



2016-17
31st ANNUAL REPORT

SHIVA CEMENT LTD.




BOARD OF DIRECTORS
Sri R. P. Gupta
Managing Director
Sri B K Mangaraj
Director
Sri Mahendra Singh
Director
Sri D K Senapati
Nominee- IPICOL
Sri K P Jhunjhunwala
Director
Sri Manoj Kumar Rustagi
Additional Director
Sri Narinder Singh Kahlon
Additional Director

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AUDITORS
M K Thebaria & Associates

MS Complex, Gaffur Colony
1st Floor, Uditnagar
Rourkela - 769012

REGISTRAR & TRANSFER AGENT
Niche Technologies (P) Ltd.

D/511, Bagree Market, 5th floor,
71, B.R.B.B. Road, Kolkata - 1

REGISTERED OFFICE	PLANT SITE	MINES
YY-5, Civil Township, Rourkela - 769 004 Website : www.shivacement.com CIN : L26942OR1985PLC001557	Vill : Telighana PO : Biringatoli, Kutra Dist. Sundargarh (Odisha)	Vill : Khatkurbahal Via : Kutra Dist. Sundargarh (Odisha)

DIRECTORS REPORT
(Management Discussion and Analysis)

Dear Members,

I am pleased to present 31st Annual Report for the financial year ended on 31st March, 2017. The operational performance during the year was historically low for various reasons as noted below. At the same time, many good developments have taken place during the year. JSW Cement Ltd, a group company of JSW has acquired about 49.4% shares of the company and nominated two directors on the Board. JSW Cement is likely to be the new promoter of company subject to approval by shareholders in the forthcoming AGM. They are committed to undertake massive expansion of production capacity; which was an unfinished agenda since last 5-7 years. This will change the fortune of Company and its' Stakeholders. For which, I express good wishes to all concerned. I also convey thanks to all stakeholders; those have extended full support in last 31 years despite up & down cycle.

Financial/Operational Performance

(Rs. in Lakh)

Particulars	31/03/2017	31/03/2016
Turnover	2630.07	7834.20
Operating Income (Loss)	(498.58)	924.37
Exceptional Items(see details below)	1109.54	--
Other Income	21.05	42.21
PBIDT	(1587.07)	966.58
Less: Interest	662.90	363.13
Cash Profit (Loss) (PBDT)	(2249.97)	603.45
Less: Depreciation & Amortization	645.33	539.64
Profit (Loss) before Taxation (PBT)	(2895.30)	63.81

Capacity utilization was historically low up to 40.56%, due to stoppage of Kiln for about 211 days out of 365 days. Major stoppage was due to the closure of Mines for delay in executing Mining lease deed with extended validity up to the year 2042. Another long stoppage was due to delay in approval of Mining Plan by Indian Bureau of Mines. During fourth quarter, new Directors of the Company opted for many changes in the Plant operation process, which has temporarily affected the production level. However, this will deliver long term benefits in future.

The cost of electricity per unit has gone up from Rs.6.37 to Rs.6.86, mainly due to fixed monthly charges and low production. Coal consumption in terms of Kcal/Kg. of clinker increased due to frequent stoppage of kiln. More so, higher proportion of imported coal due to poor quality of domestic coal has increased the fuel cost per MT of clinker. Mining cost of limestone was increased by almost 76% due to extreme low production and loading of mining overhead cost. Due to all these abnormal factors, variable cost of clinker was increased by almost 45% and variable cost of cement by about 36%. In addition to it, fixed cost towards salary & wages, administrative overhead was loaded on small production and thereby depressing operational profit to a historically low level; which was never witnessed in the past 30 years. However, the normalcy will be crafted in next Financial Year with higher production level with the support of JSW cement.

Besides operational loss of Rs. 49.85 million, Company had also incurred additional expenditures of Rs.110.9 Mn.towards Deferred Revenue expenditure and Exceptional items. As per revised accounting policy of the company, those are booked in profit & Loss account for the year. The details of such expenditure are mentioned below.

Particulars	Rs. In Lakh
Provision of expenses related to prior period	259.14
Provision of non-realizable Debts, Advances & deposits	486.40
Non-operational expenses mainly related to fees of transaction advisors, lawyers & consultants	364.00
Total	1109.54

In the earlier years, IDBI had sanctioned a term loan of Rs.18.0 crores for expanding capacity to 1.98 Lakh TPA. The capex was completed but commercial production could not commence for need based working capital. Hence, the company incurred additional interest of Rs. 244.17 lakh on such term loan during the year, which could not be gainfully utilized. In addition, Interest was also incurred on the statutory dues and unsecured loan for Rs.50.35 lakh. As a result, total interest cost has gone up by about Rs. 300



Lakhs (82% increase) during the year. Due to additional capex for the expansion, depreciation cost has also gone up by about Rs. 105 lakh (20% increase) depressing profitability. Overall impact of higher interest and depreciation is about Rs. 405 lakh during year.

Economic Scenario & Out look

Indian economy is thriving on the consumption led demand instead of investment led demand. India could attract large inflow of Global funds; but those were mostly not invested in Capital assets. Lately, Government has pushed Infra spending. Government has succeeded in creating competition among states for attracting Private investment. Currently, private investment is sluggish due to high interest, stretched balance sheets and non-compatible regulations. It is expected that, recent amendment of banking regulations Act and intervention of RBI will facilitate existing productive units for relieving financial stress through debt restructuring and fresh credit. In the event of successful implementation, private investment may re-bound in coming years fueling growth.

Initial three quarters of FY-2017 registered healthy growth of economy, mainly due to favorable monsoon. However de-monetization has somewhat negative impact in the fourth quarter. Big ticket reforms like GST, domestic production of defense equipment and infrastructure boost will craft positive impact on the economy. Considering sincere efforts of the Government, and latent potentiality of India, Indian economy will bounce back, may be in second half of FY-2018. For this, India must overcome past legacy and deploy financial resources into productive activities. Simultaneously, exports must be made competitive by reducing cost of basic inputs like Energy, Logistics, and Capital & Minerals.

Cement Industry Outlook & Opportunities

In the past two preceding years, Cement demand growth was not so promising comparing to previous years. Considering overall scenario, demand is likely to escalate from the second half of FY-2018. Aggressive Road projects and Affordable housing scheme announced by Government will certainly give boost to cement demand. Currently, the supply overhang situation is continuing in most parts of the country. However, the green field capacity addition in pipeline are very low. It is expected that the excess supply will be absorbed in last part of FY 2019.

For building additional capacity and availability of cement at affordable cost, the ways & means are to be designed. For affordable cement cost, the cost of logistic, power & fuel must be reduced through policy intervention. Also GST rates may be rationalized in line with other construction materials. Production of blended cement may be incentivized by levying lower taxes; since it is environment friendly. Government may also explore in reducing cost of limestone by rationalizing Royalty and other levies or merging those with GST. All such efforts will enable cement at affordable cost for constructing houses; which constitutes 65% of the cement demand.

Future Strategies

In the earlier years, management had appointed L&T Fincorp Ltd as financial advisor for arranging the strategic investor for implementing expansion plans of the company; which is being deferred since last 5-7 years. As you know, company has adequate reserves of limestone, surplus land and statutory approvals at its disposal. With the sincere efforts of L&T Fincorp, your company has succeeded to rope in JSW Cement as key investor by entering in to Share Purchase Agreement on dtd.10/01/2017. JSW Cement has already acquired 49.4% shares in the company from promoters, ACC Ltd and from the open market. They will be inducted as new promoter in the forthcoming Annual General Meeting of shareholders subject to their approval.

As per indicative plan, cement capacity will be expanded to 1.0/1.2 Mn.T by Oct.2019 with captive clinker. Existing Kiln will be expanded besides addition of new kiln. Surplus clinker will be sold to JSW Cement for grinding at their upcoming plants at West Bengal & Odisha. Total capital investment is likely to exceed Rs.800 crores. JSW Cement has also plan for further adding cement and clinker capacity in the Company subject to favorable market.

Awards & Recommendations

Company is awarded with Third Prize for "Sustainable Development" by IBM-Bhubaneswar in the 19th MEMC Week 2016-17. Company is also awarded with Second prize in "General working" of Limestone mines on the occasion of 54th Annual Mines Safety Week Celebration 2016.

Human Resource

Company is maintaining cordial and healthy relations with its employees. Employees at all levels are extending their full support. Company has strong faith in potential of human resources. It believes in the creative abilities of the people; those work for the company. It believes in the participatory management.

Internal Control Systems

Company has an internal management audit team to commensurate with the size of company. It carries out desired level of audit of various activities of company. This is with an aim to ensure that the laid down system and procedures are followed. Audit reports are presented to Audit committee of the board, which meets at periodic intervals.

Business Responsibility Report

As stipulated under the Listing Agreement, the Business Responsibility report describing the initiatives taken by the Company from environmental, social and governance perspective has been described in this Annual Report.

Environmental & Social Obligation

Environment clearance from Ministry of Environment & Forest (MoEF) is already obtained for the proposed expansion. MoEF clearance is also obtained for expanding the capacity of mines.

Your company has undertaken the CSR activities in nearby villages such as strengthening of village road from Jindapada to SH-10 and Jindapada to Kanhei Munda, developing Bathing place in Kanheimunda village, distribution of study materials to five schools at Telighana, Kanheimunda, Toilet Septic tank construction in three schools, construction and operation of 'Jala Chatra' (drinking water supply) at five places, organizing Food ball and Hockey tournament in nearby villages and free medical checkup camp in local villages etc. CSR activities will be expanded in future years with the induction of JSW cement as promoters.

Dividend

Keeping in view of the ongoing expansion plans and working capital requirements of the Company, your directors have not recommended any dividend for the year under review.

Listing at Stock Exchange & Public offer

Equity shares of the company continue to be listed on Bombay Stock Exchange and Calcutta Stock Exchange. We sincerely express our thanks to all shareholders for imposing their faith in the company despite of delay in implementation of the expansion plan.



After entering into Share Purchase Agreement with promoters on 10/01/2017, JSW Cement has offered to public shareholders for purchasing 624 lakh shares. Public has tendered negligible quantity of 0.027 lakh shares only. This reveals that, public shareholders have tremendous faith in JSW cement as future promoter and those have opted to continue their association as the shareholders of company.

Finance

The principal banker of company is IDBI Bank. They have shown keen interest in supporting the expansion plan as discussed above. Company is in discussion with Canara Bank for settling their dues in view of default arising due to heavy loss in this year causing mis-match of cash flow.

Board Meeting

During the year under report, the Board of Directors have met 10 (Ten) times. The Details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

Directors and Key Managerial Personnel :

The Company has a mix of Executive, Non-Executive and Independent Directors. As at March 31, 2017, the Board comprises of 7 Directors. Out of which, one is Executive Director and six are Non-Executive Directors including three Independent Directors. All Directors are persons of eminence and bring a wide range of expertise and experience to the Board, thereby ensuring the best interest of stakeholders and the Company.

None of the Directors are related to any other Director on the Board in terms of the definition of "relative" as defined in section 2(77) of the Companies Act, 2013.

During the year under review, Mr. Narinder Singh Kahlon (DIN- 03578016) and Mr. Manoj Kumar Rustagi(DIN- 07742914) have been appointed as Additional Directors with effect from February 28, 2017. Further, Mr. Akash Gupta and Mrs. Preeti Gupta resigned with effect from March 11, 2017 and February 28, 2017 respectively.

According to the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. R P Gupta is liable to retire by rotation and being eligible, he has offered himself for re-appointment. The Board has recommended his re-appointment as Director.

Share Capital :

There was no change in the authorized share capital of the company during the year under review. The company has allotted 80 Lakh Equity Shares upon conversion of Equity Share Warrants issued by the Company. The issued, subscribed and paid up Equity share capital of the Company as on March 31, 2017 was Rs. 3900.00 Lakhs comprising of 1950 Lakh Equity shares of Rs.2/- each.

Disclosure under section 149(7) of the Companies Act, 2013 :

Mr. Kashi Prasad Jhunjhunwala, Mr. Bimal Kumar Mangaraj and Mr. Mahendra Singh, the Independent Directors of the Company have given their declarations under section 149(7) of the Companies Act, 2013.

Disclosure under section 43(a)(ii) of the Companies Act, 2013 :

The Company has not issued any shares with differential rights and hence, no information pursuant to section 43(a)(ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

Disclosure under section 54(1)(d) of the Companies Act, 2013 :

The Company has not issued sweat equity shares during the year under review and hence, no information as pursuant to section 54(1)(d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Audit Committee was formed by the Board of Directors to look after the internal control system of the Company and to review the financial statements. The said Committee is consisting of the following directors of the Company.

Sri K. P. Jhunjhunwala	-	Chairman
Sri B.K. Mangaraj	-	Member
Sri Mahendra Singh	-	Member

The details of the Audit Committee meeting have been mentioned in the Corporate Governance report.

Statutory Auditors

M/s. M K Thebaria & Associates, Chartered Accountants, Rourkela (FRN 321180E) the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting. The Company has received a letter from them to the effect that their appointment, if made, would be within the limit prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified within the meaning of Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit & Auditors) Rules, 2014.

The Notes to Accounts forming part of financial statements are self-explanatory and need no further explanation. The explanations/clarifications to the qualified opinion of the statutory Auditors are noted below.

- Regarding eligibility to accept public deposits, your Company has obtained expert opinion and continued to accept, hold & renew the deposits. However Management has informed that there will be no further renewal and entire deposits will be refunded on due dates.
- Regarding default in redemption of preference shares of Rs.54.40 lakh, your directors submit that they have approached Preference shareholders for deferring installments and the same will be paid in FY-2018. For defaults in repaying term loan interest and installments of Rs.662.91 lakh, your directors submit that the said payments could not be done due to low production, heavy loss mismatch of cash flow during the year. However, same shall be paid during financial year 2017-18. They are also in discussion with Canara Bank for settlement of dues.
- The Company has changed the basis of Amortization of Deferred revenue expenses and written off the entire opening balance of Rs.39.62 Lakh as decided by the management. The expenses of non-revenue nature amounting to Rs.394.00 Lakh has been charged to Profit & Loss Account as decided by the Management under exceptional items.



- d. During 3rd quarter of the year, the Company had written off dues of ACC Limited amounting to Rs.422.09 Lakh due to ongoing disputes and claims. Same amount is now reversed; since the acquirer and incoming management are willing not to pursue disputes and claims with ACC, considering good relations with them.
- e. The Company has provided interest on statutory dues amounting to Rs.182.14 lakh relating to prior period up to FY 2015-16 which has been reflected as prior period under Exceptional items.
- f. As mentioned in the Auditors Report regarding irregularity in deposits of statutory dues amounting to Rs.352.23 Lakh, your directors submit that the said payments could not be made due to mismatch of cash flow during the financial year 2016-17. The said payments shall be made during the financial year 2017-18.

Secretarial Auditors

Pursuant to the provisions of Section 204 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s.Prakash Sahoo & Associates, Practicing Company Secretaries of Rourkela to undertake Secretarial Audit of Company for the FY 2016-17. The report of Secretarial Audit forms part of this Board's Report in "Annexure -A".

The Women Director has resigned from the Board of Company w.e.f 01/03/2017 and the vacancy shall be filled up within stipulated time.

During the period under review, the Board has not appointed whole-time key managerial personnel viz. (a) Chief Financial Officer (CFO); and (b) Company Secretary. The office of Company Secretary was vacant for a period more than six months as at the year end. The same will be filled up at the earliest.

Evaluation of Board, Committees and Board Members pursuant to provisions of the Companies Act, 2013

Good Governance requires Boards to have effective processes to evaluate their performance. The evaluation process is a constructive mechanism for improving effectiveness of Board, maximizing strengths and tackling weaknesses which leads to an immediate improvement in performance throughout the organization.

Evaluation by Independent Director

In terms of the Code for Independent Directors (Schedule IV), the Independent Director(s) on the Board of Company shall evaluate performance of the Non-Independent Director(s), Board as a whole and review performance of Chairperson. Broad parameters for reviewing performance are based on the structured questionnaires related to composition of Board, Function of Board, Meeting attended by Board Members, conflict of interest, participation in discussion, time contribution, Governance and ethical problem etc.

Evaluation by Nomination and Remuneration (NRC) Committee

Nomination and Remuneration committee constituted under section 178 of the Companies Act, 2013 has been made responsible for carrying out evaluation of every Director's performance. The evaluation of individual Director focuses on contribution to the work of Board.

Evaluation by Board

The purpose of Board Evaluation is to achieve persistent and consistent improvement in the governance of Company at Board level with an intention to establish and follow best practices in Board Governance in order to fulfill fiduciary obligation to Company. The Board believes, the evaluation will lead to a working relationship among Board members, greater efficiency using Board's time and increased effectiveness of Board as governing body. A structured questionnaire was prepared covering all aspects of the Board's and Committee's function, for the evaluation of the Board and Committees. The evaluation of the Independent Directors was based on the range of the criteria like independent judgment strategy, performance and risk management; skill, knowledge and Familiarity about the company, professional advice, attendance in Board and Committee meeting etc.

Vigil Mechanism

Pursuant to the provisions of Section 177 (9) of Companies Act, 2013, the Board of Directors has established a committee to provide adequate safeguard against victimization & to protect interest of the directors and employees to report their genuine concerns. The Company has uploaded the code of conduct in relation to the employees & directors on its website (www.shivacement.com).

Disclosure under section 67(3) of the Companies Act, 2013

The Company has not passed any special resolution pursuant to Section 67(3) of the Companies Act, 2013 hence no disclosure is required to be made.

Material Change and Commitments :

In terms of section 134(1) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the company's financial position have occurred between March 31, 2017 and the date of the report.

