32nd ANNUAL REPORT

SHIVA CEMENT LTD.

2017-18

BOARD OF DIRECTORS

Mr. Manoj Kumar Rustagi
Whole Time Director

Mr. R. P. Gupta
Non Executive Director

Mr. Narinder Singh Kahlon
Non-Executive Director

Ms. Sutapa Banerjee
Non-Executive Director

Mr. D. K. Senapati
Nominee- Director

Mr. K. P. Jhunjhunwala
Independent Director

Mr. Mahendra Singh
Independent Director

Mr. B. K. Mangaraj
Independent Director

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Mr. Girish Menon
Chief Financial Officer

Ms. Sneha Bindra
Company Secretary

AUDITORS

Shah Gupta & Co.
Chartered Accountants
Mumbai

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, 7/8 Area	Vill : Telighana	Vill : Khatkurbahal
Rourkela - 769 004	PO : Biringatoli, Kutra	Via : Kutra
Website : www.shivacement.com	Dist. Sundargarh (Odisha)	Dist. Sundargarh (Odisha)

DIRECTOR'S REPORT

Dear Members,

On behalf of the Board of the Directors, it gives great pleasure to present the 32nd Annual Report for the financial year ended on 31st March, 2018. The operational performance during the year was historically low for various reasons as noted below.

Financial Performance (₹ **lakhs**)

Particulars	FY 2017-18	FY 2016-17
Turnover	**2,603.95**	**2,391.15**
Operating EBIDTA	(834.55)	(564.44)
Other Income	28.01	21.05
Finance Cost	1,377.06	776.63
Depreciation & Amortization	794.11	594.40
Profit/(Loss) before exceptional item	**(2,977.71)**	**(1,914.42)**
Exceptional Items	1,011.41	1,109.54
Profit (Loss) before Taxation	**(3,989.12)**	**(3,023.96)**
Tax Expense/benefits	**(879.67)**	**(974.24)**
Profit (Loss) after Taxation	**(3,109.45)**	**(2,049.72)**

Financial year 2017-18 threw up challenges in terms of improving the production performance, refund of entire bank borrowings, repaying all public deposits and vendor dues. During the year, the Company launched new brand "Mahabal" replacing existing brand "Sumangal"with improved quality of cement.

During the year, the Company has overhauled/ refurbished its major plant & equipment under its annual maintenance contract in the third quarter, where in it incurred revenue expenses amounting to ₹150.11 lakhs and capital expenditure amounting to ₹85.37 lakhs. After this refurbishment, the Company has improved its operational efficiency, resulting decrease in frequent equipment break downs in subsequent months.

This year, the company has utilized 49% of total installed capacity and produced 64,695 MT of cement, which is 20% more than the last years cement production. Similarly, during the year, the Company has produced 42,974 MT of clinker which is 38% more than the last year's clinker production.

Exceptional item for the year ended 31st March, 2018 amounting to ₹1011.41 lakhs represents settlement of old quality claims and disputed interest on security deposits under long term supply agreement of cement.

The Company has repaid its entire term borrowing from IDBI Bank & Canara Bank,short term borrowing from IDBI Bank,old unsecured loans from body corporates & others and has fully repaid its public deposits along with interest.

The Company has borrowed a sum of ₹12,403 lakhs from its Holding Company, JSW Cement Limited and incurred interest cost amounting to ₹913.59 lakhs. The borrowed fund has been utilized in the repayment of loans/borrowings/deposits availed by the Company and capital expenditure/advance to the tune of ₹919.96 lakhs.

Economic Scenario & Out look

India's economy is on a growth trajectory and is expected to strengthen further and become one of the top three in the world over the next decade. The implementation of GST is expected to boost corporate investments, productivity and growth by creating a single market and reducing the cost of capital. Increase in private investments will further support the plan to recapitalise public banks. India moved into the top 100 in the World Bank's Ease of Doing Business global rankings in FY 2017 and is the only country to have achieved such a significant shift in a year. The Government has made significant progress towards implementing dynamic business reforms ensuring growth for the economy. Growth in employment opportunities, education avenues, development of the infrastructure and industrial sectors will give further impetus to the economy.

However, the health of the banking sector has not been great with bad loans coming into fore. This has led to the trimming of growth projections for the next year. Digitising the economy and improving the tax compliance structure are expected to boost tax revenue in the medium term.

Cement Industry Outlook & Opportunities

India is the world's second-largest cement market and plays a major role in the economic growth of the nation. Cement is an integral product for the development of industries and infrastructure sectors, providing employment to large number of people and contributing directly to the nation's GDP.

The Government of India has a strong focus on developing the infrastructural force of the nation along with making housing available to people across India. This along with projects like Housing for All, Smart cities, etc. will boost the cement output in the near and long term. By 2025, India's cement production capacity is expected to reach 550 million tonnes and industry will grow at 5-6% CAGR until FY 2020. There are multiple attractive opportunities for the sector which will boost demand and help increase investment avenues in the industry. The North-East is a potential market for the cement industry as the region is investing heavily towards infrastructure growth. The industry also has a positive future because there are minimum threats from substitute markets.

In FY 2018, cement consumption is expected to grow by 5.0-5.5% on the back of increased spends on roads and railways, push towards affordable housing by the Central Government and materialisation of pent-up demand.

Awards & Recommendations

The Company was awarded with First Prize for “Swachh Khadaan Sarvekshan” in the 55th Annual Mines Safety Week Celebration 2017.

Human Resource

The Company is maintaining cordial and healthy relations with its employees. Employees at all levels are extending their full support. The 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

The Company has an internal management audit team to commensurate with the size of the Company. It carries out desired level of audit of various activities of the 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.

Environmental & Social Obligation

The Company had applied for extension of validity of Environment Clearance (EC) for expansion of Cement plant toThe Ministry of Environment, Forest and Climate Change(MoEF&CC). The proposal was appraised by Expert Appraisal Committee of MoEF&CC and recommended for validity extension of EC for further 3 years, i.e. upto May 2021. The Company also applied for Consent to Establish (CTE) and CTE was accorded by Odisha State Pollution Control Board (OSPCB) on 08-03-2018, valid till 07-03-2023. The NOC for extraction of 700 m3/day of groundwater to Central Ground Water Authority (CGWA) has been applied and currently the application is under process.

Renewal applications of Consent to Operate (CTO) for plant & mines were submitted to Odisha State Pollution Control Board(OSPCB). CTO for Mines has been issued in March 2018, valid upto March 2020 whereas CTO for cement plant is under process.As per the requirement of Central Pollution Control Board(CPCB), Online Continuous Emission Monitoring System (OCEMS) has been installed in Raw mill, Coal mill & Cement mill stacks with online data connectivity to CPCB & OSPCB.Electronic display of environmental parameters at factory main gate in compliance to statutory requirement.

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

The equity shares of the Company continues 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.

Finance

During the year under review, the Company has repaid the entire high cost secured and unsecured debt of ₹68.56 crore availed from IDBI Bank, Tata Capital Financial Services, Canara Bank etc. The Company has a working capital limit of ₹12 crore from IDBI Bank for availing cash credit facility. However, the same is not being utilized by the Company in view of the adequate cash accruals from the operations.

