00020588)
RAVI JHUNJHUNWALA (DIN : 00060972)
SADHU RAM BANSAL (DIN : 06471984)
BHASWATI MUKHERJEE (DIN : 07173244)
Directors

ARUN KUMAR SHUKLA (DIN : 09604989) — President & Director

AOC-1

Financial Information of Direct & Indirect Subsidiaries and Associate Companies

(Persuant to first proviso to section 129(3) read with rule 5 of Companies (Accounts) Rule, 2014)

Part "A": Subsidiaries

(₹ in lakh)

Sl.No.	Particulars					
1	Name of Subsidiary	Hansdeep Industries & Trading Company Limited	Ram Kanta Properties Private Limited	Hidrive Developers and Industries Pvt. Ltd.	Agrani Cement Pvt. Ltd.	Udaipur Cement Works Limited
		Direct Subsidary	Indirect Subsidary	Direct Subsidary	Direct Subsidary	Direct Subsidary
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
3	Reporting Currency	INR	INR	INR	INR	INR
4	Closing Exchange Rate	N.A.	N.A.	N.A.	N.A.	N.A.
5	Equity Share Capital	11,605.00	93.40	16.74	11.00	22,421.51
6	Insrument Entirely Equity in Nature	-	-	-	-	-
7	Other Equity	51.25	11,499.97	2,751.02	-43.28	56,646.13
8	Total Assets	16,414.18	11,610.84	2,780.55	6,982.24	236,257.72
9	Total Liabilities	4,757.95	17.47	12.79	7,014.52	157,190.12
10	Investments	52.94	122.74	112.76	0	10013.33
11	Turnover	18.55	62.85	28.84	0.00	117,436.41
12	Profit / (Loss) before taxation	13.86	40.89	24.89	(57.84)	8,700.07
13	Provision for taxation, DTL/(DTA)	2.51	7.31	4.78	(14.56)	2,337.66
14	Profit / (Loss) after taxation	11.34	33.59	20.11	(43.28)	6,362.41
15	Proposed Dividend	-	-	-	-	-
16	% of Shareholding	100	100	100	85	75

Note:-

1. Name of Subsidiaries which are yet to commence operations – Nil
2. Name of Subsidiaries which have been liquidated or sold during the year – Nil

Part "B" : Associates

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associates (₹ in lakh)

Sl. No.	Name of Associates	Dwarkesh Energy Limited (DEL)
1	Latest audited Balance Sheet Date	31.03.2024
2	Share of Associates held by the Company at the year end :-	
	No. of Shares (Equity)	350,000
	Amount of Investment in Associates	35.00
	Extent of Holding (%)	35.00%
3	Description of how there is significant influence	Holding > 20%
4	Reason why the Associate is not consolidated	Consolidated
5	Net worth attributable to shareholding as per latest audited Balance Sheet	
6	Profit / (Loss) for the year to DEL	-69.36
	Considered in Consolidation	-24.28
	Not Considered in Consolidation	-45.08

Note:-

1 Name of Associates which are yet to commence operations – DEL is in the process of setting up the power project of 1320 MW in the state of Madhya Pradesh at Khandwa.

2 Name of Associates which have been liquidated or sold during the year – Nil

SUDHIR A. BIDKAR
Chief Financial Officer

VINITA SINGHANIA (DIN : 00042983) Chairperson & Managing Director

Dr. R.P. SINGHANIA (DIN : 00036129)

N.G. KHAITAN (DIN : 00020588)

RAVI JHUNJHUNWALA (DIN : 00060972)

SADHU RAM BANSAL (DIN : 06471984)

BHASWATI MUKHERJEE (DIN : 07173244)

Directors

AMIT CHAURASIA
Company Secretary

ARUN KUMAR SHUKLA (DIN : 09604989) President & Director

Place: New Delhi
Date: 23rd May, 2024

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"CareEdge Advisory have assisted JK Lakshmi Cement Ltd. (JKLC) to align its Integrated Report (IR) with GRI reporting standards".

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