Significant and material orders passed by the regulators :

There were no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

Foreign Exchange Earnings and Outgo

There have been no foreign Exchange earnings during the year. However, the company has purchased imported coal from the domestic market.

Conservation of Energy, Technology Absorption

A statement containing necessary information, as required under the Companies Act, 2013 is annexed hereto in Annexure-"B".

Corporate Social Responsibility and Governance Committee

Your directors have constituted the Corporate Social Responsibility (CSR Committee) comprising Shri R P Gupta as the Chairman and Shri B.K. Mangaraj and Shri Mahendra Singh as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

**Nomination and Remuneration Committee & Stakeholder Relationship Committee**

During the year under report, pursuant to the provisions of Section 178 of Companies Act, 2013, the Nomination and Remuneration Committee & Stakeholder Relationship Committee has been functioning in order to protect the interest of the shareholder of the Company.

The Committee has been headed by Shri R. P. Gupta as Chairman, Shri B. K. Mangaraj as Member & Shri Mahendra Singh, as other member.

Related Party Transactions :

All the Related Party Transactions that were entered into during the financial year were on arm's length and in the ordinary course of business. Hence, provisions of section 188 of the Companies Act, 2013 are not applicable. During the year under review, the Audit Committee has granted omnibus approval for the Related Party Transactions.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

The Company has a policy on Prevention of Sexual Harassment at workplace. The policy has been framed as per "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and an internal Committee has been constituted for redressal of the complaints.

Particulars of Loans, Guarantees, Investments and Securities :

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the notes to financial statements.

Extracts of Annual Return

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, an Extract of the Annual Return in Form MGT-9 forms part of this Report as Annexure-C.

Particulars of Employees

The provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable as none of the employees were in receipt of remuneration exceeding the limits specified therein.

Directors' Responsibility Statement

In terms of the provisions of section 134(3)(c) of the Companies Act, 2013, we confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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;
- the directors had taken proper care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause-49 of the erstwhile Listing Agreement, a report on Corporate Governance and the compliance certificate thereon from the auditors of the company is attached to this report.

Registered Office

The Registered Office of the Company has been change from P-25, Civil Township, Rourkela-769004 to YY-5, Civil Township, Rourkela-769004 with effect from 26th June 2017.

Acknowledgements

Your directors place on record their appreciation of the assistance and support extended by government authorities, Bankers, NBFCs, consultants, shareholders, employees, suppliers & contractors of the company.

Cautionary Statement

Statements in the directors' report and the management discussion & analysis describing company's objectives, expectations or predictions, may be forward-looking statement within the meaning of applicable laws and regulations. Although we believe our expectation is based on reasonable assumption, actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and such other factors which are material to the business operations of the company.

For and on behalf of the Board of
Shiva Cement Limited

Rourkela - 769 004

Dated : 04/08/2017

Sd/-

(R.P.Gupta)

(Managing Director)

DIN No. : 1325989

Annexure - A
Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended 31st March, 2017

(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,
Shiva Cement Limited
P-25, Civil Township,
Rourkela- 769004 (Odisha)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S SHIVA CEMENT LIMITED, (hereinafter called the Company), bearing CIN : L26942OR1985PLC001557. 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 31 March, 2017 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 31 March 2017, to the extent applicable, 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 there under ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under ;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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'), to the extent applicable :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2013;
 - (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) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- (vi) The following laws, that are specifically applicable to the company:(vii)
 - (a) Mines Act, 1952 and the rules made thereunder; and
 - (b) Mines and Minerals (Development and Regulation) Act,1957 and the rules made thereunder.

I have also examined compliance with the applicable clauses of the following :-

- (j) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited & Calcutta Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as follows:

- (i) Appointment of Woman Director:- According to Section 149(1) of the Companies Act,2013 read with Rule-3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Smt. Preeti Gupta was appointed as woman director on 31/03/2015 and she has resigned from her office w.e.f dated 01/03/2017. However, as per the aforesaid rules any intermittent vacancy of a woman director shall be filled-up by the Board at the earliest but not later than immediate next Board Meeting or three months from the date of such vacancy whichever is later. Now, the resulting vacancy of a woman director in the company is yet to be filled-up.
- (ii) Appointment of Key Managerial Personnel:-As per section 203(1) of the Companies Act,2013 read with Rule-8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, the Board has not appointed during the period under review the following whole-time key managerial personnel viz. (a) Chief Financial Officer (CFO); and (b) Company Secretary. The office of the Company Secretary remain vacant for a period more than six months which shall be filled-up by the board within a period of six months from the date of such vacancy.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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 the decisions at Board Meeting, Committee Meetings, by circulation are carried out unanimously as recorded in the minutes of meetings of Board of Directors of the Company or committee of the Board, as the case may be.

I further report that 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 period M/s JSW Cement Limited, Mumbai alongwith PAC has acquired 50.33% including 35.62 % stake from the promoters of the company. The said company has also made an open offer to buy out another 32 % through open offer at Rs. 16.35 per share.

for PRAKASH SAHOO & ASSOCIATES
Company Secretaries

Sd/-

(Prakash Chandra Sahoo)

Proprietor

M.No. : FCS 7253

C.P. No. : 7917

Place : Rourkela
Date : 18.04.2017

(This report is to be read with our letter of even date which is annexed as Annexure-A which forms an integral part of this report).

ANNEX-A TO THE SECRETARIAL AUDIT REPORT

To
The Members
Shiva Cement Limited
P-25, Civil Township
Rourkela-769004. Odisha

My report of even date is to be read along with this letter :

1. Maintenance of secretarial record 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.

for PRAKASH SAHOO & ASSOCIATES
Company Secretaries

Sd/-

(Prakash Chandra Sahoo)

Proprietor

M.No. : FCS 7253

C.P. No. : 7917

Place : Rourkela
Date : 18.04.2017

Annexure - B To The Directors' Report

FORM - A [See Rule - 2]

Form for Disclosure of Particulars with respect to Conservation of Energy

A. Power and Fuel Consumption

Particulars	31/03/2017	31/03/2016
1. Electricity		
a) Purchased		
Units (in Thousand)	5912.19	8258.45
Total amount (in Thousand)	40577.58	52614.84
Rate/Unit (including DPS)	6.86	6.37
b) Own Generation		
i) Through Diesel Generator		
Units (in Thousand)	30.41	28.68
Cost/Unit (Rs.)	26.23	28.44
ii) Through Steam Turbines Generator		
Units	N.A	N.A
Unit per Ltr. for Fuel oil Gas		
Cost/Unit.		
2. Coal		
Quantity (in Mt)	8981.00	15274.00
Total Cost (Rs. in Thousand)	36933.55	51425.01
Average Rate (Rs. Per Mt)	4112.41	3366.83
3. Diesel Oil		
Quantity (in K. Ltr)	83.08	107.52
Total Cost (Rs. in Thousand)	4437.04	4868.81
Average Rate (Rs. Per Litre)	53.41	45.28
4. Other/Internal Generation		
Quantity (in Mt)		
Total Cost (Rs. in Thousand)	N.A	N.A
Average Rate (Rs.)		
Consumption per unit of production (Cement & Surplus clinker)		
Particulars	Standards if any	
PowerUnitsPer Ton		Current Year
		110.53
		Previous Year
		91.27
CoalCons.(%)		16.70%
		16.82%

Reasons for variation in consumption of power & fuel from previous year:

- Power units per ton has gone up due to frequent stoppage of plant and idle running of machineries.
- Coal consumption percentage has remained almost same with minor reduction, but fuel consumption in terms of Kcal/Kg has gone up due to use of high calorific value imported coal. For which average rate of coal has gone up.

FORM - B [See Rule - 2]

Form for Disclosure of Particulars with respect to technology absorption research and development (R&D) for the year ended 31/03/2017

A. Research & Development (R & D)	
❖ Specific areas in which R & D carried out by the Company	No specific work
❖ Benefits derived as a result of the above R & D	No specific Benefits
❖ Future Plan of action	To continue efforts on reducing clinker, power and fuel consumption.
❖ Expenditure on R & D	No specific expenditure incurred on R & D
a) Capital	
b) Recurring	
c) Total	
d) Total R & D expenditure as a percentage of total turnover Technology absorption, adaptation and innovation	
B. Foreign Exchange Earnings Outgo	NIL
C. Technology Absorption, Adoption & Innovation	NIL



Form No. MGT-9 (Annexure-C)
Extract of Annual Return

as on the financial year ended on 2016-17

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

1. Registration and Other Details:	
CIN	L26942OR1985PLC001557
Registration Date	12/08/1985
Name of the Company	Shiva Cement Limited
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered office and contact details	P-25, Civil Township, Roukela-7690004 Tele Phone: 0661-2400828, 2400168
Whether listed Company (YES/NO)	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	NICHE TECHNOLOGIES PRIVATE LIMITED CIN:U74140WB1994PTC062636 D-511, Bagree Market, 5th Floor, B.R.B. Basu Road, Kolkatta-700001 Ph. No. 033 2234-3576, 2235-7270/7271 Fax: 03322156823, Email: nichetechpl@nichtechpl.com Website: www.nichetechpl.com

2. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	% to total turnover of the company
1.	CEMENT	80.6%
2.	OTHERS GOODS	19.1%

3. Particulars of Holding, Subsidiary and Associate Companies -

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate of the Company	% of shares held	Applicable Section
1.	Shivom Minerals Limited	U26941OR1999PLC005785	Associate Company	-	Section 2(6)
2.	Unicon Merchants Pvt. Ltd	U51909WB2003PTC097068	Associate Company	-	Section 2(6)

4. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
1. Indian									
a. Individuals/HUF	48850771	-	48850771	26.123	13975	-	13975	0.007	-26.116
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	20617021	-	20617021	11.025	-	-	-	-	-11.025
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total- A-(1)	69467792	-	69467792	37.149	13975	-	13975	0.007	-37.142
2. Foreign									
a. NRI Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total- A (2)	-	-	-	-	-	-	-	-	-
Total Share Holder of Promoters (1+2)	69467792	-	69467792	37.149	13975	-	13975	0.007	-37.142

B. PUBLIC SHAREHOLDING									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/ FI	-	206083	206083	0.110	-	206083	206083	0.106	-0.004
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Corporate	-	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub-Total-B (1)	-	206083	206083	0.110	-	206083	206083	0.106	-0.004
2. Non- Institution									
a. Body Corp.	62108992	40364	62149356	33.235	138944205	40364	138984569	71.274	38.039
b. Individual									
i. Individual Shareholders holding nominal share capital upto `2 lakh	41268907	625271	41894178	22.403	40715184	624036	41339220	21.200	-1.203
ii. Individual shareholders holding nominal share capital in excess of `2 Lakh	8756662	0	8756662	4.683	8419836	-	8419836	4.318	-0.365
C. OTHERS									
i) NRI (Rep)	-	-	-	-	835547	-	835547	0.428	0.428
ii) NRI (Non-Rep)	1368940	-	1368940	0.732	252564	-	252564	0.130	-0.602
iii) Foreign National	-	-	-	-	-	-	-	-	-
iv) OCB	-	-	-	-	-	-	-	-	-
v) Trust	1100	618	1718	0.001	1100	618	1718	0.001	0.000
vi) In Transit	-	-	-	-	-	-	-	-	-
vii) Clearing Members	3155271	-	3155271	1.687	4946488	-	4946488	2.537	0.850
Sub-Total-B (2)	116659872	666253	117326125	62.741	194114924	665018	194779942	99.887	37.146
Net Total (1+2)	116659872	872336	117532208	62.851	194114924	871101	194986025	99.993	37.142
Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	186127664	872336	187000000	100.00	194128899	871101	195000000	100.00	-

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Change in Shareholding During the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	R. P. Gupta	7508109	4.015	-	13447	0.007	-	-4.008
2	Akash Gupta	10989444	5.877	9.100	-	-	-	-5.877
3	Preeti Gupta	9201500	4.921	-	-	-	-	-4.921
4	R.P. Gupta (HUF)	1652293	0.884	-	-	-	-	-0.884
5	Shilpi Gupta	2278027	1.218	-	-	-	-	-1.218
6	Sudha Gupta	13447	0.007	-	-	-	-	-0.007
7	Ramesh Kumar Gupta	110	0.000	-	110	0.000	-	-
8	Sanjay Agarwal	418	0.000	-	418	0.000	-	-
9	Vikash Gupta	8042672	4.301	-	-	-	-	-4.301
10	Anubha Gupta	5275120	2.821	-	-	-	-	-2.821



11	Sonu Gupta	3889631	2.080	-	-	-	-	-2.080
12	Unicon Merchants Pvt Ltd	20617021	11.025	-	-	-	-	-11.025
	Total	69467792	37.149	1.440	13975	0.007	0.000	-37.142

iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Sl. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	R P GUPTA	7508109	4.015	20/01/17	Transfer	-7494662	3.843	13447	0.007
2	AKASH GUPTA	10989444	5.877	20/01/17	Transfer	10989444	5.636	-	-
3	PREETI GUPTA	9201500	4.921	27/01/17	Transfer	-9201500	4.719	-	-
4	R P GUPTA (HUF)	1652293	0.884	20/01/17	Transfer	-1652293	0.847	-	-
5	SHILPI GUPTA	2278027	1.218	03/03/17	Transfer	-2278027	1.168	-	-
6	SUDHA GUPTA	13447	0.007	20/01/17	Transfer	-13447	0.007	-	-
7	RAMESH KUMAR GUPTA	110	0.000	No Changes	-	-	-	110	0.000
8	SANJAY AGARWAL	418	0.000	No Changes	-	-	-	418	0.000
9	VIKASH GUPTA	8042672	4.301	20/01/17	Transfer	-8042672	4.124	-	-
10	ANUBHA GUPTA	5275120	2.821	20/01/17	Transfer	-5275120	2.705	-	-
11	SONU GUPTA	3889631	2.080	06/01/17	Transfer	-3889631	1.995	-	-
12	UNICON MERCHANTS PVT. LTD.	20617021	11.025	20/01/17	Transfer	-20617021	10.573	-	-

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ACC Limited	23650000	12.647	10/03/2017	Sale	23650000	12.128	0	0.000
				31/03/2017	At the end of the year				
2	Anubha Investments Private Limited	4448494	2.379	05/08/2016	Sale	62999	0.032	4385495	2.249
				12/08/2016	Sale	198911	0.102	4186584	2.147
				19/08/2016	Sale	83385	0.043	4103199	2.104
				09/09/2016	Sale	200000	0.103	3903199	2.002
				07/10/2016	Sale	490000	0.251	3413199	1.750
				27/01/2017	Purchase	28333500	1.453	6246699	3.203
				03/02/2017	Sale	2408500	1.235	3838199	1.968
				24/02/2017	Sale	400000	0.205	3438199	1.763
				03/03/2017	Sale	400000	0.205	3038199	1.558
				10/03/2017	Sale	3000000	1.538	38199	0.020
3	Bajrang Engineers Private Limited	3462185	1.851	24/02/2017	Purchase	125	0.000	3462310	1.776
				24/03/2017	Purchase	15923	0.008	3478233	1.784
				31/03/2017	At the end of the year		3478233	1.784	
4	Hanurang Projects Private Limited	3573500	1.911	05/08/2016	Sale	2500	0.001	3571000	1.831
				12/08/2016	Sale	58739	0.030	3512261	1.801
				30/09/2016	Sale	100000	0.051	3412261	1.750
				07/10/2016	Sale	302748	0.155	3109513	1.595
				14/10/2016	Sale	298544	0.153	2810969	1.442
				28/10/2016	Sale	415000	0.213	2395969	1.229
				06/01/2017	Sale	111488	0.057	2284481	1.172
				13/01/2017	Sale	455870	0.234	1828611	0.938



Sl. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
				20/01/2017	Sale	177668	0.091	1650943	0.847
				27/01/2017	Sale	496000	0.254	1154943	0.592
				17/02/2017	Sale	1150000	0.590	4943	0.003
				31/03/2017	At the end of the year			4943	0.003
5.	Karvy Stock Broking Limited	1484557	0.794	31/03/2016	Transfer	-1484557	0.794	0	0.000
				22/04/2016	Transfer	1396454	0.747	1396454	0.716
				29/04/2016	Transfer	-5200	0.003	1391254	0.713
				06/05/2016	Transfer	-4377	0.002	1386877	0.711
				13/05/2016	Transfer	-44517	0.024	1342360	0.688
				27/05/2016	Transfer	-3300	0.002	1339060	0.687
				03/06/2016	Transfer	198500	0.106	1537560	0.788
				10/06/2016	Transfer	500	0.000	1538060	0.789
				17/06/2016	Transfer	28752	0.015	1566812	0.803
				24/06/2016	Transfer	-9710	0.005	1557102	0.799
				01/07/2016	Transfer	-23713	0.012	1533389	0.786
				08/07/2016	Transfer	-89330	0.046	1444059	0.741
				15/07/2016	Transfer	550	0.000	1444609	0.741
				22/07/2016	Transfer	-17116	0.009	1427493	0.732
				29/07/2016	Transfer	-6880	0.004	1420613	0.729
				05/08/2016	Transfer	-687374	0.352	733239	0.376
				12/08/2016	Transfer	249095	0.128	982334	0.504
				19/08/2016	Transfer	-3370	0.002	978964	0.502
				26/08/2016	Transfer	300	0.000	979264	0.502
				02/09/2016	Transfer	-3000	0.002	976264	0.501
				09/09/2016	Transfer	-2189	0.001	974075	0.500
				16/09/2016	Transfer	1482	0.001	975557	0.500
				23/09/2016	Transfer	-4200	0.002	971357	0.498
				30/09/2016	Transfer	7613	0.004	978970	0.502
				07/10/2016	Transfer	298701	0.153	1277671	0.655
				14/10/2016	Transfer	17723	0.009	1295394	0.664
				21/10/2016	Transfer	20703	0.011	1316097	0.675
				28/10/2016	Transfer	458151	0.235	1774248	0.910
				04/11/2016	Transfer	-1200380	0.616	573868	0.294
				11/11/2016	Transfer	-9159	0.005	564709	0.290
				18/11/2016	Transfer	-49500	0.025	515209	0.264
				25/11/2016	Transfer	-12622	0.006	502587	0.258
				02/12/2016	Transfer	-502587	0.258	0	0.000
				09/12/2016	Transfer	495894	0.254	495894	0.254
				16/12/2016	Transfer	-879	0.000	495015	0.254
				23/12/2016	Transfer	-36181	0.019	458834	0.235
				31/12/2016	Transfer	-25184	0.013	433650	0.222
				06/01/2017	Transfer	4200	0.002	437850	0.225
				13/01/2017	Transfer	20465	0.010	458315	0.235
				20/01/2017	Transfer	2833	0.001	461148	0.236
				27/01/2017	Transfer	-720	0.000	460428	0.236
				03/02/2017	Transfer	-8503	0.004	451925	0.232
				10/02/2017	Transfer	-6200	0.003	445725	0.229