Board Meeting

During the year under report, the Board of Directors have met 6 (six) 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, 2018, the Board comprises of 8 Directors. Out of which, one is Executive Director and seven are Non-Executive Directors including three Independent Directors and one Nominee Director. 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, Ms. Sutapa Banerjee (DIN- 02844650) was appointed as Additional Directors with effect from 23rd April 2017, Mr. Manoj Kumar Rustagi (DIN- 07742914) was appointed as Whole-Time Director with effect from 26th June 2017 and Mr. Rajendra Prasad Gupta was re-designated as Non-Executive Director with effect from 26th June 2017.

According to the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Narinder Singh Kahlon 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 issued, subscribed and paid up equity share capital of the Company as on 31st March, 2018 was ₹3900.00 Lakhs comprising of 1950 Lakh Equity shares of ₹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) ofthe 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 was re-constituted in the Board Meeting dated 26thJune 2017 and thereafter the Committee comprises of the following directors of the Company.

Sri K. P. Jhunjhunwala	-	Chairman
Sri B.K. Mangaraj	-	Member
Sri Mahendra Singh	-	Member
Sri. Manoj Kumar Rustagi	-	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) resigned from the Company. The copy of resignation letter received from the Statutory Auditors was placed before the Board in its meeting held on 26thJune 2017.

In view of aforesaid, the Board of Directors of the Company appointed M/s Shah Gupta & Co., Chartered Accountants, Mumbai as Statutory Auditors in Casual Vacancy. Further such, appointment was approved in the 31st AGM of the Company held on 21st September, 2017.

At the AGM held on 21st September, 2017, M/s. Shah Gupta and Co., Chartered Accountants have been appointed as Statutory Auditors of the Company for a period of five years i.e. from 31st AGM till the conclusion of 36th AGM.

The observations made by the Statutory Auditors in their report for the financial year ended March 31, 2018 read with the explanatory notes therein are self-explanatory and therefore do not call for any further explanation or comments from the Board under section 134(3) of the Companies Act 2013.

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,Rourkela, Odisha to undertake Secretarial Audit of Company for the FY 2017-18. The report of Secretarial Audit forms a part of this Board's Report in **"Annexure –A".**

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 the 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 the Company at Board level with an intention to establish and follow best practices in Board Governance in order to fulfill fiduciary obligation to the Company. The Board believes, the evaluation will lead to a working relationship among Board members, greater efficiency using the Board's time and increased effectiveness of the Board as governing body. A structured questionnaire was prepared covering all aspects of the Board's and Committee's functions, 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 have 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 & directorson 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(3)(l) 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 31st March 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 re-constituted the Corporate Social Responsibility (CSR Committee) comprising of Mr. Manoj Kumar Rustagi, Mr. Narinder Singh Kahlon and Mr. Mahendra Singh.

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 re-constituted and comprises of Mr.Mahendra Singh, Mr. B. K. Mangaraj and Mr. Narinder Singh Kahlon.

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.

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.

Extract 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:-

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. 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;

c. 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;

d. the directors had prepared the annual accounts on a going concern basis; and

e. 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.

f. 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, a report on Corporate Governance and the compliance certificate thereon from the auditors of the Company is attached to this report.

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

	Sd/-	*Sd/-*
	Mr. Manoj Kumar Rustagi	**Mr. R. P. Gupta**
Rourkela - 769 004	Whole Time Director	Director
Dated : 21st April, 2018	DIN: 07742914	DIN : 01325989

Annexure - A

Form No. MR-3

Secreterial Audit Report

For the Financial Year Ended 31st March, 2018

(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
YY-5, Civil Township, 7/8 Area
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, 2018 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 2018, 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:

(a) Cement Quality Control (Order),2003

(b) Mines Act, 1952 and the rules made thereunder; and

(c) 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:-

(i) **Secretarial Standards**

The Secretarial Standards SS-1 and SS-2 issued and notified by the Institute of Company Secretaries of India has been complied with by the company during the period under review.

(ii) **SEBI (Listing Obligations and Disclosures Requirements),2015**

The Company has complied with the applicable clauses of the listing agreement entered into by it with the Bombay Stock Exchange (BSE) & 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.

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.

During the Audit period, except the events listed below, no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards and that thecompany has complied with such of those relevant clauses thereto which are applicable:

for PRAKASH SAHOO & ASSOCIATES
Company Secretaries

Sd/-
(Prakash Chandra Sahoo)
Proprietor
M.No. : FCS 7253
C.P. No.:7917

Place : Rourkela
Date : 6th April, 2018

(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
YY-5, Civil Township, 7/8 Area
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 : 6th April, 2018

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	31.03.2018	31.03.2017
1. Electricity		
a) Purchased		
Units (in ₹ Thousand)	9,113.22	5,912.19
Total amount (in ₹ Thousand)	59,888.57	40,577.58
Rate/Unit (including DPS)	6.57	6.86
b) Own Generation		
i) Through Diesel Generator		
Units (in Thousand)	17.48	30.41
Cost/Unit (₹)	25.04	26.23
ii) Through Steam Turbines Generator		
Units	N.A	N.A
Unit per Ltr. for Fuel oil Gas		
Cost/Unit.		
2. Coal		
Quantity (in Mt)	13,551.00	8,981.00
Total Cost (₹ in Thousand)	59,063.70	36,933.55
Average Rate (₹ Per Mt)	4,358.62	4,112.41
3. Diesel Oil		
Quantity (in K. Ltr)	40.01	83.08
Total Cost (₹ in Thousand)	2,240.00	4,437.04
Average Rate (₹ Per Litre)	55.99	53.41
4. Other/Internal Generation		
Quantity (in Mt)		
Total Cost (₹ in Thousand)	N.A	N.A
Average Rate (₹)		

Consumption per unit of production (Cement & Surplus clinker)

Particulars	Standards if any	Current Year	Previous Year
Power Units Per Tonne		141.13	110.53
Coal Cons. (%)		20.95%	16.70%

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 increased due to poor quality of domestic coal and frequent stoppage of plant.*

FORM - B [See Rule - 2]

Form for Disclosure of Particulars with respect to technology absorption

Research and Developement (R&D) for the year ended 31/03/2018

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	
a) Capital	
b) Recurring	
c) Total	No specific expenditure incurred on R & D
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	YY-5, Civil Township, 7/8 Area, Roukela-7690004 Tele Phone: 0661-2664168
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.	JSW Cement Limited	U26957MH2006PLC160839	Holding Company	53.52	Section 2(46)

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	13957	-	13957	0.007	-	-	-	-	-0.007
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	106166750	0	106166750	54.444	54.444
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-		-	-
Sub-Total- A-(1)	13957	0	13957	0.007	106166750	0	106166750	54.444	54.437
2. Foreign	-	-	-	-	-	-	-	-	-
a. NRI Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total- A (2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter(A)1+(A)(2)	**13957**	**0**	**13975**	**0.007**	**106166750**	**0**	**106166750**	**54.444**	**54.437**

B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/ FI	0	206083	206083	0.106	0	206083	206083	0.106	0.000
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Corporate	-	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j. Others(specify)	-	-	-	-	-	-	-	-	-
Sub-Total-B (1)	0	206083	206083	0.106	0	206083	206083	0.106	0.000
2. Non- Institutions									
a. Body Corp.	-	-	-	-	-	-	-	-	-
i) Indian	138944205	40346	138984569	71.274	17247874	40364	17288238	8.866	-62.408
ii) Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual Shareholders holding nominal share capital upto ‘ 1 lakh	37046528	555597	37602125	19.283	47217183	558517	47775700	24.500	5.217
ii. Individual shareholders holding nominal share capital in excess of ‘1 Lakh	12088492	68439	12156931	6.234	15453718	68439	15522157	7.960	1.726
C. Others specify									
1. NRI	1088111	0	1088111	0.558	1521166	0	1521166	0.780	0.222
2. OCB	-	-	-	-	-	-	-	-	-
3. Foreign National	-	-	-	-	-	-	-	-	-
4. Clearing Members	4946488	0	4946488	2.537	6515188	0	6515188	3.341	0.804
5. Trusts	1100	618	1718	0.001	4100	618	4718	0.002	0.001
6. Foreign Bodies-D.R.	-	-	-	-	-	-	-	-	-
Sub-Total-B (2)	194114924	665018	194779942	99.887	87959229	667938	88627176	45.450	-54.437
Total Public shareholding (B)= (B)(1)+(B)(2)	194114924	871101	194986025	99.993	87959229	874021	88833250	45.556	-54.437
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**194128899**	**871101**	**195000000**	**100.000**	**194125979**	**874021**	**195000000**	**100.000**	**0.000**

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	JSW Cement Ltd.	96337806	49.404	0.000	104366750	53.521	0.000	4.117
2	Reynold Traders Private Limited	1800000	0.923	0.000	1800000	0.923	0.000	0.000
	Total	**98137806**	**50.327**	**0.000**	**106166750**	**54.444**	**0.000**	**4.117**

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

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**JSW Cement Limited**				
	a) At the beginning of the Year	96337806	49.404		
	b) Changes during the year				
	Date Reason				
	19/05/2017 Transfer	2714	0.001	96340520	49.405
	30/06/2017 Transfer	2500000	1.282	98840520	50.687
	07/07/2017 Transfer	5526230	2.834	104366750	53.521
	c) At the End of the Year			104366750	53.521
2	**REYNOLD TRADERS PRIVATE LIMITED**				
	a) At the beginning of the year	1800000	0.923		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the year			1,800,000	0.923
	TOTAL	**98137806**	**50.327**	**106166750**	**54.444**

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

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**ASHA MUKUL AGRAWAL**				
	a) At the Beginning of the Year	511100	0.262		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			511100	0.262
2	**ASHIKA CREDIT CAPITAL LIMITED**				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	16/06/2017 Transfer	141914	0.073	141914	0.073
	30/06/2017 Transfer	533293	0.273	675207	0.346
	21/07/2017 Transfer	10000	0.005	685207	0.351
	11/08/2017 Transfer	4950	0.003	690157	0.354
	25/08/2017 Transfer	15000	0.008	705157	0.362
	22/09/2017 Transfer	-4950	0.003	700207	0.359
	10/11/2017 Transfer	50000	0.026	750207	0.385
	08/12/2017 Transfer	-10000	0.005	740207	0.380
	19/01/2018 Transfer	75000	0.038	815207	0.418
	26/01/2018 Transfer	6994	0.004	822201	0.422
	02/02/2018 Transfer	53006	0.027	875207	0.449
	09/02/2018 Transfer	-25000	0.013	850207	0.436
	23/02/2018 Transfer	-49500	0.025	800707	0.411
	09/03/2018 Transfer	5000	0.003	805707	0.413
	c) At the End of the Year			805707	0.413
3	**BAJRANG ENGINEERS PRIVATE LIMITED**				
	a) At the Begining of the Year	3478233	1.784		
	b) Changes during the year				
	Date Reason				
	14/04/2017 Transfer	1400000	0.718	4878233	2.502
	05/05/2017 Transfer	-263050	0.135	4615183	2.367
	30/06/2017 Transfer	-2725000	1.397	1890183	0.969
	07/07/2017 Transfer	-950000	0.487	940183	0.482

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	14/07/2017 Transfer	-465000	0.238	475183	0.244
	28/07/2017 Transfer	-425106	0.218	50077	0.026
	20/10/2017 Transfer	-50077	0.026	0	0.000
	16/03/2018 Transfer	60732	0.031	60732	0.031
	23/03/2018 Transfer	180335	0.092	241067	0.124
	30/03/2018 Transfer	10000	0.005	251067	0.129
	c) At the End of the Year			251067	0.129
4	**FAIRWEALTH FINANCIAL SERVICES LIMITED**				
	a) At the Begining of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/05/2017 Transfer	250000	0.128	250000	0.128
	02/06/2017 Transfer	4000	0.002	254000	0.130
	30/09/2017 Transfer	-254000	0.130	0	0.000
	29/12/2017 Transfer	175000	0.090	175000	0.090
	16/03/2018 Transfer	355000	0.182	530000	0.272
	c) At the End of the Year			530000	0.272
5	**HARSH VANIJYA PRIVATE LIMITED**				
	a) At the Begining of the Year	8000000	4.103		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8000000	4.103
6	**INDIANIVESH CAPITALS LIMITED**				
	a) At the Begining of the Year	10000	0.005		
	b) Changes during the year				
	Date Reason				
	21/04/2017 Transfer	-10000	0.005	0	0.000
	09/06/2017 Transfer	15000	0.008	15000	0.008
	07/07/2017 Transfer	285000	0.146	300000	0.154
	28/07/2017 Transfer	10000	0.005	310000	0.159
	04/08/2017 Transfer	190000	0.097	500000	0.256
	11/08/2017 Transfer	-70000	0.036	430000	0.221
	25/08/2017 Transfer	70000	0.036	500000	0.256
	06/10/2017 Transfer	25000	0.013	525000	0.269
	20/10/2017 Transfer	100001	0.051	625001	0.321
	10/11/2017 Transfer	-100000	0.051	525001	0.269
	05/01/2018 Transfer	-25000	0.013	500001	0.256
	c) At the End of the Year			500001	0.256
7	**JSW CEMENT LIMITED**				
	a) At the Begining of the Year	96337806	49.404		
	b) Changes during the year				
	Date Reason				
	16/06/2017 Transfer	2714	0.001	96340520	49.405
	30/06/2017 Transfer	2500000	1.282	98840520	50.687
	07/07/2017 Transfer	5526230	2.834	104366750	53.521
	c) At the End of the Year			104366750	53.521
8	**KARVY STOCK BROKING LIMITED**				
	a) At the Begining of the Year	1446245	0.742		
	b) Changes during the year				
	Date Reason				
	07/04/2017 Transfer	-2080	0.001	1444165	0.741
	14/04/2017 Transfer	-38707	0.020	1405458	0.721