				17/02/2017	Transfer	-170045	0.087	275680	0.141
				24/02/2017	Transfer	-3851	0.002	271829	0.139
				03/03/2017	Transfer	-15225	0.008	256604	0.132
				10/03/2017	Transfer	5984	0.003	262588	0.135
				17/03/2017	Transfer	-3824	0.002	258764	0.133
				24/03/2017	Transfer	-11860	0.006	246904	0.127
				31/03/2017	Transfer	-659	0.000	246245	0.126
				31/03/2017	At the end of the year			246245	0.126
6.	Harsh Vanijya Private Limited	0	0.000	06/12/2016	Allotment	8000000	4.103	8000000	4.103
				31/03/2016	At the end of the year			8000000	4.103
7.	JSW Cement Limited	0	0.000	03/02/2017	Purchase	2583989	1.325	2583989	1.325
				24/02/2017	Purchase	240000	0.123	2823989	1.448
				03/03/2017	Purchase	69863817	35.828	72687806	37.276
				10/03/2017	Purchase	23650000	12.128	96337806	49.404
				31/03/2017	At the end of the year			96337806	49.404
8.	Reynold Traders Private Limited	0	0.000	03/02/2017	Purchase	1800000	0.923	1800000	0.923
				31/03/2017	At the end of the year			1800000	0.923
9.	Khatu Sponge Private Limited	1731500	0.926	25/11/2016	Sale	200000	0.103	1531500	0.785
				02/12/2016	Sale	85000	0.044	1446500	0.742
				16/12/2016	Sale	50000	0.026	1396500	0.716
				27/01/2017	Sale	1246500	0.639	150000	0.077
				03/02/2017	Sale	50000	0.026	100000	0.051
				03/03/2017	Sale	50000	0.026	50000	0.026
				31/03/2017	At the end of the year			50000	0.026
10	Samarth Commodities Merchants Pvt. Ltd.	6506136	3.479	15/04/2016	Sale	159550	0.085	6346586	3.255
				22/04/2016	Purchase	99550	0.053	6446136	3.306
				27/05/2016	Sale	300000	0.160	6146136	3.152
				01/07/2016	Sale	416213	0.213	5729923	2.938
				15/07/2016	Sale	26145	0.013	5703778	2.925
				22/07/2016	Sale	254936	0.131	5448842	2.794
				29/07/2016	Sale	392333	0.201	5056509	2.593
				05/08/2016	Sale	410000	0.210	4646509	2.383
				12/08/2016	Sale	259300	0.133	4387209	2.250
				19/08/2016	Sale	4387209	2.250	0	0.000
				30/09/2016	Purchase	4123263	2.114	4123263	2.114
				28/10/2016	Sale	399081	0.205	3724182	1.910
				11/11/2016	Purchase	5000	0.003	3729182	1.912
				31/12/2016	Sale	35000	0.018	3694182	1.894
				06/01/2017	Sale	19512	0.010	3674670	1.884
				13/01/2017	Sale	76000	0.039	3598670	1.845
				20/01/2017	Purchase	9703	0.005	3608373	1.850
				03/02/2017	Sale	1649703	0.846	1958670	1.004
				10/02/2017	Sale	127000	0.065	1831670	0.939
				24/02/2017	Purchase	1600000	0.821	3431670	1.760
				03/03/2017	Sale	522181	0.268	2909489	1.492
				10/03/2017	Sale	300000	0.154	2609489	1.338
				24/03/2017	Purchase	1000000	0.513	3609489	1.851
				31/03/2017	At the end of the year			3609489	1.851
11	Splendor Power Limited	4582671	2.451	17/02/2017	Sale	1150000	0.590	3432671	1.760
				03/03/2017	Sale	1000000	0.513	2432671	1.248



				31/03/2017	At the end of the year		2432671	1.248	
12	ShavariaTradecomPvt Ltd	821536	0.439	19/08/2016	Sale	821536	0.421	0	0.000
				30/09/2016	Purchase	771536	0.396	771536	0.396
				27/01/2017	Purchase	550000	0.282	1321536	0.678
				03/02/2017	Sale	290000	0.149	1031536	0.529
				31/03/2017	Purchase	2903365	1.489	3934901	2.018
				31/03/2017	At the end of the year		3934901	2.018	
13	MahamayaCommtrade Private Limited	2333500	1.248	27/01/2017	Sale	2333500	1.197	0	0.000
				31/03/2017	At the end of the year		0	0.000	
14	Mangala Subhash Rathod	2253752	1.205	15/07/2016	Purchase	352143	0.181	2605895	1.336
				02/12/2016	Sale	2270244	1.164	335651	0.172
				09/12/2016	Purchase	2070244	1.062	2405895	1.234
				06/01/2017	Purchase	164906	0.085	2570801	1.318
				24/03/2017	Purchase	15000	0.008	2585801	1.326
				31/03/2017	At the end of the year		2585801	1.326	
15	Rajasthan Global Securities Private Limited	0	0.000	13/01/2017	Purchase	513755	0.263	513755	0.263
				20/01/2017	Purchase	2510849	1.288	3024604	1.551
				27/01/2017	Purchase	419051	0.215	3443655	1.766
				10/02/2017	Purchase	914382	0.469	4358037	2.235
				17/02/2017	Purchase	637791	0.327	4995828	2.562
				24/02/2017	Purchase	341603	0.175	5337431	2.737
				03/03/2017	Purchase	1637064	0.840	6974495	3.577
				10/03/2017	Purchase	572175	0.293	7546670	3.870
				17/03/2017	Purchase	6162	0.003	7552832	3.873
				31/03/2017	At the end of the year		7552832	3.873	

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Rajendra Prasad Gupta	7508109	4.015	20/01/2017	Sale	7494662	3.843	13447	0.007
				31/03/2017	At the end of the year		13447	0.007	
2	Akash Gupta	10989444	5.877	20/01/2017	Sale	10989444	5.636	0	0.000
				31/03/2017	At the end of the year		0	0.000	
3	Preeti Gupta	9201500	4.921	27/01/2017	Sale	9201500	4.719	0	0.000
				31/03/2017	At the end of the year		0	0.000	
4	Kashi Prasad Jhunjunwala	8800	0.005		No Change		8800	0.005	
					At the end of the year		8800	0.005	

vi) Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4471.47	--	270.63	4742.10
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	39.65	--	--	39.65
Total (i+ii+iii)	4511.12	--	270.63	4781.75
Change in Indebtedness during the financial year				
• Addition	853.37	2107.70	--	2961.07
• Reduction	4.89	--	51.69	56.58
Net Change	848.48	2107.70	51.69	2904.49
Indebtedness at the end of the financial year				
i) Principal Amount	5324.84	2107.70	218.94	7651.48
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	34.76	--	--	34.76
Total (i+ii+iii)	5359.60	2107.70	218.94	7686.24

vii) Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Directors and/or Manager : (Rs. In Lakh)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Sri R P Gupta Managing Director	Akash Gupta Whole Time Director	Manager	
1.	Gross salary (Rs. In Lakh)				
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (per annum)	15.00	8.49	--	23.49
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	15.00	8.49	-	23.49
	Ceiling as per the Act	-	-	-	-

B. Remuneration to other directors: (Rs. In Lakh)

S. No.	Particulars of Remuneration	K P Jhunjunwala	Mahendra Singh	D K Senapati	B K Mangaraj	Total Amount
1	3. Independent Directors					
	• Fee for attending board / committee meetings	0.45	0.25	0.10	0.05	0.85
	• Commission					
	• Others, please specify					
2	Total(1)	0.45	0.25	0.10	0.05	0.85
3	4. Other Non-Executive Directors					
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify					
4	Total (2)	-	-	-	-	
5	Total (B)=(1+2)	0.45	0.25	0.10	0.05	0.85
6	Total Managerial Remuneration	0.45	0.25	0.10	0.05	0.85
7	Overall Ceiling as per the Act	-	-	-	-	

C. Remuneration To Key Managerial Personnel Other Than Md / Manager / Wtd :

Sandeep Pattnaik CS. Rs. 0.30 Lakh

 viii) Penalties / Punishment/ Compounding Of Offences: **None**

Corporate Governance Disclosure

During the year ended 31/03/2017, in compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said Clause and practice followed by the Company.

◆ Company's Philosophy on Corporate Governance

Company's philosophy on corporate governance envisages the continuous improvement in transparency, accountability and equity, in all facets of its operations, and in all interactions with its stakeholders, including the shareholders, employees, government and lenders.

Company is committed to continuous improvement of standards of corporate governance.

Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder's value, over a sustained period of time.

◆ Board of Directors

Board of Directors consist of one Promoter directors at present (one Managing Director), Three non executive independent directors, one non executive Nominee director representing IPICOL as lenders, and two non executive additional directors.

The Independent Directors on the Board are experienced, competent and highly renowned persons from their respective fields. The Independent Directors take active part at the Board and committee Meeting which add value in the decision making process of the Board of Directors.

The Composition of the Board of Directors is in conformity with the Corporate Governance Code. The composition as on 31st March, 2017 and brief resume of each Director is given below:-

Mr. Rajendra Prasad Gupta (Managing Director) :- He is an Industrialist and is one of the promoter of Shiva Cement Ltd, he has graduate engineer having 44 years business experience and more than 31 years in the cement industry. He was present Vice Chairman of Western Zone of OASME (Orissa Assembly of Small & Medium Enterprises). He was Vice President of All India Mini Cement Plant Association, Hyderabad. He is an Executive adviser to OJC (Orissa, Chhatisgarh, Jharkhand) Chamber of Commerce. His inputs and guidance in the strategies for Company's growth ever since he was taken on the Board have been immense valuable.

Mr. B. K. Mangaraj :- He is a post Graduate Engineer having more than 34 years experience in the Mining of Limestone & other Minerals and more than 17 years experience in operation of Cement Plant. He was also awarded by the President of India in past. He has also worked with TISCO, and BSL (SAIL subsidiary) in past.

Mr. D. K. Senapati :- He is a B E and working in IPICOL. The Financial Institution has nominated him as director on the Board of the Company.

Mr. K. P. Jhunjhunwala :- He is a post Graduate Engineer having more than 47 years of experience in various business. He is one of the prominent industrialist in Orissa who has headed several large corporates.

Mr. Mahendra Singh :- He is B.E (Electrical) with Master degree in Management having more than 38 years of experience in various business fields.

Mr. Manoj Kumar Rustagi :- He is a Mechanical Engineer and MBA with 20 years of experience in corporate strategy & planning, project management and various strategic initiatives for cost reduction, operations improvement and de-bottlenecking.

Mr. Narinder Singh Kahlon :- Mr. Narinder is a Chartered Accountant with 20 years of proven track record in Financial Accounting, Auditing, central Excise & custom Laws, Sales tax including VAT, Direct taxes, FEMA, Costing, Budgeting & Working Capital Management.

During the year the Board met 10 times (as against the minimum requirement of 4 meetings) on the following dates namely **24/05/2016, 30/05/2016, 13/08/2016, 31/08/2016, 12/11/2016, 06/12/2016, 10/01/2017, 14/01/2017, 13/02/2017 and 28/02/2017.**

The maximum time gap between any two meetings was not more than three calendar months. The following table gives details of directors, attendance of directors at the Board meetings and at the last Annual General Meeting, number of memberships held by directors in the Board/ Committees and in other Companies :

Name	Category	Attendance Particulars		Number of other Directorship and Committee Member/ Chairmanships		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
R.P. Gupta	MD	10	Yes	1	1	1
Akash Gupta*	ED	10	Yes	1	1	-
B.K. Mangaraj	NED	1	No	-	3	-
D. .K Senapati	NED	2	No	-	-	-
K. .P Jhunjhunwala	NED	9	No	1	-	2
Preeti Gupta**	NED	10	Yes	-	-	-
Mahendra Singh	NED	5	No	-	-	-
M K Rustagi***	AD	-	-	-	-	-
N S Kahlon***	AD	-	-	-	-	-

MD : Managing Director, ED : Executive Director, NED : Non Executive Director. AD : Additional Director

*resigned on w.e.f. 10/03/2017, **resigned w.e.f 01/03/2017, *** Appointed w.e.f. 28/02/2017.

Audit Committee

The Audit Committee constituted by the Board of Directors of the Company consist of 3 (Three) directors, namely Sri K. P. Jhunjhunwala, Chairman, Sri B.K. Mangaraj and Sri Mahendra Singh as other members. The constitution of Audit committee also meets with the requirements of Section 177 of the Companies Act, 2013.

During the year Four Audit Committee meetings were held on the following dates including before finalisation of accounts and adoption of quarterly financial results by the Board i.e. 30/05/2016, 12/08/2016, 12/11/2016 & 13/ 02/2017.

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement. They are as follows :-

- ◆ Oversight of the Company's financial reporting process and the disclosure of its financial information.
- ◆ Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ◆ Reviewing with management the annual financial statements before submission to the Board, focussing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgement by management (iii) qualifications in draft audit report (iv) significant adjustments arising out of audit (v) the going concern assumption (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.
- ◆ Reviewing with the management, external auditors and the adequacy of internal control systems.
- ◆ Reviewing the adequacy of internal audit functions.
- ◆ Discussion with internal audit department any significant findings and follow up thereon.
- ◆ Reviewing the findings of any internal investigations by the internal audit department into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- ◆ Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- ◆ Reviewing the company's various financial and risk management policies.
- ◆ To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors.

Remuneration Committee

The Remuneration Committee of the Company comprises of 3(Three) directors, namely Sri K P Jhunjhunwala as Chairman, and Sri B. K. Mangaraj and Sri R. P. Gupta as other members of the said committee.

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/Whole time directors. During the year the remuneration committee has met twice.

Remuneration to Directors

Sri R.P. Gupta	Managing Director	Rs.125,000/- pm
Sri Akash Gupta	Executive Director	Rs. 75,000/- pm upto 10/03/2017

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

As per terms of appointment no remuneration is paid to Nominee & Independent directors.

The Company pays sitting fees only to Independent Directors at the rate of Rs. 5000/- for each meeting attended. Sitting fee paid to them for the year ended 31st March, 2017 is as follows :-

Sri K. P. Jhunjhunwala	Rs. 45000/-
Sri Mahendra Singh	Rs. 25000/-
Sri D K Senapati	Rs. 10000/-
Sri B K Mangaraj	Rs. 5000/-

Shareholders'/Investors' Grievance Committee

The Committee comprises of Sri R. P.Gupta, Chairman, Sri B.K. Mangaraj and Sri Akash Gupta. Sri Akash Gupta has resigned w.e.f. 10th March 2017. The Committee interalia, approves issue of duplicate certificates and oversees and reviews all matters connected with the share transfers. The Committee also looks into redressing of shareholders'/ investors' complaints like transfer of shares, non receipt of balance sheet, non receipt of dividends, etc.

The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement

of the quality of investor services. The Board of Directors have delegated the power for approving transfer of shares to Share Transfer committee constituted of members i.e. Sri R. P. Gupta, Managing Director, Sri B. K. Mangaraj, Director, and Sri Akash Gupta, Executive Director. Sri Akash Gupta has resigned w.e.f. 10th March 2017.

A statistical overview of the working of the Share department and Shareholder's queries/complaints resolved during the year is given below:-

Activity	Received	Replied	Pending
Transfers effected	8	8	--
Transmission effected	--	--	--
Demat requests confirmed-NSDL & CDSL	54	54	--
Remat Request	--	--	--

Queries/Complaints resolved :

Activity	Received	Replied	Pending
Non receipt of share certificates after transfer/sub-division, consolidation etc.	—	—	—
Change of Address	5	5	—

◆ **General Body Meeting**

The last three Annual General Meetings of the Company were held as under :-

Year	Location	Date	Time
31/03/2014	P-25, Civil Township, Rourkela-4	10.12.2014	11.00 AM
31/03/2015	P-25, Civil Township, Rourkela-4	28.12.2015	11.00 A M
31/03/2016	P-25, Civil Township, Rourkela-4	25.11.2016	11.00 A M

Note : During the year under review, no postal ballots voting was exercised in your company

◆ **Disclosure :**

Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interests of the Company.

Details of non-compliance by the company, penalties, strictures imposed on the company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. -NIL-

◆ **Accounting Treatment**

There is no material departures from the Accounting Standard as applicable to the Company.

◆ **Risk Management**

The Company has formulated a process for identifying the risks associated with the Company. The Board shall periodically review in that framework to ensure that risks had been properly assessed.

◆ **Vigil Mechanism/Whistle Blower policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

◆ **Related Party transactions disclosure**

Audit Committee has reviewed the financial and approved the related party transactions. All these transactions are in arm length basis.