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	21/04/2017 Transfer	6815	0.003	1412273	0.724
	28/04/2017 Transfer	5407	0.003	1417680	0.727
	05/05/2017 Transfer	5817	0.003	1423497	0.730
	12/05/2017 Transfer	3571	0.002	1427068	0.732
	19/05/2017 Transfer	810	0.000	1427878	0.732
	26/05/2017 Transfer	-3380	0.002	1424498	0.731
	02/06/2017 Transfer	-5050	0.003	1419448	0.728
	09/06/2017 Transfer	4150	0.002	1423598	0.730
	16/06/2017 Transfer	-6856	0.004	1416742	0.727
	23/06/2017 Transfer	3882	0.002	1420624	0.729
	30/06/2017 Transfer	14118	0.007	1434742	0.736
	07/07/2017 Transfer	49410	0.025	1484152	0.761
	14/07/2017 Transfer	65715	0.034	1549867	0.795
	21/07/2017 Transfer	-9791	0.005	1540076	0.790
	28/07/2017 Transfer	38376	0.020	1578452	0.809
	04/08/2017 Transfer	-156135	0.080	1422317	0.729
	11/08/2017 Transfer	-16282	0.008	1406035	0.721
	18/08/2017 Transfer	-3843	0.002	1402192	0.719
	25/08/2017 Transfer	-5246	0.003	1396946	0.716
	01/09/2017 Transfer	-22315	0.011	1374631	0.705
	08/09/2017 Transfer	10086	0.005	1384717	0.710
	15/09/2017 Transfer	9074	0.005	1393791	0.715
	22/09/2017 Transfer	-8944	0.005	1384847	0.710
	30/09/2017 Transfer	9621	0.005	1394468	0.715
	06/10/2017 Transfer	2951	0.002	1397419	0.717
	13/10/2017 Transfer	20762	0.011	1418181	0.727
	20/10/2017 Transfer	182048	0.093	1600229	0.821
	27/10/2017 Transfer	266835	0.137	1867064	0.957
	03/11/2017 Transfer	-305056	0.156	1562008	0.801
	10/11/2017 Transfer	-10094	0.005	1551914	0.796
	17/11/2017 Transfer	10482	0.005	1562396	0.801
	24/11/2017 Transfer	3332	0.002	1565728	0.803
	01/12/2017 Transfer	17860	0.009	1583588	0.812
	08/12/2017 Transfer	18236	0.009	1601824	0.821
	15/12/2017 Transfer	-6822	0.003	1595002	0.818
	22/12/2017 Transfer	-70	0.000	1594932	0.818
	29/12/2017 Transfer	8080	0.004	1603012	0.822
	05/01/2018 Transfer	5869	0.003	1608881	0.825
	12/01/2018 Transfer	9651	0.005	1618532	0.830
	19/01/2018 Transfer	-6214	0.003	1612318	0.827
	26/01/2018 Transfer	1590	0.001	1613908	0.828
	02/02/2018 Transfer	710	0.000	1614618	0.828
	09/02/2018 Transfer	-4954	0.003	1609664	0.825
	16/02/2018 Transfer	-1003	0.001	1608661	0.825
	23/02/2018 Transfer	812	0.000	1609473	0.825
	02/03/2018 Transfer	15585	0.008	1625058	0.833
	09/03/2018 Transfer	-1835	0.001	1623223	0.832
	16/03/2018 Transfer	25609	0.013	1648832	0.846
	23/03/2018 Transfer	1447602	0.742	3096434	1.588
	c) At the End of the Year			3096434	1.588

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	**MANGALA SUBHASH RATHOD**				
	a) At the Beginning of the Year	2585801	1.326		
	b) Changes during the year				
	Date Reason				
	20/10/2017 Transfer	380000	0.195	2965801	1.521
	03/11/2017 Transfer	100000	0.051	3065801	1.572
	23/03/2018 Transfer	-2730150	1.400	335651	0.172
	30/03/2018 Transfer	2724861	1.397	3060512	1.569
	c) At the End of the Year			3060512	1.569
10	**PADMINI VINIYOG PRIVATE LIMITED**				
	a) At the Beginning of the Year	877313	0.450		
	b) Changes during the year				
	Date Reason				
	12/05/2017 Transfer	-5447	0.003	871866	0.447
	26/05/2017 Transfer	-20111	0.010	851755	0.437
	23/03/2018 Transfer	-3364	0.002	848391	0.435
	30/03/2018 Transfer	-7444	0.004	840947	0.431
	c) At the End of the Year			840947	0.431
11	**RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED**				
	a) At the Beginning of the Year	7552832	3.873		
	b) Changes during the year				
	Date Reason				
	14/04/2017 Transfer	-30000	0.015	7522832	3.858
	21/04/2017 Transfer	-1993165	1.022	5529667	2.836
	28/04/2017 Transfer	-1262532	0.647	4267135	2.188
	05/05/2017 Transfer	-527984	0.271	3739151	1.918
	12/05/2017 Transfer	-333435	0.171	3405716	1.747
	19/05/2017 Transfer	-268030	0.137	3137686	1.609
	26/05/2017 Transfer	-259302	0.133	2878384	1.476
	02/06/2017 Transfer	-176974	0.091	2701410	1.385
	09/06/2017 Transfer	-140477	0.072	2560933	1.313
	16/06/2017 Transfer	-98661	0.051	2462272	1.263
	23/06/2017 Transfer	-241043	0.124	2221229	1.139
	30/06/2017 Transfer	-276882	0.142	1944347	0.997
	07/07/2017 Transfer	-1044347	0.536	900000	0.462
	27/10/2017 Transfer	-526162	0.270	373838	0.192
	10/11/2017 Transfer	-78161	0.040	295677	0.152
	17/11/2017 Transfer	-13739	0.007	281938	0.145
	05/01/2018 Transfer	-21000	0.011	260938	0.134
	12/01/2018 Transfer	-100000	0.051	160938	0.083
	19/01/2018 Transfer	-1830	0.001	159108	0.082
	26/01/2018 Transfer	-13174	0.007	145934	0.075
	02/02/2018 Transfer	-35379	0.018	110555	0.057
	c) At the End of the Year			110555	0.057
12	**REYNOLD TRADERS PRIVATE LIMITED**				
	a) At the Beginning of the Year	1800000	0.923		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1800000	0.923
13	**SAHI TRADING PRIVATE LIMITED**				
	a) At the Beginning of the Year	1359750	0.697		
	b) Changes during the year				
	Date Reason				
	14/04/2017 Transfer	-5000	0.003	1354750	0.695