◆ **Means of Communication**

The Company's financial results (Quarterly, half-yearly and annual) are communicated to shareholders through newspaper advertisements issued in Business Standard (English, Bhubaneswar) and Sambad/ Samaja (Oriya, Rourkela) within 24 hours of adoption thereof by the Board. The same are also circulated to Stock Exchanges where the shares of the Company are listed within 30 minutes of adoption thereof.

◆ **General Shareholder information**

a) **AGM programme :**

AGM date and time	21st September 2017 at 11:30 A.M.
Venue	Hotel Mantra Palace, Panposh Road, Next to Reliance Digital, Rourkela, Odisha
Book closure	15th September 2017 to 21st September 2017 (both the days inclusive)
Equity shares listed at	Bombay Stock Exchange Ltd & Calcutta Stock Exchange

b) **Financial Calendar 2017-18 (tentative)**

Annual General Meeting : September, 2018

Board Meetings

Results for the quarter ending June 30,2017	Second Week of Aug '17
Results for the quarter ending Sep 30,2017	Second Week of Nov'17
Results for the quarter ending Dec 31,2017	Second Week of Feb '18
Results for the quarter ending Mar 31,2018	Second Week of May'18

- c) i) **Scrip Code:** Calcutta Stock Exchange 10029983
 ii) **Demat ISIN Numbers in NSDL & CDSL** Bombay Stock Exchange 532323
 Equity Shares INE555C01029

(Note: Annual listing fees for the year 2016-17 have been duly paid to Stock Exchanges)

d) **Stock Market Data:**

Monthly high and low prices of the Company scrip during the year on the Bombay Stock Exchange Limited :

Month	BSE				
	High	Low	Cl. price	No. of Shares Traded	Total Turnover (Rs. Lacs)
Apr 16	6.43	5.20	5.57	3022307	181.56
May 16	6.42	5.36	5.60	2459058	141.60
Jun 16	6.30	4.60	5.78	3926769	218.42
Jul 16	6.51	4.84	6.41	6071146	350.68
Aug 16	8.09	6.21	7.42	15248927	1113.34
Sep 16	8.25	6.15	6.94	8180975	604.21
Oct 16	11.80	6.20	10.60	26125566	2465.67
Nov 16	10.95	7.30	10.09	8366656	765.25
Dec 16	12.20	9.00	11.99	9929739	1079.82
Jan 17	15.58	11.75	15.58	31081169	4317.70
Feb 17	18.50	16.00	17.35	20975936	3503.84
Mar 17	19.15	17.00	19.15	11944475	2246.00

- e) **Registrar and Transfer Agents :** **Niche Technologies (P) Ltd.**

D/511, Bagree Market
 71, BRBB Road, 5th Floor,
 Kolkata - 700 001

1. **Share Transfer system :**

The Company has, as per SEBI guidelines offered the facility of transfer cum demat. Under the said system, after the share transfer is effected, an option letter is sent to the transferee indicating the details of the transferred shares and requesting him in case he wishes to demat the shares, to approach a Depository Participant (DP) with the option letter. The DP, based on the option letter, generates a demat request and sends the same to the Registrar along with the option letter issued by the Company. On receipt of the same, the Registrar dematerialise the shares. In case the transferee does not wish to dematerialise the shares, he need not exercise the option and the Company will despatch the share certificates after 15 days from the date of such option letter.



2. Dematerialisation of shares :

The Company's equity shares are admitted as eligible securities on National Securities Depository Ltd. and Central Depository Services (I) Ltd. under ISIN No. INE555C01029. As on 31st March, 2017, 194128899 equity shares representing 99.55% of the total paid up share capital of the Company are held by shareholders in electronic form.

Distribution of Shareholding

Category(No. of shares)	No. of Folios	%	No. of Shares	%
1-500	21808	61.52	2760862	1.42
501-1000	5162	14.56	3598859	1.84
1001- 5000	6777	19.12	13550932	6.95
5001- 10000	878	2.48	6412854	3.29
10001- 50000	679	1.91	14234735	7.30
50001- 100000	75	0.21	5198158	2.67
100001 & above	70	0.20	149243600	76.53
Total	35449	100.00	195000000	100.00

Shareholding Pattern

Category	No. of Shares	% of holdings
Promoters & Promoters Group	13975	0.01
Financial Institutions & Banks	206083	0.10
NRI	1088111	0.56
Bodies Corporate	138984569	71.27
Public	49759056	25.52
Others(Clearing Member/Trusts)	4948206	2.54
Total	195000000	100.00

Note : JSW Cement Ltd is holding 96337806 no. of shares which is included in the Bodies Corporate category.

- i) **Plant Location** : Village: Telighana, Post : Biringatoli, Via - Kutra
Dist. Sundargarh (Orissa)
- ii) **Address for Investor Correspondence** : 1. The Share Department, Shiva Cement Limited, YY-5, Civil Township, Rourkela - 769004 (Old Address - Shiva Cement Limited, P - 25, Civil Township, Rourkela - 769004).
2. M/s. Niche Technologies (P) Ltd. Unit - SCL
D/511, Bagree Market, 5th floor,
71, BRBB Road, Calcutta - 1.
- iii) **Any query on Annual Report** : The Share Department
Shiva Cement Limited,
YY-5, Civil Township,
Rourkela - 769004.

Declaration regarding Code of Conduct

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

FOR SHIVA CEMENT LIMITED

Rourkela - 769 004

Date : 04th August 2017

Sd/-
(Managing Director)

**CFO Certification**

To

The Board of Directors of Shiva Cement Limited

We have reviewed the financial statements, read with the cash flow statement of Shiva Cement Limited for the year ended 31st March 2017 and that to the best of our knowledge and belief, we state that ;

- ◆ (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- ◆ There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- ◆ We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- ◆ We have indicated to the Auditors and the Audit Committee;
 - (i) significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Shiva Cement Limited

Rourkela-769 004

The 04th August, 2017

Sd/-
(Managing Director)

Compliance Certificate on Corporate Governance

To

The Board of Directors of Shiva Cement Limited

I have examined the compliance of conditions of Corporate Governance by Shiva Cement Limited for the year ended 31st March, 2017 as stipulated in the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation there of, adopted by the company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, i certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

I 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.

for PRAKASH SAHOO & ASSOCIATES

Company Secretaries

Sd/-

(Prakash Chandra Sahoo)

M.No. : FCS 7253

C.P. No. : 7917

Proprietor

Place : Rourkela

Dated: 04th August, 2017

INDEPENDENT AUDITORS' REPORT

To The Members of
SHIVA CEMENT LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Shiva Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers Internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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.

Basis for Qualified Opinion

- 1) The company is prima facie, not eligible to accept public deposits under the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 and has not complied with all provisions thereof. In the previous years, the company had obtained expert opinion pertaining to net worth criteria for accepting, holding & renewing deposits; that does not hold good in this year considering net-worth erosion. However, there is no overdue as on 31st March-2017. Management informed that, there will be no further renewal and entire deposits will be refunded on due dates.
- 2) The Company has defaulted in the repayment of installments relating to redemption of preference shares of Rs. 54.40 lacs. We have been informed that the management has approached the preference shareholders for deferment of overdue installments.
- 3) The Company has defaulted in the repayment of term loan installments and interest of Rs.662.91lacs due to banks and financial institutions. It includes the term loan of Canara Bank amounting to Rs.490.41 Lakhs which due to default in repayment has been treated as Non-performing Assets by the Bank and has been recalled. We have been informed that the management has approached the Bankers for rescheduling/settlement of their dues and the same is under consideration with Bank. The Company has provided interest at the document rate after becoming NPA from June 2016 to March 2017 amounting to Rs.51.87 Lakhs.
- 4) The Company has changed the basis of Amortization of deferred revenue expenses and written off entire amount of opening balance of Rs.39.62 lakhs. The expenses of non-revenue nature incurred during the year amounting to Rs.364.00 Lakhs has been charged to profit & loss account.
- 5) The Company had already written off dues amounting to Rs.422.09 Lakhs of ACC Ltd due to ongoing claims and disputes with them during the 3rd quarter after discussion at Board level. However the representative of new management disagreed with the same and has written back during the last quarter of the year in the accounts.
- 6) The interest on statutory dues provided during the year amounting to Rs.182.14 lakhs relating to prior period up to FY 2015-16 has been reflected as Prior period items in the Profit & Loss account.
- 7) The company was irregular in deposit of statutory dues during the year. Statutory dues amounting to Rs. 352.23lacs were outstanding for more than six months as at 31st March, 2017.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

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;

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.

The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

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";

With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

The Company has disclosed the impact of pending litigations, if any, on its financial position in its financial statements- Refer Note 28(1) to the financial statements;

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M.K. THEBARIA & ASSOCIATES**
Chartered Accountants
F.R.N: 321180E
Sd/-
(M K THEBARIA)
Partner
M. No. : 074746

Rourkela - 769 004
The 22nd day of April 2017

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT FOR 2016-17 of SHIVA CEMENT LIMITED

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (2) (a) The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained proper records of inventories and the discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.
- (3) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the act. Hence, provisions of clause 3 (iii) (a) to (c) are not applicable to the company for the year under the report
- (4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (5) The company had accepted public deposits during the year and the company is in compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder subject to our observation as mentioned in the Audit report.
- (6) The Central Government has prescribed maintenance of Cost Records under sub-Section (1) of Section 148 of the Companies Act, 2013 in respect of cement manufacturing activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that, prima facie, the prescribed accounts and 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.
- (7) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales-tax, wealth tax, duty of customs, duty of excise, cess and any other statutory dues with the appropriate authorities, except the following dues which were outstanding for a period of more than six months as at the balance sheet date



NATURE OF DUES	AMOUNT IN LAKH
Excise Duty Payable	130.00
Value Added Tax	221.60
Cess Duty payable	0.63
Total	352.23

As per information and explanation given to us and records examined, there are no dues of provident fund, employees' state insurance, Income tax, Service tax, duty of customs, duty of excise, and cess which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of Dues	Amount Under Dispute (Rs. Lakh)	Period to which the amount relates	From where the dispute is pending
Orissa Sales Tax Act	Sales Tax	126.72	1992-93 to 2004-05	Appellate Authority up to Commissioner's level
Orissa Sales Tax Act	Sales Tax	47.25	1995-96	High Court
Orissa Sales Tax Act	Sales Tax	5.63	2008-11	Additional Commissioner, Sales Tax, Sambalpur
Central Sales Tax Act	CST	3.28	1998-99 to 2004-05	Appellate Authority up to Commissioner's level
Orissa Entry Tax	Entry Tax	6.38	1990-00 to 2004-05	Appellate Authority up to Commissioner's level
Orissa Entry Tax	Entry Tax	2.94	2008-11	---do---
Central Excise	Excise	19.60	2005-10	CESTAT
Central Excise	Excise	3.62	2012-13	Commissioner Appeals, Central Excise- Bhubaneswar
Service Tax	Service Tax	9.61	2005-06	CESTAT
Income Tax	Income Tax	466.32	2014-15	Appellate Authority up to Commissioner's level

(8) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of dues to the following banks & financial institutions. The Company has not issued any debentures.

Banks/Financial Institution	Period of Default	Amount in Lakh
Canara Bank	Recalled	490.41
Tata Capital Financial Services Limited	Overdue	172.50
	Total	662.91

- (9) The company has raised new term loans during the year and the term loans outstanding at the beginning of the year were applied for the purposes for which they were raised. Further, the company has not raised moneys by way initial or further public offer (including debt instruments).
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) Based upon our observation, the company has provided the requisite disclosure with regard to holding as well as dealings in specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016 and are in accordance with the books of accounts maintained by the Company.
- 13) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) of the order are not applicable to the company.
- 14) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and as required by applicable accounting standard.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.
- 16) Based upon the audit procedures performed and 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. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 17) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **M.K. THEBARIA & ASSOCIATES**
Chartered Accountants
F.R.N: 321180E
Sd/-
(M K THEBARIA)
Partner
M. No. : 074746

Rourkela - 769 004
The 22nd day of April 2017



"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Shiva Cement Limited Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shiva Cement Limited ("the Company") as of March 31, 2017 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 Corporation considering 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. 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 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 timely preparation of reliable financial information, as required under the Companies Act, 2013.

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing 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 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of the assets of the Company; (2) 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 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 policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2017, based on the internal control over financial reporting criteria established by the Corporation 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.

For **M.K. THEBARIA & ASSOCIATES**

Chartered Accountants

F.R.N: 321180E

Sd/-

(M K THEBARIA)

Partner

M. No. : 074746

Rourkela - 769 004
The 22nd day of April 2017



BALANCE SHEET
(As at 31st March 2017)

[Amount in Rs.]

Particulars	Note No.	31/03/2017	31/03/2016
A EQUITY AND LIABILITIES			
Shareholder's Fund			
Share capital	2	412,659,065	396,894,398
Reserves and surplus	3	423,876,991	599,283,341
Money received against share warrants			15,000,000
		836,536,056	1,011,177,739
Non-current liabilities			
Long-term borrowings	4	307,600,000	210,311,724
Deferred tax liabilities (net)	27	(9,012,379)	79,302,642
Other long-term liabilities	5	57,303,086	66,955,472
Long-term provisions	6	11,979,957	10,863,299
		367,870,664	367,433,137
Current liabilities			
Short-term borrowings	7	199,978,806	219,999,504
Trade payables	8	8,917,740	33,945,217
Other current liabilities	9	421,031,508	193,567,899
Short-term provisions	10	7,357,965	6,356,499
		637,286,018	453,869,119
TOTAL		1,841,692,738	1,832,479,995
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	1,606,911,600	1,176,131,556
Capital work-in-progress		1,767,059	67,520,355
Intangible assets under development		-	4,571,544
		1,608,678,659	1,248,223,455
Non-current investments	12	6,500	6,500
Long term loans and advances	13	56,650,540	64,578,767
Other non-current assets	14	-	3,962,432
		56,650,540	68,541,199
Current assets			
Inventories	15	86,351,262	164,915,172
Trade receivables	16	12,412,261	153,817,933
Cash and cash equivalents	17	12,143,995	9,754,600
Short-term loans and advances	18	65,449,520	187,221,136
		176,357,039	515,708,841
TOTAL		1,841,692,738	1,832,479,995
Significant Accounting Policies Notes on Financial Statements	1 to 29		
As per our report of even date For M.K. THEBARIA & ASSOCIATES Chartered Accountants F.R.N: 321180E Sd/- (M K THEBARIA) Partner M. No. : 074746		For and on behalf of the Board of Directors Sd/- R P Gupta, MD DIN No. : 01325989 M K Rustagi (Director) DIN No. : 07742914	
Rourkela - 769 004 The 22nd day of April 2017			

STATEMENT OF PROFIT & LOSS

(For the year ended 31st March, 2017)

[Amount in Rs.]

Particulars	Note No.	31/03/2017	31/03/2016
INCOME			
Revenue from operations (gross)	19	263,006,793	783,419,780
Less: Excise duty & Taxes	19	43,303,528	106,772,794
Revenue from operations (net)		219,703,265	676,646,986
Other income	20	2,105,430	4,220,684
Total revenue (1+2)		221,808,695	680,867,670
Expenses			
(a) Cost of materials (Net)	21.a	96,248,880	424,010,470
(b) Changes in inventories	21.b	46,341,862	13,443,455
(c) Employee benefits expense	22	37,192,580	33,015,916
(d) Finance costs	23	66,290,308	36,313,246
(e) Depreciation and amortisation expense	24	64,533,010	53,964,246
(f) Other expenses	25	89,777,585	113,739,244
Total expenses		400,384,227	674,486,577
Profit before exceptional and extraordinary items and tax (3 - 4)		(178,575,532)	6,381,093
Exceptional items		110,954,164	-
Profit before extraordinary items and tax (5 + 6)		(289,529,695)	6,381,093
Extraordinary items		-	-
Profit before tax (7 + 8)		(289,529,695)	6,381,093
Tax expense :			
(a) Current tax expense		-	1,215,917
(b) (Less): MAT credit		-	(1,215,917)
(c) Interest on Income Tax		6,968,009	-
(d) Deferred tax		(88,315,021)	6,279,195
		(81,347,012)	6,279,195
Profit for the year (9 - 10)		(208,182,684)	101,898
Earnings per equity share of face value of Rs 2/- each			
(a) Basic (in Rs)	26	(1.07)	0.00
(b) Diluted (in Rs)	26	(1.07)	0.00
Significant Accounting Policies			
Notes on Financial Statements	1 to 29		

As per our report of even date
For **M.K. THEBARIA & ASSOCIATES**
Chartered Accountants
F.R.N: 321180E
Sd/-
(M K THEBARIA)
Partner
M. No. : 074746

For and on behalf of the Board of Directors
Sd/-
R P Gupta, MD
DIN No. : 01325989
M K Rustagi (Director)
DIN No. : 07742914