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	04/08/2017 Transfer	165500	0.085	1520250	0.780
	20/10/2017 Transfer	250000	0.128	1770250	0.908
	27/10/2017 Transfer	9635	0.005	1779885	0.913
	03/11/2017 Transfer	-97331	0.050	1682554	0.863
	09/02/2018 Transfer	-91000	0.047	1591554	0.816
	30/03/2018 Transfer	-1534124	0.787	57430	0.029
	c) At the End of the Year			57430	0.029
14	**SAMARTH COMMODITIES MERCHANTS PVT LTD**				
	a) At the Beginning of the Year	3609489	1.851		
	b) Changes during the year				
	Date Reason				
	28/04/2017 Transfer	592323	0.304	4201812	2.155
	05/05/2017 Transfer	897500	0.460	5099312	2.615
	12/05/2017 Transfer	744249	0.382	5843561	2.997
	19/05/2017 Transfer	-415000	0.213	5428561	2.784
	26/05/2017 Transfer	-301700	0.155	5126861	2.629
	30/06/2017 Transfer	-229822	0.118	4897039	2.511
	07/07/2017 Transfer	-400000	0.205	4497039	2.306
	14/07/2017 Transfer	-2107233	1.081	2389806	1.226
	21/07/2017 Transfer	-1225000	0.628	1164806	0.597
	28/07/2017 Transfer	-5732	0.003	1159074	0.594
	04/08/2017 Transfer	-585853	0.300	573221	0.294
	11/08/2017 Transfer	-195764	0.100	377457	0.194
	08/09/2017 Transfer	332574	0.171	710031	0.364
	15/09/2017 Transfer	-170000	0.087	540031	0.277
	22/09/2017 Transfer	-150000	0.077	390031	0.200
	13/10/2017 Transfer	-335866	0.172	54165	0.028
	20/10/2017 Transfer	-54165	0.028	0	0.000
	c) At the End of the Year			0	0.000
15	**SHAVARIA TRADECOM PRIVATE LIMITED**				
	a) At the Begining of the Year	3934901	2.018		
	b) Changes during the year				
	Date Reason				
	14/04/2017 Transfer	-150000	0.077	3784901	1.941
	05/05/2017 Transfer	572154	0.293	4357055	2.234
	02/06/2017 Transfer	-238452	0.122	4118603	2.112
	09/06/2017 Transfer	-44936	0.023	4073667	2.089
	16/06/2017 Transfer	-13838	0.007	4059829	2.082
	23/06/2017 Transfer	-222507	0.114	3837322	1.968
	30/06/2017 Transfer	-1943900	0.997	1893422	0.971
	07/07/2017 Transfer	-1185000	0.608	708422	0.363
	21/07/2017 Transfer	-708422	0.363	0	0.000
	c) At the End of the Year			0	0.000
16	**SHRENIK.V.MEHTA**				
	a) At the Begining of the Year	30000	0.015		
	b) Changes during the year				
	Date Reason				
	19/05/2017 Transfer	-30000	0.015	0	0.000
	28/07/2017 Transfer	125000	0.064	125000	0.064
	19/01/2018 Transfer	400000	0.205	525000	0.269
	26/01/2018 Transfer	75000	0.038	600000	0.308
	23/02/2018 Transfer	-25000	0.013	575000	0.295

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	16/03/2018 Transfer	18125	0.009	593125	0.304
	23/03/2018 Transfer	7000	0.004	600125	0.308
	c) At the End of the Year			600125	0.308
17	**SPLENDOR POWER LIMITED**				
	a) At the Begining of the Year	2432671	1.248		
	b) Changes during the year				
	Date Reason				
	14/04/2017 Transfer	-1000000	0.513	1432671	0.735
	16/06/2017 Transfer	-1432671	0.735	0	0.000
	c) At the End of the Year			0	0.000
18	**SUMPOORNA PORTFOLIO LIMITED**				
	a) At the Begining of the Year	275017	0.141		
	b) Changes during the year				
	Date Reason				
	07/07/2017 Transfer	100	0.000	275117	0.141
	14/07/2017 Transfer	2000	0.001	277117	0.142
	28/07/2017 Transfer	-1000	0.001	276117	0.142
	11/08/2017 Transfer	-1000	0.001	275117	0.141
	25/08/2017 Transfer	-100	0.000	275017	0.141
	27/10/2017 Transfer	300	0.000	275317	0.141
	03/11/2017 Transfer	950	0.000	276267	0.142
	10/11/2017 Transfer	540010	0.277	816277	0.419
	17/11/2017 Transfer	-850	0.000	815427	0.418
	24/11/2017 Transfer	-300	0.000	815127	0.418
	12/01/2018 Transfer	-100	0.000	815027	0.418
	09/02/2018 Transfer	1000	0.001	816027	0.418
	23/03/2018 Transfer	-27	0.000	816000	0.418
	c) At the End of the Year			816000	0.418
	T O T A L	**134241158**	**68.842**	**125346628**	**64.280**

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**KASHI PRASAD JHUNJHUNWALA**				
	a) At the Beginning of the Year	8800	0.005		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8800	0.005
2	**NARINDER SINGH KAHLON**				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	30/06/2017 Transfer	100	0.000	100	0.000
	c) At the End of the Year			100	0.000
3	**RAJENDRA PRASAD GUPTA**				
	a) At the Beginning of the Year	13447	0.007		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			13447	0.007
	T O T A L	**22247**	**0.011**	**22347**	**0.011**

vi) Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,324.84	2,107.70	218.94	7,651.48
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	34.76	--	--	34.76
Total (i+ii+iii)	5,359.60	2,107.70	218.94	7,686.24
Change in Indebtedness during the financial year				
• Addition	526.48	13,226.62	45.68	13,798.78
• Reduction	5,886.08	1,555.13	264.62	7,705.83
Net Change	5,359.60	11,671.49	218.94	6,092.95
Indebtedness at the end of the financial year				
i) Principal Amount	--	12,976.00	--	12,976.00
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	823.62	--	823.62
Total (i+ii+iii)	--	13,799.62	--	13,799.62

x) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Managing Director	Whole Time Director Mr. Manoj Kumar Rustagi*	Manager	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (per annum)	--	1.00	-	1.00
	(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 -Others specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	1.00	-	1.00
	Ceiling as per the Act	-	-	-	-

*Mr. Manoj Kumar Rustagi, Whole-Time Director of the Company has been deputed by JSW Cement Limited, which is the holding company.

B. Remuneration to other directors: (₹ lakhs)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Director	K P Jhunjhunwala	Mahendra Singh	B. K. Mangaraj		
	• Fee for attending board / committee meetings	1.45	1.85	1.45		4.75
	• Commission					
	• Others, please specify	--	--	--		--
	Total(1)	**1.45**	**1.85**	**1.45**		**4.75**
2	Other Non-Executive Directors	D.K. Senapati	Sutapa Banerjee	Narinder Singh Kahlon	R. P. Gupta	
	• Fee for attending board / committee meetings	1.25	0.50	-	-	1.75
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	**1.25**	**0.50**	**-**	**-**	**1.75**
	Total (B)=(1+2)	-	-	-	-	6.50
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (As Deputed from holding company) : Nil

xii) Penalties / Punishment/ Compounding of Offences: None

REPORT ON CORPORATE GOVERNANCE

Pursunant to Regulation 34(3) and schedule V(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. 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.

The Company is committed to continuous improvement of standards of corporate governance. The Company has laid strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, inducting professionals and putting in place appropriate systems, process and technology.