Rourkela - 769 004
The 22nd day of April 2017



CASH FLOW STATEMENT				
(For the year ended 31st March, 2017)				
Particulars	31/03/2016		31/03/2015	
	Amount in Rs	Amount in Rs	Amount in Rs	Amount in Rs
A. Cash flow from operating activities :				
Net Profit before extraordinary items and tax		(178,575,532)		6,381,093
<i>Adjustments for :</i>				
Depreciation and amortisation	64,533,010		53,964,246	
Finance costs	66,290,308		36,313,246	
Interest on Income Tax	(6,968,009)			
Interest income	(1,865,430)		(2,467,735)	
Dividend income	-		(1,400)	
Rental income from investment properties	(240,000)		(1,440,000)	
Other Income	-		(311,549)	
		121,749,880		86,056,809
Operating profit before changes in operating assets & liabilities		(56,825,652)		92,437,902
<i>Adjustments for :</i>				
Inventories	78,563,909		3,454,464	
Trade & Other Receivables	271,759,898		(63,705,996)	
Trade payables	204,554,256		58,610,197	
Exceptional Items	(110,954,164)			
Bank Borrowings - short term	(20,020,698)		50,381,104	
		423,903,202		48,739,769
Cash generated from operations		367,077,550		141,177,671
Direct tax paid		(654,383)		(533,925)
		366,423,167		140,643,746
B. Cash flow from investing activities :				
Capital expenditure on fixed assets, including capital advances	(421,025,783)		(124,638,275)	
Deferred finance expenses	-		-	
Interest received	1,865,430		2,467,735	
Dividend received	-		1,400	
Rental income	240,000		1,440,000	
Other Income	-		311,549	
Net cash flow used in investing activities (B)		(418,920,353)		(120,417,591)
C. Cash flow from financing activities:				
Proceeds from issue of equity shares (incl. premium)	49,600,000		-	
Redemption of Preference Shares	(1,059,000)		-	
Net Increase / (Decrease) in Public Deposits	(5,169,000)		537,000	
Net Increase / (Decrease) in Share Warrants	(15,000,000)		15,000,000	
Net Increase / (Decrease) in Long Term borrowings	102,457,276		(18,277,373)	
Net Increase / (Decrease) in Long Term Liabilities	(9,652,386)		16,497,115	
Finance costs	(66,290,308)		(36,313,246)	
Net cash flow from financing activities (C)		54,886,582		(22,556,504)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		2,389,395		(2,330,350)
Cash and cash equivalents at the beginning of the year		9,754,600		12,084,950
Cash and cash equivalents at the end of the year		12,143,995		9,754,600
Cash and cash equivalents at the end of the year *		12,143,995		9,754,600
* Comprises :				
(a) Cash on hand		12,656		279,585
(b) Balances with banks				
(i) In current accounts		4,726,699		883,183
(ii) In earmarked accounts (Refer Note (ii) below)		7,404,640		8,591,832

Notes :

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

As per our report of even date
For **M.K. THEBARIA & ASSOCIATES**
Chartered Accountants
F.R.N: 321180E
Sd/-
(M K THEBARIA)
Partner
M. No. : 074746

For and on behalf of the Board of Directors
Sd/-
R P Gupta, MD
DIN No. : 01325989
M K Rustagi (Director)
DIN No. : 07742914

Rourkela - 769 004
The 22nd day of April 2017

Significant Accounting Policies & Notes on Financial Statements for the Year ended 31st March 2017
Note - 1 [Significant Accounting Policies]
a. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified relevant provisions of the Companies Act, 2013.

b. Use of Estimates

Preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets & liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialised.

c. Fixed Assets
(i) Tangible Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition net of recoverable taxes & duties. Cost of installations & development up to the date of commencement is capitalized. Pre-operative expenses have been apportioned to fixed assets on prorata basis.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

(ii) Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated depletion/amortization.

d. Depreciation & Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used :

PARTICULARS	DESCRIPTION
Premium on leasehold land and mines	Over the period of leased term
Fixed Assets of Unit I	Over its useful life as technically assessed
Fixed Assets of Unit II	Over its useful life as technically assessed

Deferred revenue expenses was earlier written off 1/10th during the year on prorata basis. However the basis was changed during the year and entire opening balance amounting to Rs.3962432/- was written off by charging to Profit & Loss Account.

e. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year, in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

f. Investments

Investments are long term and are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

g. Inventories

Stock of finished goods and stock in process are valued at cost or net realizable value which ever is lower. Cost includes direct materials and labour and a proportion of overheads. Raw materials are valued at cost, Consumable stores & spares are valued at weighted average cost and by products are valued at net realisable value. Other inventories are valued at cost or net realizable value which ever is lower.

h. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Sales are recognized at the time of dispatch to consumers. Sales are shown at net of returns including excise duty, cess and sales tax on sales.

i. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

j. Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

k. Employee Benefits

Employer's contribution to employees state insurance and provident fund are charged to profit & loss account on accrual basis. Company provides gratuity benefits to employees. Value of obligation is determined based on valuation using the projected unit credit method. This recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measurement. Each unit is separate to build up the final obligation. Actuarial gain & losses are recognized in full during the period in which they occur in the statement of profit & loss.

l. Borrowing costs

Borrowing costs that are attributable to the acquisition / construction of concerned assets. These are capitalized as part of the cost of such assets. All other borrowing costs are charged to revenue.

m. Current and deferred tax

Tax expenses comprise both current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax is recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same. Deferred Tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

n. Provisions, Contingent liabilities & Contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in financial statements.

o. Segment Reporting

Company is cement manufacturing company dealing in cement and allied products. All activities of the company revolve around main business. As such there are no reportable segments as defined by accounting standard (AS)-17(segment reporting) issued by the Institute of Chartered Accountants of India.

Note - 2 [Share Capital]

Particulars	[Amount in Rs.]			
	31/03/2017		31/03/2016	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity shares of Rs. 2/- each	28,750,000	457,500,000	228,750,000	457,500,000
9% Non Cumulative Redeemable preference shares of Rs. 2/- each	1,250,000	2,500,000	1,250,000	2,500,000
Issued, Subscribed and fully paid up				
Equity shares of Rs. 2/- each	195,000,000	390,000,000	187,000,000	374,000,000
9% Non Cumulative Redeemable preference shares of Rs. 2/- each, fully paid of which part amount per share redeemed (refer note.3(ii) (b))	1,203,665	1,209,065	1,203,665	1,444,398
Total	196,203,665	391,209,065	188,203,665	375,444,398
(c) Share/ Warrants Forfeiture Account	19,500,000	21,450,000	19,500,000	21,450,000
G.Total		412,659,065		396,894,398

Refer Notes (i) to (v) below

Notes:

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Note-2 [Share Capital Cont'd..]					
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
Particulars	Opening Balance	Redemption of Preference Shares	Bonus	Conv. of Eq. share warrants into Eq. shares	Closing Balance
Equity Shares					
Year ended 31st Mar, 2017					
Number of shares	187,000,000	-	-	8,000,000	195,000,000
Amount (Rs)	374,000,000	-	-	16,000,000	390,000,000
Year ended 31st Mar, 2016					
Number of shares	187,000,000	-	-	-	187,000,000
Amount (Rs)	374,000,000	-	-	-	374,000,000
Non Cumulative Redeemable Preference Shares					
Year ended 31 Mar, 2017					
Number of shares	1,203,665	-	-	-	1,203,665
Amount (Rs)	1,444,398	235,333	-	-	1,209,065
Year ended 31st Mar, 2016					
Number of shares	1,203,665	-	-	-	1,203,665
Amount (Rs)	1,444,398	-	-	-	1,444,398

(ii) (a) Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs 2/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

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.

(ii) (b) Terms/rights attached to 9% Non Cumulative Redeemable Preference Shares

The company has only one class of Preference Shares. These shares carry non cumulative dividend @ 9% These NCRP Shares are redeemable in four annual installments from 2011-12 (out of which part amount has been redeemed) with an option to the holders & the company to mutually alter and vary the terms of these NCRP's before and after their allotment.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	31/03/2017		31/03/2016	
	No. of shares held (in Lakhs)	% holding in that class	No. of shares held (in Lakhs)	% holding in that class
Equity shares				
ACC Ltd	-	0.00%	23,650,000	12.65%
Unicon Merchants (p) Ltd	-	0.00%	20,617,549	11.03%
Akash Gupta	-	0.00%	10,989,444	5.88%
JSW Cement Limited	96,337,806	49.40%	-	0%
Non Cumulative Redeemable preference shares				
IPICOL Ltd	862,777	71.68%	862,777	71.68%
Bank Of Baroda	340,888	28.32%	340,888	28.32%

The company has defaulted in redemption of above preference shares. These non cumulative redeemable preference shares were due for redemption from 31/12/2013.

(iv) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

1,70,00,000 equity shares (Previous year-1,70,00,000 equity shares) out of the issued, subscribed and up share capital were allotted as bonus shares in the last five years.

(v) Details of forfeited shares/warrants

Class of shares	31/03/2017		31/03/2016	
	No. of Shares	Amt. originally paid up	No. of Shares	Amt. originally paid up
Equity shares warrants	19,500,000	21,450,000	19,500,000	21,450,000

Note-3 (Reserves and Surplus)

	31/03/2017	31/03/2016
Capital reserve		
Opening balance	59,781,022	59,781,022
Closing balance	59,781,022	59,781,022
Securities premium account		
Opening balance	492,068,207	492,068,207
Add : Premium on equity shares issued during the year (upon conversion of ESW)	33,600,000	-
Less : Utilised during the year for:		
Redemption of Preference Shares	823,667	-
Closing balance	524,844,540	492,068,207
Surplus in Statement of Profit and Loss		
Opening balance	47,434,112	47,332,214
	-	-
	-	-
Add: Net Profit / (Loss) for the year	(208,182,684)	101,898
Closing balance	(160,748,571)	47,434,112
G.Total	423,876,991	599,283,341

Note-4 (Long-term borrowings)

Particulars	31/03/2017		31/03/2016	
	Non-Current	Current	Non-Current	Current
	Portion	maturities	Portion	maturities
(i) Secured				
(a) Term Loans				
From Banks				
Canara Bank, Rourkela	17,535,000	31,506,285	31,703,882	12,385,726
From Financial Institutions				
(b)Tata Capital Financial Services Ltd	-	17,250,316	2,040,842	10,280,487
IDBI Ltd - Rs.18 Cr	126,400,000	38,655,272	163,200,000	7,536,395
IDBI Ltd - Rs.10 Cr	98,000,000	3,158,449	-	-
	241,935,000	90,570,322.25	196,944,724	30,202,608

(ii) Unsecured				
Public Deposits *	8,365,000	13,529,000	13,367,000	13,696,000
Bajrang Engineers Pvt. Ltd.	-	52,565,585	-	-
Unicon Merchants Pvt. Ltd.	-	100,764,383	-	-
JSW Cement Ltd	57,300,000	139,558	-	-
	65,665,000	166,998,526	13,367,000	13,696,000
G. Total	307,600,000	257,568,848	210,311,724	43,898,608

* Note : Public deposits includes Rs. 14,89,000/- (Previous year Rs. 17,98,000/-) from related parties.

(iii) Details of security and terms of repayment of loans are as under :

- (a) "The Term Loan from Canara Bank Ltd carries interest @ 14.20% (floating) p.a. The loan is repayable in 60 EMI's of Rs.11.69 lacs including interest, from Jan, 2014. The loan is secured by EMT of lease hold land leased out by IDCO, Odisha in the name of company together with factory building/shed including staff quarters situated at Mouza - Goibhanga, Kalunga Industrial Estate, Sundergarh and personal guarantees of directors as per agreement dated 16/06/2014. The period of maturity as on Balance Sheet date is 2 years 9 months.

Details of Default in Repayment of principal & Interest:		
Bank/ FI	Period of Default	Amount in Rs.
Canara Bank	14 months	17,264,500

However the bank has classified the account as NPA in the month of May 2016 and has recalled the entire dues.

- (b) Secured Term loan from Tata Capital Financial Services Ltd. :

"Term Loan-1 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 6,83,400/- and last installment of Rs 6,82,676/-) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is Nil.

Term Loan-2 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 6,76,200/- and last installment of Rs 6,77,316/-) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is Nil.

"Term Loan-3 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 3,04,100/- and last installment of Rs 3,03,750/-) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is Nil.

"Term Loan-4 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 3,76,600/- and last installment of Rs 3,77,100/-) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is Nil.

"Term Loan-5 from Tata Capital Financial Services Ltd carries interest @ 14.00% (floating) p.a. The loan is repayable in 2 quarterly installments (First installment of Rs. 3,00,000/-, and Last installment of Rs. 1,69,00,000/-, along with interest, from September, 2016. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 31/08/2016. The period of maturity as on Balance Sheet date is Nil.

Details of Default in Repayment of principal & Interest:		
Bank/ FI	Period of Default	Amount in Rs.
Tata Capital Financial Services Ltd.	1 month	17,250,316

- (c) "The Term Loan of Rs.18 Cr from IDBI Bank Ltd carries interest @ 13.75% (floating) p.a. The loan is repayable in 18 quarterly unequal installments as given below, excluding interest (Interest is repayable on 1st day of the succeeding month) from July 2016. The loan is secured by first charge on entire fixed assets of the company, both present and future, and on the leasehold rights of the existing limestone mines of the company at Khatkurbahal, Sundergarh, Odisha except for the specific assets charged to Tata Capital worth Rs. 5.64 Crores & second charge on the current assets including book debts, both present and future of the company, pledge of 5 lacs equity shares of the company in the name of directors and personal guarantee of

directors as per agreement dated 26/03/2016. The period of maturity as on Balance Sheet date is 3 years 7 months.

Repayment schedule for Term loan from IDBI Bank Ltd (Rs.18 Cr)	
On the first day of the following months	Amount of installment per quarter (Rs.)
July 2016, Oct 2016, Jan 2017	56.00 Lakh
April 2017, July 2017, Oct 2017, Jan 2018	92.00 Lakh
April 2018, July 2018, Oct 2018, Jan 2019	100.00 Lakh
April 2019, July 2019, Oct 2019, Jan 2020	120.00 Lakh
April 2020, July 2020, Oct 2020	128.00 Lakh

The loan from IDBI Bank has been rescheduled as per letter dated 26.03.2016 and has been extended for 1 year. Hence the commencement of the first due date has been shifted from July 2015 to July 2016.

- (d) "The Term Loan of Rs.10 Cr from IDBI Bank Ltd carries interest @ 13.75% (floating) p.a. The loan is repayable in 16 quarterly unequal installments as given below, excluding interest (Interest is repayable on 1st day of the succeeding month) from April 2016. The loan is secured by first charge on fixed assets of the company at its plant located at Village Telighana, Kutra except for the assets charged to Tata Capital worth Rs 5.64 Crore, & second charge on the current assets including book debts, both present and future of the company, pledge of 5 lacs equity shares of the company in the name of directors and personal guarantee of directors as per agreement dated 26/03/2016. The period of maturity as on Balance Sheet date is 4 years 4 months.

Repayment schedule for Term loan from IDBI Bank Ltd (Rs.10 Cr)	
On the first day of the following months	Amount of installment per quarter (Rs.)
Oct 2017, Jan 2018	10.00 Lakh
April 2018, July 2018	40.00 Lakh
Oct 2018, Jan 2019	50.00 Lakh
April 2019, July 2019, Oct 2019, Jan 2020	50.00 Lakh
April 2020, July 2020	60.00 Lakh
Oct 2020, Jan 2021	120.00 Lakh
April 2021, July 2021	120.00 Lakh

- 4(iv) Public deposits carry interest rate between 9.75% to 11.5% p.a. having maturity period of 6 months to 3 years. The amount of deposits maturing during the next three financial years are as under :

Financial Year	Amount in Rs.
2017-18	13,529,000
2018-19	6,668,000
2019-20	1,697,000
	2,1894.000

Unsecured Loan from Bajrang Engineers Private Limited carries interest @ 10% p.a. The loan was repayable on or before 31st March 2017 as per agreement dated 07/10/2016. The period of maturity as on Balance Sheet date is Nil.

Details of Default in Repayment of principal & Interest:		
Name of the Lendor	Period of Default	Amount in Rs.
Bajrang Engineers Private Limited	1 month	52,565,585

- (c) Unsecured Loan from Unicon Merchants Private Limited carries interest @ 10% p.a. The loan was repayable on or before 31st May 2017 as per agreement dated 24/01/2017. The period of maturity as on Balance Sheet date is 2 months.
- (d) Unsecured Loan from JSW Cement Limited carries interest @ 10.75% p.a. The loan was repayable within maximum period of two years from the date of disbursement or such extended time as may be agreed by lender as per agreement dated 02/03/2017. The period of maturity as on Balance Sheet date is maximum 2 years.



Note-5 (Other long-term liabilities)		
	31/03/2017	31/03/2016
(i) Trade / security deposits received	56,106,682	64,077,337
(ii) Other Liabilities	1,196,404	2,878,135
Total	57,303,086	66,955,472

Note-6 (Long-term provisions)				
	31/03/2017		31/03/2016	
	Non-Current Portion	Current Portion	Non-Current Portion	Current Portion
(i) Provision for employee benefits:				
(a) Provision for gratuity (net) (Refer Note 28)	11,979,957	1,838,709	10,863,299	1,552,749
Total	11,979,957	1,838,709	10,863,299	1,552,749

Note-7 (Short-term borrowings)				
	31/03/2017		31/03/2016	
(i) Secured				
Working Capital Loan				
From banks - IDBI Bank Cash credit A/c		199,978,806		219,999,504
Total		199,978,806		219,999,504

(ii) Notes :

The above working capital loan is secured against hypothecation of stocks and book debts of the company. Primary: First charge on entire movable and immovable fixed assets of the company situated at Telighana, Kutra, as per sanction letter dated 26 March, 2016. The loan is further secured by lien over fixed deposits of Rs. 55 lacs, pledge of 105 lacs equity shares by the promoters, mortgage of additional 25 Acres land at Telighana plant, personal guarantee of promoter directors of the company. The loan is repayable on demand and carries interest @ 14.50 % p.a plus interest tax.

Note-8 (Trade payables)		
	31/03/2017	31/03/2016
(i) Micro, Small & Medium Enterprises	1,355,836	5,247,376
(ii) Other	7,561,904	28,697,841
Total	8,917,740	33,945,217

Disclosure of Trade Payables under current liabilities is based on the information available with the company/firm regarding the status of suppliers as defined under the Micro, Small & Medium Enterprises Development Act, 2006. Amount overdue as on 31st March, 2017 to Micro & Small Enterprises on account of Principal Amount Rs. NIL (Previous Year Rs.NIL) and interest Rs. Nil (Previous year Rs. Nil)

Note-9 (Other current liabilities)		
	31/03/2016	31/03/2015
(i) Current maturities of long-term debt (Refer Note 9 (iv) below)	257,568,848	43,898,608
(ii) Interest accrued but not due on borrowings	3,475,649	3,964,635
(iii) Other payables		
(a) Statutory remittances	74,146,202	83,380,911
(b) Interest accrued on others	-	300,609
(c) Advances from customers	14,241,829	3,616,067
(d) Creditors for expenses & Others	71,598,979	58,407,069
Total	421,031,508	193,567,899

Note 9 (iv) : Current maturities of long-term debt (Refer Notes (iii) and (iv) in Note 4 - Long-term borrowings for details of security and guarantee.

Secured		
	31/03/2017	31/03/2016
(a) Term loans		
From banks & Financial Institutions	90,570,322	30,202,608
Unsecured		
(b) Public Deposits	13,529,000	13,696,000
Bajrang Engineers Pvt. Ltd.	52,565,585	-
Unicon Merchants Pvt. Ltd.	100,764,383	-
JSW Cement Ltd	139,558	-
Total	257,568,848	43,898,608

Note-10 (Short-term provisions)		
	31/03/2017	31/03/2016
(i) Provision for employee benefits :		
(a) Provision for bonus	5,519,256	4,121,758
(b) Provision for gratuity	1,838,709	1,552,749
	7,357,965	5,674,507
(ii) Provision - Others :		
(a) Provision for tax (Net of TDS & TCS as at 31/03/2016 Rs.5.33 Lakhs)	-	681,992
	-	681,992
Total	7,357,965	6,356,499

Note-11 (Tangible Assets)

Tangible Assets	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 1 April, 2016	Additions	Balance as at 31 Mar, 2017	Balance as at 1 April, 2016	Depreciation / amortisation expense for the year	Balance as at 31 Mar, 2017	Balance as at 31 Mar, 2017	Balance as at 31 March, 2016
LEASEHOLD								
(a) Land	22,306,431	-	22,306,431	608,327	304,164	912,491	21,393,940	21,698,103
(b) Mines	53,279,449	123,319,658	176,599,107	3,229,057	2,609,042	5,838,100	170,761,008	50,050,392
OWNED								
(a) Land	597,870	25,654,360	26,252,230	-	-	-	26,252,230	597,870
(b) Buildings								
Own use	202,938,547	28,469,375	231,407,922	51,322,654	7,934,795	59,257,449	172,150,474	151,615,894
Internal Road	362,473	-	362,473	344,350	-	344,350	18,124	18,124
(c) Plant and Equipment	1,202,036,217	309,328,386	1,511,364,603	323,530,701	44,122,810	367,653,511	1,143,711,092	878,505,516
Pollution Control Equipment	19,161,532	-	19,161,532	9,990,844	518,674	10,509,518	8,652,014	9,170,688
Truck\Loader\Tripper	11,698,543	-	11,698,543	10,623,742	96,384	10,720,125	978,418	1,074,801
(d) Furniture and Fixtures	7,152,267	-	7,152,267	3,771,449	194,402	3,965,850	3,186,417	3,380,818
(e) Vehicles	4,692,712	-	4,692,712	2,862,943	358,134	3,221,076	1,471,636	1,829,769
(f) Computers	5,371,100	4,578,844	9,949,944	4,927,759	496,336	5,424,095	4,525,849	443,341
(g) Elect.Instn./DG Set	82,411,432	-	82,411,432	24,665,192	3,935,839	28,601,031	53,810,401	57,746,240
Total	1,612,008,574	491,350,623	2,103,359,197	435,877,018	60,570,578	496,447,596	1,606,911,600	1,176,131,556
Previous year	1,489,459,873	122,548,701	1,612,008,574	384,447,151	51,429,867	435,877,018	1,176,131,556	1,105,012,722

Note 11 (ii) :

(a) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives.

(b) Leasehold lands: The land at Kalunga on which Factory (U-1) has been built was taken on 90 years lease from Industrial Development Corporation of Orissa. The land at Teleghana on which Factory (U-2) has been built was taken on 90 years lease from Orissa Industrial Infrastructure Development Corporation.

Note-12 (Non-current investments)

	31/03/2017	31/03/2016
Non Trade investment (Quoted)		
Non Trade investment (Quoted)		
(i) Investment in mutual funds		
UTI Master Gain (500)	6,500	6,500
Total	6,500	6,500
Aggregate market value of listed and quoted investments	N.A.	N.A.

Note-13 (Long-term loans and advances)

Unsecured, considered good		
(i) Capital advances	6,159,814	20,904,647
(ii) Security deposits	7,676,050	859,444
(iii) MAT credit entitlement	42,814,675	42,814,675
Total	56,650,540	64,578,767
Note: Security Deposits include amounts paid to		
(iv) Director (Refer Note 29.4)	100,000	100,000
Total	100,000	100,000

(i) Unamortised expenses		
Others (Deferred revenue expenditure) (Refer note 1(d))	-	3,962,432
Total	-	3,962,432

Note-15 (Inventories)
(At lower of cost and net realisable value)

	31/03/2017	31/03/2016
(i) Raw materials	27,271,717	23,015,531
(ii) Work-in-progress	4,050,452	7,969,319
(iii) Finished goods / Stock-in-Trade	42,494,067	84,917,062
(iv) Stores and spares (at weighted average cost)	12,535,027	49,013,260
Total	86,351,262	164,915,172
Note: Details of inventory of work-in-progress		
Clinker	2,245,324	2,084,951
Raw Mix	1,658,507	4,955,092
Crushed Lime Stone	146,620	929,276
Total	4,050,452	7,969,319

Refer Note 1 (g) for method of valuation.

Note-16 (Trade receivables)

(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good Doubtful	4,049,989	18,743,452
	-	4,139,804
	4,049,989	22,883,256
(ii) Other Trade receivables		
Unsecured, considered good	8,362,272	130,934,677
	8,362,272	130,934,677
Total	12,412,261	153,817,933

Note-17 (Cash and cash equivalents)

(i) Cash on hand	12,656	279,585
(ii) Balances with banks		
(a) In current accounts	4,726,699	883,183
(b) In earmarked accounts		
- Balances in fixed deposit a/c held as margin money or security against borrowings, guarantees and other commitments	7,404,640	8,591,832
Total	12,143,995	9,754,600

(iii) Fixed deposits with banks includes deposits of Rs. 40,000/- (Previous year Rs. 40,000/-) with maturity of more than 12 months as on the balance sheet date.

(iv) Fixed Deposit with bank includes accrued interest Rs. 6,51,480/- (Previous year Rs. 5,41,071/-)

Note 18 (Short-term loans and advances Unsecured, Considered good)

	31/03/2017	31/03/2016
(i) Security Deposits (others)	18,014,593	10,261,619
(ii) Loans and advances to employees	43,982	477,620
(iii) Prepaid expenses	783,426	859,889
(iv) Balances with government authorities	34,669,323	14,041,259
(v) Others *	11,938,196	161,580,749
Total	65,449,520	187,221,136

* Other Advances includes cash earmarked for FDR of Rs. Nil (P.Y Rs. 20,00,000/-) in terms of Companies (Acceptance of Deposits) Rules 2014.

Note: Short-term loans and advances include security deposit given to:

(vii) Private companies in which any director is a director or member (Refer Note 29.4)	-	-
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Note-19 (Revenue from operations)		
	31/03/2017	31/03/2016
(i) Sale of products (Refer Note 19 (iii) below)	263,006,793	783,419,780
(ii) Less : Excise duty & Sales Tax	43,303,528	106,772,794
Total	219,703,265	676,646,986
19 (iii) Sale of products comprises Manufactured goods		
Cement	211,939,250	415,004,548
Clinker	715,625	1,612,653
Self Consumption	9,716	1,118,859
Others	50,342,202	365,683,720
Total - Sale of products	263,006,793	783,419,780
Note 20 (Other income)		
	31/03/2017	31/03/2016
(i) Interest income (Refer Note 20 (iv) below)	1,865,430	2,467,735
(ii) Dividend income : from long-term investments	-	1,400
(iii) Other non-operating income (Refer Note 20 (v) below)	240,000	1,751,549
Total	2,105,430	4,220,684
20 (iv) Interest income comprises:		
Interest from banks & others on:		
Deposits	1,865,430	2,467,735
Total - Interest income	1,865,430	2,467,735
(v) Other non-operating income comprises:		
Tipper Rent	-	1,200,000
Rental income	240,000	240,000
Misc. Income	-	311,549
Total - Other non-operating income	240,000	1,751,549
Note 21.a (Cost of materials)		
	31/03/2017	31/03/2016
(i) Opening stock	21,495,464	16,545,977
(ii) Add: Purchases (Net)	99,182,997	428,959,957
	120,678,461	445,505,934
(iii) Less: Closing stock	24,429,581	21,495,464
Cost of material	96,248,880	424,010,470
Material comprises :		
Limestone	25,219,364	21,951,917
Clay	205	294,796
Additives	93,372	667,175
Gypsum / Fly Ash	8,157,520	15,645,514
Slag	9,987,791	4,373,288
Packing Materials.	9,059,377	16,147,380
Coal	36,933,549	51,425,010
Others	6,797,702	313,505,392
Total	96,248,880	424,010,470
Note 21.b (Changes in inventories of finished goods, work-in-progress and stock-in-trade)		
	31/03/2017	31/03/2016
Inventories at the end of the year :		
(i) Finished goods/Stock-in-Trade	42,494,067	84,917,062
(ii) Work-in-progress	4,050,452	7,969,319
	46,544,518	92,886,381
Inventories at the beginning of the year :		
(i) Finished goods/Stock-in-Trade	84,917,062	94,197,078
(ii) Work-in-progress	7,969,319	12,132,758
	92,886,381	106,329,835
Net (increase) / decrease	46,341,862	13,443,455

Note-22 (Employee benefits expense)		
	31/03/2017	31/03/2016
(i) Salaries and wages	31,678,887	28,151,899
(ii) Gratuity expense [Refer note 28]	2,209,979	1,717,450
(iii) Contributions to provident and other funds	3,127,202	2,848,330
(iv) Staff welfare expenses	176,512	298,237
Total	37,192,580	33,015,916
Note-23 (Finance costs)		
	31/03/2017	31/03/2016
(i) Interest paid to Bank	30,553,362	28,789,832
(ii) Interest on Term Loan	24,417,022	2,180,432
(iii) Interest to Others	9,029,728	5,342,982
(iv) Interest on Statutory Dues	2,290,196	-
Total	66,290,308	36,313,246
Note 24 (Depreciation and amortisation expense)		
	31/03/2017	31/03/2016
(i) Depreciation on Tangible assets	60,570,578	51,429,867
(ii) Amortisation of Intangible assets (Refer Note-1 (d))	3,962,432	2,534,379
Total	64,533,010	53,964,246
Note 25 (Other expenses)		
	31/03/2017	31/03/2016
(i) MANUFACTURING & OTHER DIRECT EXPENSES		
Power and fuel	41,375,212	53,430,440
Stores & Spares Consumed	9,075,117	6,047,666
Labour Charges	9,591,868	9,271,515
Repairs & Maintenance	3,127,904	2,212,765
(ii) ADMINISTRATIVE & OTHER EXPENSES		
Rent including lease rentals	264,000	264,000
Vehicle hire and maintenance	1,643,498	1,343,576
Insurance	436,065	435,817
Travelling and conveyance	4,338,388	2,626,869
Freight, forwarding & Distributions	1,827,572	8,398,167
Sales commission & Discount	38,653	20,833,714
Cost/Stock Audit Fees & Expenses	-	43,125
Other Administrative Expenses	17,811,809	8,600,590
Payments to auditors (Refer Note 25 (iii) below)	247,500	231,000
Total	89,777,585	113,739,244

Notes:

	31/03/2017	31/03/2016
(iii) Payments to the auditors comprises (Net of Service Tax)		
As auditors - statutory audit	140,000	140,000
Tax Audit Fees	30,000	30,000
VAT Audit Fees	5,000	5,000
Income Tax Returns	25,000	25,000
Certification Work & Others	47,500	31,000
Total	247,500	231,000

Note 26 (Disclosures under Accounting Standards)		
	31/03/2017	31/03/2016
Earnings per share		
Basic		
Net profit / (loss) for the year from continuing operations	(208,182,684)	101,898
Less: Preference dividend and tax thereon	-	-
Net profit for the year attributable to the equity shareholders	(208,182,684)	101,898
Weighted average number of equity shares	195,000,000	187,000,000
Face value per share	2	2
Earnings per share from continuing operations - Basic	(1.07)	0.00
Diluted		
Net profit / (loss) for the year from continuing operations	(208,182,684)	101,898
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(208,182,684)	101,898
Weighted average number of equity shares for Basic EPS	195,000,000	187,000,000
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	195,000,000	187,000,000
Face value per share	2	2
Earnings per share, from continuing operations - Diluted	(1.07)	0.00
Note 27 (Disclosures under Accounting Standards)		
	31/03/2017	31/03/2016
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
Related to Fixed Assets	(150,978,035)	(131,443,596)
	(150,978,035)	(131,443,596)
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	4,269,968	3,836,559
Unabsorbed business loss carried forward	70,065,484	-
Unabsorbed depreciation carried forward	85,654,963	48,304,395
	159,990,415	52,140,954
Net deferred tax (liability) / asset	9,012,379	(79,302,642)
Note : 28 (Employee Benefits based on report of Actuary)		
Particulars	Gratuity Non - Funded 31.03.2017	Gratuity Non -Funded 31.03.2016
Economic Assumptions		
Discount rate	8.00%	8.00 %
Expected return on plan assets	-	-
Mortality	-	-
Future salary increase	6.00%	6.00%
Change in present value of obligation		
Present value of obligation at beginning of the year	1,24,16,048	1,13,61,119
Interest cost	9,83,802	9,53,692
Current service cost	7,07,266	6,45,009
Past service cost	-	-
Benefits Paid	(8,07,361)	(6,62,521)
Actuarial (gain) / loss on obligation	5,18,911	1,18,749
Present value of obligation at end of the year	1,38,18,666	1,24,16,048
Change in fair value of plan assets		
Plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actual Company contribution	8,07,361	6,62,521
Actuarial (gain) / loss on obligation	-	-
Benefits Paid	(8,07,361)	(6,62,521)
Plan assets at the end of year	-	-
Actual return on plan assets	-	-
Reconciliation of fair value of plan assets and obligations		
Fair value of plan assets	-	-
Present value of obligation	1,38,18,666	1,24,16,048
Liability recognized in balance sheet	1,38,18,666	1,24,16,048



Note 29 (Additional information to the financial statements)				
Particulars	31/03/2017		31/03/2016	
	Demand	Paid under Protest	Demand	Paid under Protest
Break-up of Expenses :-				
Current service cost	7,07,266		6,45,009	
Interest cost	9,83,802		9,53,692	
Expected return on plan assets	-		-	
Benefits paid	-		-	
Past Service Cost	-		-	
Actuarial (gain) / loss on obligation	5,18,911		1,18,749	
Net debit / (credit) to Statement of Profit & Loss	22,09,979		17,17,450	
29.1 Contingent liabilities				
(i) Orissa Sales Tax				
1995-96	4,724,924	800,000	4,724,924	800,000
1992-93 to 1995-96	-	-	998,534	435,000
1998-99	188,832	100,000	188,832	100,000
2003-04	5,784,049	2,750,000	5,784,049	2,750,000
2004-05	6,596,015	800,000	6,971,000	800,000
June'03 to Sept'03	103,479	-	143,801	-
2008-11	563,370	37,560	187,790	37,560
Central Sales Tax				
1995-96	-	-	868,644	-
1998-99	26,634	8,000	26,634	8,000
2003-04	301,459	130,000	301,459	130,000
Entry Tax				
1999-2000	57,639	20,000	57,639	20,000
2001-02	420,046	260,000	420,046	260,000
2002-03	-	-	147,813	40,000
2003-04	160,185	120,000	160,185	120,000
2004-05	-	-	126,772	35,000
2008-11	294,582	100,000	294,582	100,000
Central Excise Duty				
2005-10	1,959,801	471,853	1,959,801	471,853
2012-13	362,080	27,156	362,080	27,156
Service Tax				
2005-06	960,691	250,000	-	-
Income Tax				
Asst. Year 2015-16	46,631,880	-	-	-
Total	69,135,666	5,874,569	23,724,585	6,134,569
29.1				
		31/03/2017		31/03/2016
(ii) Bank guarantees issued by the bank on behalf of the company		315,950		865,950
(iii) Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Tangible assets		-		9,575,000
Intangible assets		10,000,000		-
29.2 Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000				
Total amount received from issue of warrants		34,600,000.00		15,000,000
Purpose for which the money received has been utilized :				



a. Capital expenditure	15,862,708.00	7,000,000		
b. Working capital	18,737,292.00	8,000,000		
Total	34,600,000.00	15,000,000		
29.3 Expenditure in foreign currency				
Other matters	-	-		
Note 29.4 Related Party Transaction				
(i) Details of related parties:				
Description of relationship	Names of related parties			
Associates	Shivom Minerals Ltd.			
Key Management Personnel (KMP)	Mr. R.P. Gupta			
	Mr. Akash Gupta (upto 10th March 2017)			
Relatives of KMP	Smt Anubha Bhoir (Daughter of Managing Director)			
	Smt Shilpi Agarwal (Daughter of Managing Director)			
	Master Raghav Gupta (Grandson of Managing Director)			
	Master Rachit Gupta (Grandson of Managing Director)			
	Sri Jatin Bhoir (Husband of Daughter of Managing Director)			
	Naveli Jatin Bhoir (Daughter's Daughter of Managing Director)			
Company in which KMP / Relatives of KMP can exercise significant influence	Unicon Merchants (p) Ltd. In which Mr. R.P.Gupta and Mr. Akash Gupta are directors.			
Note : Related parties have been identified by the Management.				
Details of related party transactions during the year ended 31 Mar, 2017 and balances outstanding As at 31 Mar, 2017 :				
Particulars	Associates	KMP	Relatives of KMP	Total
Purchase of goods	- (1,339,740)	- -	- -	- (1,339,740)
Purchase of Fixed Assets	- -	- -	- -	- -
Sale of goods	48,002,782 (58,002,484)	- -	- -	48,002,782 (58,002,484)
Rendering of services	275,800 (1,640,664)	- -	- -	275,800 (1,640,664)
Receiving of services	5,593,928 (7,868,932)	24,000 (24,000)	- -	5,617,928 (7,892,932)
Net loans & advances / deposits received	- -	- -	- -	- -
Net loans & advances / deposits repaid	- -	- -	- -	- -
Interest Paid	- -	- -	199,876 (209,970)	199,876 (209,970)
Payment made to key management personal	- -	2,349,194 (2,400,000)	- -	2,349,194 (2,400,000)
Balances outstanding at the end of the year				
Loans and advances (Dr)	- -	- -	- -	- -
Security Deposits paid	- -	100,000 (100,000)	- -	100,000 (100,000)
Unsecured loans (Cr)	- -	- -	- -	- -