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

The Company confirms the Compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

2. Board of Directors

The Board of Directors (the Board) is at the core of our corporate governance practice and oversees how the management serves and protects the long term interests of stakeholders. We believe that an active, well informed and independent Board is necessary to ensure the highest standards of corporate governance.

a. Appointment and Tenure:

The Company believes to have a suitable mixture of Executive, Non-Executive and Independent Directors to maintain the neutrality of the Board and separate its functions of governance and management. Currently, the Board consists of eight members, one of whom is Whole-Time Director (Executive Director), four are Non-Executive Directors (NED) including a Woman Director and three are Independent Directors. The Board periodically evaluates the need for change in its composition and size.

All Non-Executive Directors are subject to retirement by rotation and at every Annual General Meeting 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company. The Executive Director on the Board serves in accordance with the terms of his contract of service with the Company.

All Independent Directors meet with the critertia of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation (I)(b) of the SEBI (LODR) Regulations, 2015.

b. Size and Composition of the Board:

The size and composition of the Board during the financial year 2017-18 along with the number of other directorship held by the Directors in other Companies are given below:

Category	Name of Director	Position	Attendance at		No. of other Directorships
			Board Meetings	31st AGM held on 21st September 2017	Other Directorships in Indian Companies (inserted after declaration received by Directors)
Executive Director	Mr. Manoj Kumar Rustagi	Whole-Time Director	6	Present	-
Non-Executive	Mr. R.P. Gupta	Director	5	Present	1
	Mr. Narinder Singh Kahlon	Director	4	Present	-
	Mr. D.K. Senapati	Director	6	-	-
	Ms. Sutapa Banerjee	Director	2	-	10
Independent Director	Mr. Mahendra Singh	Director	6	Present	-
	Mr. B.K. Mangaraj	Director	4	-	-
	Mr. K.P. Jhunjhunwala	Director	5	Present	1

Notes:

1. During the year the Board met 6 times (as against the minimum requirement of 4 meetings) on the following dates namely 22.04.2017, 26.06.2017, 04.08.2017, 04.09.2017, 27.10.2017 and 09.02.2018.
2. Ms. Sutapa Banerjee has been appointed as Non-Executive Women Director of the Company w.e.f April 22, 2017.
3. There are no inter-se relationships between the Board Members.

c. Board Meetings, Board Committee Meetings and Procedures:

i. Institutionalised decision making process:

The Board provides and evaluates the strategic direction of the Company, management policies, and their effectiveness and ensures that the long term interests of the shareholders are served. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its members and other stakeholders.

The Board has constituted five Committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholder's Relationship Committee and Finance Committee. The Board may constitute additional functional Committees from time to time depending on the business necessities.

ii. Scheduling and selection of Agenda Items for Board Meetings:

A minimum of four meetings are held every year. Additional meetings are held as and when necessary. Dates for the Board Meetings in the ensuing quarters are decided well in advance and communicated to the Directors. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Committees of the Board usually meet before the formal Board meeting or whenever the need arises, for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.

All departments/divisions of the Company are advised to schedule their work plan well in advance with regards to matter requiring discussion/ approval at Board/Committee meetings.

The Board is given presentations covering the Company's Financial Performance and Business Plan and Strategy. The Board is also provided with the Audit Committee's observations on the Company's Financials and internal audit findings.

iii. Distribution of Board Agenda Material:

Agenda papers are generally circulated well in advance to the Board Members. All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

For any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board/Committee Meeting for noting.

iv. Recording Minutes of proceedings of Board and Committee Meetings:

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated within 15 days to Board/ Committee members for their comments. The minutes are approved and signed by the Chairman of the meeting. The signed minutes are also circulated to the Board members within 15 days of signing.

v. Post Meeting Follow-up Mechanism:

The Governance process in the Company has an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees. All important decisions taken at the meeting are communicated to the concerned officials and departments.

vi. Compliance:

During the preparation of agenda, notes on agenda and minutes of the meeting(s), Company Secretary is responsible for and is required to ensure adherence to all applicable laws and regulations, pursuant to the Companies Act, 2013 read with Rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

d. Independent Directors Meeting:

A meeting of the Independent Directors of the Company was held without the presence of Non-Independent Directors and management of the Company on 16th March, 2018. The Independent Directors discussed and evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

3. Audit Committee

The constitution of Audit committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18(i) of SEBI (LODR Regulations).The Audit Committee was re-constituted in the Board Meeting dated 26.06.2017 and comprises of following directors namely Mr. K. P. Jhunjhunwala, Independent Director, Mr. B.K. Mangaraj, Independent Director, Mr. Mahendra Singh, Independent Director and one executive director namely Mr. Manoj Kumar Rustagi, Whole-Time Director. .

The Board has approved the role and responsibilities for functioning of Audit Committee which interalia includes:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company
- to review and monitor the auditor's independence & performance and effectiveness of audit process
- examination of the financial statements and the auditors' report thereon
- approval or any subsequent modification of transactions of the company with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the company, wherever necessary
- evaluation of internal financial controls and risk management systems
- monitoring the end use of funds raised through public offers and related matters

The powers of the Audit Committee interalia include:

- to discuss any related issues with the internal and statutory auditors and the management of the company
- to call comments of the auditors about internal control systems, the scope of audit, including their observations and review of financial statement before submission to the Board
- to investigate into any matter in relation to items specified in roles and responsibilities and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company

During the year under review, the Committee had met 5 times on 22.04.2017, 26.06.2017, 04.09.2017, 27.10.2017 and 09.02.2018. The Chief Financial Officer had attended the meetings of Audit Committee. The Statutory Auditors and Internal Auditors were also invited in the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Committee.

The attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. K.P. Jhunjhunwala Chairman	Independent Director	4
Mr. B.K. Mangaraj - Member	Independent Director	3
Mr. Mahendra Singh Member	Independent Director	5
Mr. Manoj Kumar Rustagi* Member	Whole-time Director	3

*Appointed w.e.f 26.06.2017.

4. Nomination & Remuneration Committee:

The Nomination and Remuneration Committee's constitution and terms are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the SEBI (LODR) Regulations, 2015. The Committee was reconstituted on 27.10.2017 and comprises of following Directors;

i. Mr. Narinder Singh Kahlon, Non-Executive Director

ii. Mr. Mahendra Singh, Independent Director

iii. Mr. Bimalkumar Mangaraj, Independent Director

The Board has approved the roles and responsibilities for the functioning of the Nomination and Remuneration Committee which inter alia includes:

- to formulate the policy for determining qualifications, positive attributes, remuneration and independence of a director, KMP, senior management and other employees
- to ensure, while formulating the policy, that:
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors & KMP
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks
- remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives of the company
- to identify persons who are qualified to become directors, KMP and senior management
- to recommend to the Board their appointment and removal
- to laid down criteria to carry out evaluation of performance
- to attend the General Meeting of the Company

During the year under review, the Committee had met once on April 22, 2017. The Company Secretary acts as the Secretary of the Committee. The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of Meetings attended
Mr. K. P. Jhunjhunwala** Member	Independent Director	1
Mr. B.K. Mangaraj Member	Independent Director	-
Mr. Mahendra Singh Member	Independent Director	1

** the committee was reconstituted on 27.10.2017 comprises of following members : Mr. Mahendra Singh, Mr. B. K. Mangaraj and Mr. Narinder Singh Kahlon

Remuneration to Directors

Mr. Manoj Kumar Rustagi, Whole-Time Director of the Company has been paid remuneration of Re.1/- per month in consonance of the agreement executed between him and the Company. He has been deputed and nominated by the parent company i.e. JSW Cement Limited.