Security Deposits received	-	-	-	-
	-	-	-	-
Others Payables	-	-	172,237	172,237
	-	-	(189,376)	(189,376)
Borrowings (public deposits)	-	-	1,489,000	1,489,000
	-	-	(1,798,000)	(1,798,000)

Note : Figures in bracket relates to the previous year

ADDITIONAL NOTES ON ACCOUNTS :

29.5 As required under Schedule-III of the Companies Act, 2013 the details of Specified Bank Notes held and transacted during November, 8 2016 to December, 30 2016 are provided below :-

Particulars	Specified Bank notes	Notes of Other denominations
Closing Cash in Hand as on November, 8 2016	3135000.00	1561206.50
Permitted Receipts	0.00	1715659.00
Permitted Payments	2235000.00	3245927.00
Amount deposited in Banks	900000.00	
Closing Cash in Hand as on December, 30 2016	0.00	30938.50

29.6 Balances of parties are subject confirmation & reconciliation and consequential adjustment, if any.

29.7 Self consumption of cement by the company for its expansion project and testing work has been provided at estimated cost as determined by the management.

29.8 Value of imports on C.I.F basis is Nil (P.Y Import of Capital goods Rs. Nil)

29.9 Number of Employees who were in receipt of or entitled to receive emoluments including benefits aggregating to Rs.60,00,000/- or more per annum if employed for full year or Rs.5,00,000/- per month or more if employed for part of the year - NONE. (Previous year - None)

29.10 Sales of product [Note No. 19] includes Rs.5,03,42,202/- (P.Y. Rs.36,56,83,720/-) traded goods sold and cost of materials [Note No. 21(a) includes Rs. NIL- (P.Y.Rs. 31,35,05,392/-) traded goods purchased.

29.11 MAT credit entitlement of Rs. 4,28,14,675/- (Previous year Rs. 4,28,14,675/-) is treated as an asset which shall be adjusted against future income tax liability in coming years.

29.12 Remuneration to Directors

Particulars	31-Mar-2017	31-Mar-2016
	Amount in Rs	Amount in Rs
Salary, Bonus & Allowances	2,349,194	2,400,000
Contribution to provident fund	-	-

29.13 The previous year figures have been re-worked, re-arranged, re-grouped, and re-classified, wherever considered necessary to conform to the current year figures.

As per our report of even date For M.K. THEBARIA & ASSOCIATES Chartered Accountants F.R.N: 321180E Sd/- (M K THEBARIA) Partner M. No. : 074746	For and on behalf of the Board of Directors Sd/- R P Gupta, MD DIN No. : 01325989 M K Rustagi (Director) DIN No. : 07742914
Rourkela - 769 004 The 22nd day of April 2017	

SHIVA CEMENT LIMITED

Registered Office : YY-5, Civil Township, 7/8 Area, Rourkela-769 004 (Odisha)
 Website : www.shivacement.com Email : cs@shivacement.com Tel : +91 661-2664168
 CIN : L26942OR1985PLC001557

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of **M/s SHIVA CEMENT LIMITED ("The Company")** will be held on Thursday, 21st day of September, 2017 at 11:30 A.M. at Hotel Mantra Palace, Panposh Road, Next to Reliance Digital, Rourkela, Odisha to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements for the year ended on March 31, 2017 together with the report of Directors' & Auditors' thereon.
2. To appoint director in place of Sri R. P. Gupta (DIN : 01325989), who retires by rotation and being eligible, offers himself for re-appointment.
3. M/s Shah Gupta & Co., Chartered Accountants, (ICAI Firm Registration Number 109574W) were appointed as Statutory Auditors of the Company by the Board on 26.06.2017 to fill the casual vacancy subject to approval of the shareholder and who shall retire in ensuing Annual General Meeting. Further, M/s Shah Gupta & Co., are recommended to the shareholders for their appointment as the Statutory Auditor for a period of five years from 31st AGM to 36th AGM subject to ratification in every AGM of the Company at a remuneration as may be decided by the Board. The members are requested to appoint the auditor in casual vacancy and further appoint M/s Shah Gupta & Co., as Statutory Auditors of the Company for five years and fix their remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution:

"RESOLVED THAT pursuant to section 139(8) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provision (including any modification or re-enactment thereof), if any, M/s. Shah Gupta & Co., Chartered Accountants, (ICAI Firm Registration Number 109574W) be and is hereby appointed in the casual vacancy as Statutory Auditors of the Company caused by the resignation of the Statutory Auditor.

RESOLVED FURTHER THAT pursuant to section 139(1) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provision (including any modification or re-enactment thereof), if any, M/s. Shah Gupta & Co., Chartered Accountants, (ICAI Firm Registration Number 109574W) be and are hereby appointed as Statutory Auditors of the Company for a period of five years from 31st AGM to 36th AGM, subject to ratification in every Annual General Meeting of the Company at a remuneration as may be decided by the Board."

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modification(s), the following Resolutions as Ordinary Resolution : -
"RESOLVED THAT pursuant to the provisions of sections 160, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Narinder Singh Kahlon (DIN-03578016), who was appointed as an Additional Director with effect from February 28, 2017 on the Board of the Company in terms of section 161 of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of ensuing Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with the requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.
RESOLVED FURTHER THAT any Director or the Chief Financial Officer or the Company Secretary be and are hereby jointly and severally authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."
5. To consider and if thought fit to pass with or without modification(s), the following Resolutions as Ordinary Resolution:-
"RESOLVED THAT pursuant to the provisions of sections 160, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Manoj Kumar Rustagi (DIN-07742914), who was appointed as an Additional Director with effect from February 28, 2017 on the Board of the Company in terms of section 161 of the Companies Act, 2013 and who holds office up to the date of ensuing Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with the requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.
RESOLVED FURTHER THAT any Director or the Chief Financial Officer or the Company Secretary be and are hereby jointly and severally authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."
6. To consider and if thought fit to pass with or without modification(s), the following Resolutions as Ordinary Resolution :-
RESOLVED THAT pursuant to the provisions of sections 160, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Ms. Sutapa Banerjee (DIN-02844650), who was appointed as an Additional Director with effect from April 23, 2017 on the Board of the Company in terms of section 161 of the Companies Act, 2013 who holds office up to the date of ensuing Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with the requisite deposit, proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.
RESOLVED FURTHER THAT any Director or the Chief Financial Officer or the Company Secretary be and are hereby jointly and severally authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."
7. To consider and if thought fit to pass with or without modification(s), the following Resolutions as Ordinary Resolution :-
"RESOLVED THAT pursuant to Regulation 31A of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation, 2015, consent of the member be and is hereby accorded for reclassification of status of Mr. R.P. Gupta, Mr. Sanjay Agarwal and Mr. Ramesh Kumar Gupta from Promoters to Public Shareholders category.
RESOLVED FURTHER THAT consent of the members be and is hereby accorded for reclassification of status of JSW Cement Limited from Public Shareholders to Promoters category as they have acquired shares of the promoters of the Company and exercising control over the affairs of the Company.
RESOLVED FURTHER THAT any Director or CFO or Company Secretary of the Company be and are hereby severally authorised to certify any copy of this resolution as a true copy and furnish the same to whomsoever concerned."
8. To consider and if thought fit to pass with or without modification(s), the following Resolutions as Special Resolution:-
"RESOLVED THAT pursuant to the provisions of sections 2(54), 196, 197, 198, 203 read with schedule V and rules made thereunder including all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for time being in force), subject to approval of the Central Government, if applicable, and such other consent and permissions,

as may be necessary, and subject to such modifications and variations as may be approved and acceptable to the appointee, the consent of the shareholders be and are hereby accorded for the appointment of Mr. Manoj Kumar Rustagi (DIN-07742914) as Whole-Time Director of the Company for a period of 3 (three) years from 26.06.2017 to 25.06.2020 upon such terms and conditions as are set out in the resolution and/or agreement and with specific authority to the Board of Directors to alter or vary the terms and conditions of the said appointment including the remuneration which shall be Re.1 per month.

RESOLVED FURTHER THAT the Powers, Duties & Functions of Mr. Manoj Kumar Rustagi shall have general control and substantial powers of the management and shall exercise and perform all other powers and duties, which in the ordinary course of business may be considered necessary, proper and in the interest of the Company, subject to directions or restrictions as given or imposed by Board of Directors from time to time and by law for time being in force.

RESOLVED FURTHER THAT the certified true copy of the aforesaid resolution be forwarded to whomsoever concerned under the signature of any one of Director, CFO or the Company Secretary.

RESOLVED FURTHER THAT any Director or the Chief Financial Officer or the Company Secretary be and are hereby jointly and severally authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."

9. To pass, with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT in supersession of all earlier resolution(s) passed in this regard and pursuant to section 180(1)(c) of the Companies Act, 2013 and other enabling provisions of Companies Act, 2013 (including any modification or re-enactment thereof), if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company, (which shall also include a Committee thereof) for borrowing any sum or sums of money for and on behalf of the Company, from time to time, from any one or more persons, firms, bodies corporate, bankers, financial institutions including non-banking financial companies or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in-process and debts, and advances notwithstanding that the sum or sums of monies so borrowed together with monies, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed Rs. 800 crore (Rupees eight hundred crore Only), at any point of time."

10. To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT in supersession of all earlier resolution(s) passed in this regard under Companies Act, 1956 and pursuant to Section 180(1)(a) of the Companies Act, 2013 and other enabling provisions of Companies Act, 2013 (including any modification or re-enactment thereof), if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company (which shall also include a Committee thereof) to hypothecate and/or mortgage and/or charge and/or pledge and/or lien on all the immovable and/or movable properties of the Company, wheresoever situated both present and future, of every nature and description and on whole of the undertaking of the Company to or in favour of the Lenders and/or Trustees for the Lenders to secure the financial assistance(s) granted/ to be granted by the Lenders up to an amount not exceeding Rs. 800 crore (Rupees eight hundred crore Only), in aggregate, at any point of time together with all interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, guarantee commission, costs, charges, expenses and other monies under their respective Loan Agreements entered into/to be entered into by the Company in respect of the said borrowings.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or Finance Committee be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to mortgage/hypothecate/charge/pledge/lien as aforesaid."

11. To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and rules made thereunder and subject to necessary statutory approvals and modifications, the consent of the Member be and is hereby accorded, to re-adopt the draft regulation contained in the Articles of Association of the Company in substitution and to entire exclusion of the regulation contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect of this resolution, any Director; CFO and Company Secretary be and are hereby jointly and severally authorized to do all acts, matters, deeds and things as deem necessary, proper and desirable and to sign and execute all necessary documents, applications and returns along with necessary e-forms with the Registrar of the Companies.

RESOLVED FURTHER THAT any of the Directors of the Company or Chief Financial Officer or the Company Secretary be and are hereby authorised to certify any copy of this resolution as a true copy and furnish the same to whomsoever concerned."

By the order of the Board
For SHIVA CEMENT LIMITED

Rourkela - 769 004
Dated : 04.08.2017

Sd/-
(Sneha Bindra)
Company Secretary
ACS: 29721

NOTES

1. A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. A proxy in order to be valid must be received at least 48 hours before the meeting.
2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice and the statement is open for inspection by the members at the Registered Office of the Company on all working days except Saturday's during business hours up to the date of the meeting.
6. Register of members (Book Closure) shall remain closed from 15/09/2017 to 21/09/2017 (both the days inclusive).
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or the RTA M/s Niche Technologies Pvt Ltd.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the company or the RTA M/s Niche Technologies Pvt. Ltd.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Notices, Circulars etc. from the Company electronically.
10. The Company has implemented the "Green Initiative" as per Circular Nos.17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. The e-mail addresses indicated in your respective Depository Participant (DP) accounts are being periodically downloaded from NSDL/CDSL and will be deemed to be your registered e-mail address for serving notices/ documents including those covered under section 136 of the Companies Act, 2013. Members may also note that the Notice of Annual General Meeting will also be available on the website of the Company, www.shivacement.com for download. Members holding shares in electronic mode are therefore requested to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent (RTA) of the Company.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Notice of Annual General Meeting and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company who have registered their e-mail address are entitled to receive such communication in physical form upon request. The Notice of Annual General Meeting and Attendance Slip are being sent in electronic mode to members whose e-mail ID's are registered with the Company or the Depository Participant(s) unless the members have registered their request for a hard copy of the same. Physical copy of Notice of Annual General Meeting and attendance slip are being sent to those Members who have not registered their e-mail ID's with the Company or the Depository Participant(s). Members who have received the Notice of Annual General Meeting and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 18th September 2017 (9:00 am) and ends on 20th September 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th September 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under :
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)] :
 - (i) Open email and open PDF fileviz; "remote e-voting.pdf" with your Client ID or Folio No. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVENT" of "Shiva Cement Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (viii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (ix) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to tripathyandco@hotmail.co.uk with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided in the Annexure or at the bottom of the Attendance Slip for this AGM (enclosed herewith)
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14th September 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 14th September 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.



However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Surya Narayan Tripathy, Chartered Accountant (Membership No. 065470) and Partner M/s. Tripathy & Co., Chartered Accountants has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company Shiva Cement Limited and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 :

The statement pursuant to Section 102(1) of the Companies Act, 2013 for Item Nos. 4 to 11 of the accompanying notice is as under :

Item No. 4 :

Mr. Narinder Singh Kahlon (DIN-03578016) appointed as an Additional Director with effect from February 28, 2017 pursuant to section 161 of the Companies Act, 2016 read with Article 116 of the Article of Association of the Company.

Mr. Narinder is a seasoned professional with 20 years of proven track record in Financial Accounting, Auditing, central Excise & custom Laws, Sales tax including VAT, Direct taxes, FEMA, Costing, Budgeting & Working Capital Management. He was associated with Haldia Petrochemicals, Bhushan Power & Steel Limited, MGM Group of Companies, K.C.T & Bros (C.S) Limited. Mr. Narinder is a commerce Graduate from Punjab University, Chandigarh and is a qualified chartered Accountant from the Institute of Chartered Accountants of India, New Delhi.

Pursuant to provisions of section 161 of the Companies Act, 2013, Mr. Narinder Singh Kahlon (DIN-03578016) will hold office upto date of the ensuing Annual General Meeting. The Company has received a notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member along with deposit of Rs. 1,00,000 proposing the candidature of Mr. Narinder Singh Kahlon (DIN-03578016) for the office of Director.

Except Mr. Narinder Singh Kahlon, none of the Directors and/or Key Managerial Personnel of the Company and their relative are concerned and interested, financially or otherwise, in the resolution set out in item no-4.

The Board recommend the resolution set out at Item No. 4 of the notice for your approval.

Item No. 5 & 8 :

Mr. Manoj Kumar Rustagi (DIN-07742914) appointed as an Additional Director with effect from February 28, 2017 pursuant to section 161 of the Companies Act, 2016 read with Article 116 of the Article of Association of the Company.

He is a senior business management professional and has significantly contributed in corporate strategy & planning, project management and various strategic initiatives for cost reduction, operations improvement and de-bottlenecking, in the steel and power sector, after his engineering. In his consulting stint, post his MBA, he was instrumental in setting up metals & mining practice and led a high-end consulting assignment for a steel major in Europe. During this period, he travelled extensively to Europe and worked on charting niche solutions for metals & mining domain. He was the overseas business development manager to evaluate and assess business opportunities outside India essentially for acquiring mining assets, after he came back and joined JSW Group. He has done his Mechanical Engineering from BITS, Pilani and his MBA from ISB, Hyderabad.

Pursuant to provisions of section 161 of the Companies Act, 2013, Mr. Manoj Kumar Rustagi (DIN-07742914) will hold office upto date of the ensuing Annual General Meeting. The Company has received a notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member along with deposit of Rs.1,00,000 proposing the candidature of Mr. Manoj Kumar Rustagi (DIN-07742914) for the office of Director.

Further, the Board, on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Manoj Kumar Rustagi (DIN-07742914) as Whole-Time Director of the Company for a period of three years with effect from June 26, 2017 pursuant to the provisions of sections 2(54), 196, 197, 198, 203 of the Companies Act, 2013 read with schedule V and rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013. The said appointment is subject to the approval of the members in Annual General Meeting.