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 & I ndependent directors.

The Company pays sitting fees to Independent Director, Non-Executive Women Director and Nominee Director at the rate of Rs. 25,000/- for each Board meeting attended and Rs. 15000/- for each committee meeting attended. Sitting fee paid to to the Directors for the year ended 31st March, 2018 is as follows:-

S.No.	Name	Sitting Fees Paid (Rs. In Lakhs)
1	Mr. K.P Jhunjhunwala, Independent Director	1.45
2	Mr. Mahendra Singh, Independent Director	1.85
3	Mr. B.K. Mangaraj, Independent Director	1.45
4	Mr. D.K. Senapati, Nominee Director	1.25
5	Ms. Sutapa Banerjee, Non-Executive Women Director	0.50

Performance Evaluation Critieria for Independent Director Directors:

The Board evaluation policy has been framed and approved by the Board. The policy has been framed in compliance with the provisions the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as amended from time to time. The Company complies with the requirements and processes as mentioned in the Board Evaluation Policy.

5. Shareholders'/Investors' Grievance Committee:

The Stakeholder Relationship Committee's constitution and roles and responsibilities are in compliance of the Companies Act, 2013 and SEBI (LODR Regulations). The Stakeholder Relationship Committee was re-constituted in the Board Meeting dated 27.10.2017 and comprises of two Non-Executive and one Executive Director as follows:

i. Mr. Rajendra Prasad Gupta, Non-Executive Director

ii. Mr. Narinder Singh Kahlon, Non-Executive Director

iii. Mr. Manoj Kumar Rustagi, Whole-Time Director.

The roles andresponsibilities of the Committee are as follows:

- Redressal of shareholders and investors complaints.
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/ consolidation/renewal, etc.
- Review the process and mechanism of redressal of Shareholders / Investors grievance and to suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- Non-receipt of share certificate(s), dividends, interest, annual report and any other grievance/complaints.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved by them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time.

The Stakeholders Relationship Committee met once during the financial year 2017-18 on 09.02.2018. The composition of the committee and the details of the meetings attended by the members are given as follows:

Name of Members	Category	No. of Meetings attended
Mr. Rajendra Prasad Gupta Member	Non-Executive Director	1
Mr. Narinder Singh Kahlon Member	Non-Executive Director	-
Mr. Manoj Kumar Rustagi Member	Whole-Time Director	1

The Company Secretary & Compliance Officer complies with the requirements of SEBI (LODR) Regulations, 2015.

Investor Grievance Redressal

Number of Complaints received and resolved to the satisfaction of shareholders/investors during the year under review and their break-up is as under:

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	Nil
Transmission effected	6	6	Nil
Demat requests confirmed -NSDL & CDSL	99	99	Nil
Remat Request	1	1	Nil

Queries/Complaints resolved:

Activity	Received	Replied	Pending
Queries/Complaints	2	2	Nil
Change of Address	8	8	Nil

6. Finance Committee:

The Finance Committee comprises of one Executive Director and one Non-Executive Director i.e. Mr. Manoj Kumar Rustagi, Whole-Time Director and Mr. Narinder Singh Kahlon, Non-Executive Director. The roles and responsibilities approved by the Board, for the functioning of Finance Committee, inter alia include:

a) To avail credit/financial facilities of any description including refinancing (hereinafter called as "Facilities") from Banks/Financial Institutions/ Bodies Corporate (hereinafter referred to as 'Lenders') upon such security as may be required by the 'Lenders' and agreed to by the Committee including any alteration of sanction terms, provided however that, the aggregate amount of such credit/ financial facilities to be availed by the Committee shall not exceed ` 500 crores.

b) To alter/vary terms, conditions, repayment schedules including premature payments of the credit/ financial facilities availed from Lenders, with or without premium on such payments.

c) To hypothecate/pledge/ create charge on movable and immovable properties/ assets of the Company and to sign, execute necessary deeds, documents, agreements, writings etc. to avail the said facilities, loans etc.

d) To invest and deal with any monies of the Company upon such security (not being shares of the Company) or without security in such manner as the Committee may deem fit, and from time to time to vary or realize such investments, provided that all investments shall be made and held in the Company's name and provided further that monies to be invested and dealt with as aforesaid by the Committee shall not exceed ` 50 crores and decide the authorized persons to invest, redeem, and take all necessary actions in that regard.

e) To open Current Account(s), Collection Account(s), Operation Account(s), invest/renew/withdraw fixed deposits/time deposits/margin money deposits or any other deposits as per requirement, or any other Account(s) with Banks whether in Indian Rupees or in Foreign Currencies, whether in India or abroad, and also to close such accounts, which the Committee may consider necessary and expedient and to decide/appoint/change/remove the authorized signatories and mode of operation of the bank accounts; to authorize persons for internet banking and modifications in the signatories and mode of operation from time to time.

f) To avail guarantees/letter of credits/enter into bill purchase schemes with any of the banks/institutions.

g) To appoint / replace Credit Rating Agencies and to apply, review and accept Credit Ratings.

h) To authorise officers or any other persons to enter into / sign on behalf of the Company various project contracts viz. appointment of project consultants, supply of plant and machinery, civil works, supervision etc.

i) To authorise officers or any other persons to sign and execute Letter of Indemnity (LOI) on behalf of the Company, for all export & import documentation purpose, including for releasing cargo without original Bills of Lading, for clean Bills of Lading, any changes required to be made in Bills of Lading and any changes required to be made in discharge port as against what is declared in Bills of Lading.

j) To allot and transfer shares of the Company to promoter(s) and / or non-promoter(s) and / or any individuals, body corporate, any other incorporated or un-incorporated entities whether resident or non-resident within the maximum limits laid down by the Shareholders from time to time.

k) To allot / redeem Non-Convertible Debentures (NCDs), to change/ modify/alter the terms of issued NCDs/ to create security/additional securities/modification in security created for allotment of debentures, to delegate power for creation of security viz signing of Debenture Trust Deed, other Documents and relevant papers, to appoint R & T agents, to appoint Depository(s) and to delegate powers for signing agreements in relation to the Depository, to issue debenture certificates or allotment of debentures in demat mode and to do all other acts and deeds incidental thereto allot/redeem debentures, to change/ modify/alter the terms of issues.

l) To authorize officers or other persons for the purpose of acquisition of land, dealing and registration with the statutory authorities such as Excise, Service Tax, Customs, Income Tax, profession Tax, Commercial Tax, State & Central Sales tax, VAT, GST authorities and such other State and Central Government authorities, on such terms and conditions and limitations as the said Committee shall determine.

m) To authorise officers or any other persons to issue, sign and give indemnities, bonds, guarantees or documents of similar nature having financial exposure to the State and Central Government Authorities and also to accept, enter into and sign any compromise in relation to the direct or indirect tax matters.

n) To issue power of attorneys, open/ close branch offices, authorize persons for signing Vakalatnama, authorize persons to attend meeting pursuant to section 113 of the Companies Act, 2013, affixation of Common seal.

o) To authorize persons to initial, sign and execute various forms, applications, deeds and documents and all other necessary papers with various parties and Statutory Bodies including State and Central Government authorities in ordinary course of the business.

p) To authorize persons to initial, sign and execute various forms, applications, deeds and documents and all other necessary papers under various acts applicable to the Company and its factories/ mines located at various locations within the territory of the India.

q) To do all acts, deeds and things as the Committee deem fit and consider necessary by exercising the powers of the Board which the Committee may lawfully exercise by virtue of the powers hereinabove conferred.

r) To exercise such powers as may be delegated by the Board of Directors from time to time.