The main terms and condition of appointment of Mr. Manoj Kumar Rustagi (DIN-07742914) as Whole-Time Director are as follows :

1. Tenure of appointment: period from June 26, 2017 to June 25, 2020.
2. Nature of Duties: The Whole-Time Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and its subsidiaries, if any.
3. Remuneration : He will be paid a remuneration of Re1/-.
4. The Whole-Time Director & CEO is being appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 167(1) of the Act. He shall not be liable to retire by rotation. His terms and conditions of appointment of Whole-Time Director & CEO also include clauses pertaining to adherence to the Code of Conduct, non-competition, no conflict of interest with the Company and maintenance of confidentiality.
5. The Whole-Time Director shall not be eligible for any sitting fees for attending the Company's Board and Committees meetings.
6. The Whole-Time Director shall also be entitled to reimbursement of all expenses, actually and properly incurred by him for the purpose of business of the Company or the performance of his duties.



The above remuneration payable to the Whole-Time Director shall be subject to the limits of 5% and / or 10% of the Net Profits of the Company, as the case may be, as laid down in sections 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the overall limit of 11% of the Net Profits of the Company as laid down in Section 198(1) of the said Act.

The following prerequisites shall not be included in the computation of the ceiling of remuneration :

- a) contribution to provident fund to the extent this is not taxable under the Income Tax Act, 1961;
- b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c) encashment of leave at the end of the tenure.

The copy of the agreement entered with Whole-Time Director will be open for inspection for the members of the Company pursuant to the provisions of the Companies Act, 2013. The agreements include all terms and conditions of the appointment of the Whole-Time Director as well as all power and duties as exercised by Whole-Time Director in ordinary course of business subject to provisions of the Companies Act, 2013 or any amendment thereto. The power of the Whole-Time Director shall also include the power to delegate

The Board is requested to consider and approve the appointment of Mr. Manoj Kumar Rustagi as Whole-Time Director under the Companies Act, 2013 for a period from June 26, 2017 to June 25, 2020.

A statement along with a notice calling the general meeting referred to in clause (iii) is given to the shareholders containing the following information, namely :-

I. General Information:

- (1) Nature of industry - Cement Manufacturing Unit
- (2) Date or expected date of commencement of commercial production - Year 1986
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus-N/A
- (4) Financial performance based on given indicators- the financial performance of the Company is mention in Director report and Annual Audited financial statements of the Company.
- (5) Foreign investments or collaborations, if any.- N/A

II. Information about the appointee:

- (1) Background details - Mr. Manoj Kumar Rustagi (DIN-07742914) is a senior business management professional and has significantly contributed in corporate strategy & planning, project management and various strategic initiatives for cost reduction, operations improvement and de-bottlenecking, in the steel and power sector, after his engineering. In his consulting stint, post his MBA, he was instrumental in setting up metals & mining practice and led a high-end consulting assignment for a steel major in Europe. During this period, he travelled extensively to Europe and worked on charting niche solutions for metals & mining domain. He was the overseas business development manager to evaluate and assess business opportunities outside India essentially for acquiring mining assets, after he came back and joined JSW Group. He has done his Mechanical Engineering from BITS, Pilani and his MBA from ISB, Hyderabad
- (2) Past remuneration - He is appointed in the Company with effect from June 26, 2017. Hence, the clause is not applicable as he is not receiving any remuneration from the Company.
- (3) Recognition or awards----N/A
- (4) Job profile and his suitability - the Powers, Duties & Functions of Mr. Manoj Kumar Rustagi shall have general control and substantial powers of the management and shall exercise and perform all other powers and duties, which in the ordinary course of business may be considered necessary, proper and in the interest of the Company, subject to directions or restrictions as given or imposed by Board of Directors from time to time and by law for time being in force.
- (5) Remuneration proposed - The becoming promoter of the Company has send him on deputation. His proposed remuneration is Re 1/- per month.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) - Not applicable as the Company is in loss and the becoming promoter of the Company has appointed him on deputation.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.- N/A

III. Other information:

- (1) Reasons of loss or inadequate profits - Low Capacity utilization and market conditions.
- (2) Steps taken or proposed to be taken for improvement - We are exploring the way is of improving the plant capacity utilization by undertaking required plant maintainance activities, improving the brand image and the market acceptability of the product.
- (3) Expected increase in productivity and profits in measurable terms. The existing plant capacity is 300 TPD and we are expecting to achieve the maximum capacity utilization and to improve the market price by improving the quality of the product.

IV. Disclosures :

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:-

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
- (ii) details of fixed component and performance linked incentives along with the performance criteria;
- (iii) service contracts, notice period, severance fees;
- (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Except Mr. Manoj Kumar Rustagi, none of the Directors and/or Key Managerial Personnel of the Company and their relative are concerned and interested, financially or otherwise, in the resolution set out in item no-5 & 8.

The Board recommend the resolution set out at Item No. 5 & 8 of the notice for your approval.

Item No. 6 :

Ms. Sutapa Banerjee (DIN-02844650), appointed as an Additional Director with effect from April 23, 2017 pursuant to section 161 of the Companies Act, 2016 read with Article 116 of the Article of Association of the Company.

Ms. Sutapa Banerjee has spent close to 24 years in the financial services industry across 2 large multinational banks (ANZ Grindlays and ABN AMRO), and a boutique Indian Investment bank (Ambit) where she built and headed several businesses. A well recognized thought leader in the Wealth Management space having headed and successfully built from scratch the Private Wealth businesses in both ABN AMRO Bank and Ambit Capital, Sutapa was voted one of the 'Top 20 Global Rising Stars of Wealth Management' by the Institutional Investor Group in 2007 - the only Indian and one of only two winners from Asia. As CEO she led Ambit Private Wealth to 'Best Private Bank in India in the 2013 polls. In 2012 she was shortlisted in the '50 most Powerful Women' by Fortune India. She is an Advanced Leadership Fellow (2015) of Harvard University. Currently she consults in the Wealth and Investments area and serves as an Independent/Nominee Director on several companies. She is a member of the CII National Committee on Governance, Transparency and Ethical Business Practices and on the Advisory Panel of the 'India Responsible Business Forum' (IRBF).



Pursuant to provisions of section 161 of the Companies Act, 2013, Ms. Sutapa Banerjee (DIN-02844650) will hold office upto date of the ensuing Annual General Meeting. The Company has received a notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member along with deposit of Rs.1,00,000 proposing the candidature of Ms. Sutapa Banerjee (DIN-02844650) for the office of Director.

Except Ms. Sutapa Banerjee, none of the Directors and/or Key Managerial Personnel of the Company and their relative are concerned and interested, financially or otherwise, in the resolution set out in item no-6.

The Board recommend the resolution set out at Item No. 6 of the notice for your approval.

Item No. 7 :

The promoters of the Company namely:

1. Akash Gupta holding 5.64%
2. Anubha Gupta holding 2.71%
3. Preeti Gupta holding 4.72%
4. R.P. Gupta holding 3.85%
5. R.P. Gupta (HUF) holding 0.85%
6. Shilpi Gupta holding 1.17%
7. Sonu Gupta holding 1.99%
8. Vikash Gupta holding 4.12%
9. Unicon Merchants Private Limited holding 10.57%

had on March 1st, 2017 transferred their shares aggregating to 35.62% of the equity share capital of the Company to JSW Cement Limited under a Share Purchase Agreement dated January 10th, 2017. The execution of the share purchase agreements will give rise to a requirement for JSW Cement Limited to make an open offer to the public shareholders of the Target in terms of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"). Pursuant to share purchase agreement and open offer JSW Cement Limited has acquired total 49.40% of equity shares of the Company. Reynold Traders Private Limited named as Person Acted in concert in open offer had acquired 0.92% of equity shares of the Company. By virtue of this transfer the above mentioned promoters have ceased to be members of the Company and have no control over the Company. Other than the above selling promoters, some of the other promoters of the Company are continuing to hold shares of the Company as given below :

(i) Mr. RP Gupta (who holds 13477 shares transferred by his late wife Mrs. Sudha Gupta),

(ii) Mr. Sanjay Agarwal who holds 418 shares, and

(iii) Mr. Ramesh Kumar Gupta who holds 110 shares.

The aforesaid persons are currently classified as promoters. The Company has received letters from the aforesaid persons duly requesting to be categorised as Non-Promoters of the Company. Pursuant to Regulation 31A of the Securities Exchange Board of India (Listing Obligations Disclosure Requirements) Regulation, 2015 re-classification of the promoters requires shareholders' approval.

None of the Directors except Directors nominated by JSW Cement Limited, Mr. Manoj Kumar Rustagi, Mr. Narinder Singh Kahlon and Ms. Sutapa Banerjee, who deem to be interested, and/or Key Managerial Personnel of the Company and their relative are concerned and interested, financially or otherwise, in the resolution set out in item no-7.

The Board recommend the resolution set out at Item No. 7 of the notice for your approval.

Item No. 9 & 10 :

The Company is evaluating and planning to expand its business operations. With a view to augment long-term financial resources for its growth and to meet additional working capital requirements & to support its operation, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit by the Board (which shall also include a Committee thereof). Hence it is proposed to increase borrowing limit for the amount not exceeding Rs. 800 crore (Rupees eight hundred crore Only).

Provisions of section 180(1)(c) of Companies Act, 2013, stipulates that consent of Shareholders is required to be obtained for borrowing moneys, including moneys already borrowed by the Company, in excess of the paid-up share capital and free reserves of the Company. Section 180(1)(a) of Companies Act, 2013 provides, inter-alia, that the consent of Shareholders is required to be obtained to secure the amount borrowed by the Company, in excess of the paid-up share capital and free reserves of the Company by creation of security by way of mortgage, hypothecation, pledge, charge

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned and interested, financially or otherwise, in the resolution set out in item no-9 & 10.

Your Directors recommend the resolution proposed at Item No.9 & 10 of this Notice for your approval.

Item No. 11 :

The management of Company proposes to alter the Articles of Association of the Company to bring it inconsonance with the provisions of Companies Act, 2013 and the rules made thereunder as notified by the Ministry of Corporate Affairs. Table F of Schedule I of the Companies Act, 2013 has prescribed the format of Articles of Association of the Company. In terms of Section 14 and other applicable provisions of the Companies Act, 2013 approval of members of the Company by Special Resolution is required for alteration of Articles of Association of the Company. Accordingly, the proposed resolution is to seek the approval of the members for the same.

A copy of the altered Articles of Association is available to shareholder's shall be available for inspection of members during the working hours at the Registered Office of the Company and also at the Annual General Meeting.

The resolution of the notice is set out in Sr. No-11 for approval and ratification by the members in term of Sections 14 and other applicable provisions, if any, of the Companies Act, 2013 including modification/amendment from time to time. Your Directors recommend the resolution for approval.

None of the Directors and/or Key managerial personnel of the Company and their relatives are concerned and interested, financially or otherwise, in the resolution said resolution.

Your Directors recommend the resolution proposed at Item No. 11 of this Notice for your approval.

By the order of the Board
For SHIVA CEMENT LIMITED

Sd/-
(Sneha Bindra)
Company Secretary
ACS: 29721

Rourkela - 769 004
Dated : 04.08.2017



DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

SERIAL NO-1

Name of the Director	Mr. Narinder Singh Kahlon
Date of Birth	January 16, 1967
Relationship with other Directors Interse	None
Date of Appointment	February 28, 2017
Qualification	Chartered Accountant
Expertise in specific functional areas	Mr. Narinder is a seasoned professional with 20 years of proven track record in Financial Accounting, Auditing, central Excise & custom Laws, Sales tax including VAT, Direct taxes, FEMA, Costing, Budgeting & Working Capital Management. He was associated with Haldia Petrochemicals, Bhushan Power & Steel Limited, MGM Group of Companies, K.C.T & Bros(C.S)Limited. Mr. Narinder is a commerce Graduate from Punjab University, Chandigarh and is a qualified chartered Accountant from the Institute of Chartered Accountants of India, New Delhi.
Directorship in other Limited Indian Company as on March 31, 2017	WINDSOR RESIDENCY PRIVATE LIMITED
Number of Shares held in the Company	NIL
SERIAL NO-2	
Name of the Director	Mr. Manoj Kumar Rustagi
Date of Birth	January 15, 1971
Relationship with other Directors Interse	None
Date of Appointment	February 28, 2017
Qualification	Mechanical Engineering and MBA
Expertise in specific functional areas	He is a senior business management professional and has significantly contributed in corporate strategy & planning, project management and various strategic initiatives for cost reduction, operations improvement and de-bottlenecking, in the steel and power sector, after his engineering. In his consulting stint, post his MBA, he was instrumental in setting up metals & mining practice and led a high-end consulting assignment for a steel major in Europe. During this period, he travelled extensively to Europe and worked on charting niche solutions for metals & mining domain. He was the overseas business development manager to evaluate and assess business opportunities outside India essentially for acquiring mining assets, after he came back and joined JSW Group. He has done his Mechanical Engineering from BITS, Pilani and his MBA from ISB, Hyderabad.
Directorship in other Indian Company as on March 31, 2016	NIL
Number of Shares held in the Company	NIL
SERIAL NO-3	
Name of the Director	Ms. Sutapa Banerjee
Date of Birth	March 24, 1965
Relationship with other Directors Interse	None
Date of Appointment	April 23, 2017
Qualification	BSc (Economics Hons.), PGDPM
Expertise in specific functional areas	Ms. Sutapa Banerjee has spent close to 24 years in the financial services industry across 2 large multinational banks (ANZ Grindlays and ABN AMRO), and a boutique Indian investment bank (Ambit) where she built and headed several businesses. A well-recognized thought leader in the Wealth Management space having headed and successfully built from scratch the Private Wealth businesses in both ABN AMRO Bank and Ambit Capital, Sutapa was voted one of the 'Top 20 Global Rising Stars of Wealth Management' by the Institutional Investor Group in 2007 - the only Indian and one of only two winners from Asia. As a CEO she led Ambit Private Wealth to 'Best Private Bank in India' in the 2013 polls. In 2012 she was shortlisted in the '50 most Powerful Women' by Fortune India. She is an Advanced Leadership Fellow (2015) of Harvard University. Currently she consults in the Wealth and Investments area and serves as an Independent/Nominee Director on several companies. She is a member of the CII National Committee on Governance, Transparency and Ethical Business Practices and on the Advisory Panel of the 'India Responsible Business Forum' (IRBF).
Directorship in other Indian Company as on March 31, 2017	IL&FS Engineering and Construction Company Limited M3 Global Finance Limited JSW Industrial Gases Private Limited OXFAM INDIA JSW Holdings Limited ISSL Market Services Limited Ananya Finance for Inclusive Growth Private Limited IL&FS Securities Services Limited JSW Cement Limited
Number of Shares held in the Company	NIL



SHIVA CEMENT LIMITED

Registered Office : YY-5, Civil Township, 7/8 Area, Rourkela-769 004 (Odisha)
 Website : www.shivacement.com Email : cs@shivacement.com Tel : +91 661-2664168
 CIN : L26942OR1985PLC001557

ATTENDANCE SLIP

31st ANNUAL GENERAL MEETING (Thursday, September 21, 2017)

Registered Folio/
 DP ID and Client ID

Name and Address of the
 Sole/First Shareholder

Joint Holder 1

Joint Holder 2

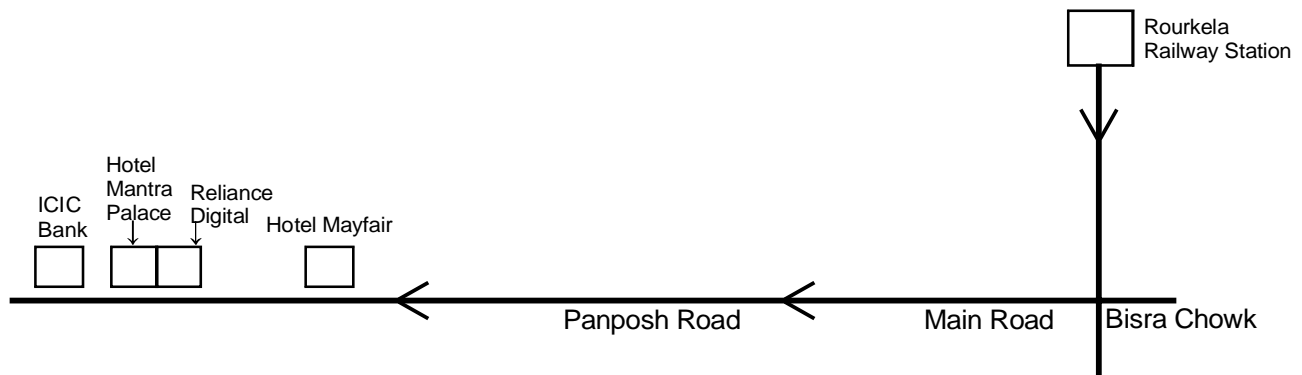
I/We hereby record my/our presence at the 31st ANNUAL GENERAL MEETING of the Company held at Hotel Mantra Palace, Panposh Road, Next to Reliance Digital, Rourkela, Odisha, on Thursday, the 21st September, 2017 at 11:30 A.M.


Member's Folio/DP ID- Client ID No.	Member's /Proxy's Name in Block Letters	Member's/ Proxy's Signature

NOTES :

1. Please complete the Folio/DP ID-Client ID No. and name of the Member/Proxy, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
2. Shareholder/ Proxy holder desiring to attend the meeting should bring his/her copy of the Annual report for reference at the meeting.

AGM Location Map





*Serving Nation
since 1986*

SHIVA CEMENT LIMITED
YY-5, Civil Township, Rourkela-769 004