7. General Meetings:

a. Annual General Meetings:

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

AGM	Date	Time	Venue	Special Resolution
31st	September 21, 2017	11.30 A.M.	Hotel Mantra Palace, Rourkela-4	i. Appointment and fixation of remuneration of Whole-Time Director of the Company ii. Approval of Borrowing Powers of the Company under Section 180(1)(c) of the Companies Act. iii. Approval for creation of Security(ies) pursuant to section 180(1)(a) of the Companies Act, 2013. iv. Alteration of Article of Association of the Company
30th	November 25, 2016	11.00 A.M.	P-25, Civil Township, Rourkela-4	i. Issue of Share Warrants ii. Approval of Borrowing Powers of the Company under Section 180(1)(c) of the Companies Act. iii. Approval for creation of Security(ies) pursuant to section 180(1)(a) of the Companies Act, 2013. iv. Re-appointment of Mr. R.P. Gupta as Managing Director of the Company v. Re-appointment of Mr. Akash Gupta as Executive Director of the Company.
29th	December 28, 2015	11.00 A.M.	P-25, Civil Township, Rourkela-4	i. Issue of Warrants

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

b. Extra-ordinary General Meeting:

The details of date, time and venue of Extra-Ordinary General Meetings (EGMs) of the Company held during the preceding three years and the special resolutions passed thereat are as under:

EGM	Date	Time	Venue	Particulars
	June 30, 2016	11:00 A.M	P-25, Civil Township, Rourkela-4	Issue of Share warrants
	February 22, 2017	11:00 A.M	P-25, Civil Township, Rourkela-4	Issue of Share Warrants

8. Disclosures:

a. There were no materially significant related party transactions, i.e. transaction of the Company with its Promoters, Directors or the Management or relatives etc., that conflict with the interests of the Company.

b. The Company has followed Indian Accounting Standards (IndAS) in preparation of the Financial Statements for accounting. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Stataements.

c. The Company has laid down procedures to inform Board members about the risk assessment and minimisation process which are periodically reviewed.

d. There are no Inter-se relationships between Directors of the Company.

e. 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.

f. 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-.

g. Related Party transanctions disclosure

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

9. 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	20th September, 2018 at 11:30 A.M.
Venue	Hotel Mantra Palace, Rourkela.
Equity shares listed at	Bombay Stock Exchange and Calcutta Stock Exchange

b) Financial Calendar 2018-19 (tentative)

Annual General Meeting : 20th September, 2018

Board Meeting

Results for the quarter ending June 30,2018	Last Week of July - 2018
Results for the quarter ending Sep 30,2018	Second Week of Nov - 2018
Results for the quarter ending Dec 31,2018	Second Week of Feb - 2019
Results for the quarter ending Mar 31,2019	Second Week of May - 2019

c) i) Scrip Code: Calcutta Stock Exchange 10029983

Bombay Stock Exchange 532323

ii) Demat ISIN Numbers

in NSDL & CDSL Equity Shares INE555C01029

(Note: Annual listing fees for the year 2017-18 have been duly paid to Stock Exchanges)

Stock Market Data:

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

Month	High Price	Low Price	Close Price	No.of Shares	Total Turnover (₹)
Jan-17	15.58	11.75	15.58	31,081,169	431,769,942
Feb-17	18.5	16	17.35	20,975,936	350,383,641
Mar-17	19.15	17	19.15	11,944,475	224,599,646
Apr-17	24.65	19.25	22.7	27,497,076	622,475,684
May-17	24.85	18.25	19.7	12,833,720	275,670,681
Jun-17	24.8	19.25	23.3	28,572,708	622,404,809
Jul-17	33.5	22.85	24.3	53,610,322	1,499,797,095
Aug-17	26.3	21	24.8	10,481,128	254,373,464
Sep-17	25.2	21.1	21.9	8,120,774	193,438,026
Oct-17	41.4	21.3	34.25	45,697,597	1,470,929,979
Nov-17	36.35	26.6	29.6	8,981,279	294,970,759
Dec-17	30.8	27.5	29.4	2,714,878	79,522,932
Jan-18	39	28.75	29.85	9,202,195	312,732,245
Feb-18	30	26.4	27.7	4,168,927	116,641,948
Mar-18	29.45	24.4	24.85	13,200,187	342,492,307

e) Registrar and Transfer Agents : Niche Technologies (P) Ltd.
D/511, Bagree Market
71, BRBB Road, 5th Floor,
Calcutta - 700 001

1. Share Transfer system:

The Company has, as per SEBI guidelines offered the facility of transfer cum demat. Under the said sy stem, after the shar e transfer is eff ected, an option letter is sent to the transferee indicating the detai ls of the transferr ed shares and requesting him i n 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 Regi strar demater ialise the shares. In case the transferee does not wish to demateri alise the shares, he need not exercise the option and the Company will despatch the shar e certificates after 15 days from the date of such option letter.

2. Dematerialisation of shares:

The Company's equity shares are admitted as eligible securiti es on National Securities Depository Ltd. and Central Depository Services (I) Ltd. under ISIN No. INE555C01029. As on 31st March, 2017, 19,41,28,899 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	31,292	65.73	4,817,503	2.47
501-1000	6,589	13.84	5,051,815	2.59
1001- 5000	7,646	16.06	16,278,391	8.34
5001- 10000	1,091	2.29	8,137,452	4.17
10001- 50000	831	1.74	17,352,575	8.90
50001- 100000	96	0.20	7,019,646	3.60
100001 & above	67	0.14	136,342,618	69.93
Total	**47,612**	**100.00**	**195,000,000**	**100.00**

Shareholding Pattern

Categopry	No. of Shares	% of holdings
Promoters & Promoters Group	13,975	0.01
Financial Insti tutions & Banks	206,083	0.10
NRI	1,088,111	0.56
Bodies Corporate	138,984,569	71.27
Public	49,759,056	25.52
Others(Clearing Member/Trusts)	4,948,206	2.54
Total	**195,000,000**	**100.00**

i) Plant Location	Village: Telighana, Post : Biringatoli, Via - Kutra
ii) Address for Investor :	Dist. Sundargarh (Orissa) The Share Department

Correspondence Address: for Investor

1) Shiva Cement Limited, YY-5, Civil Township, 7/8 Area, Rourkela, Odisha - 769004

2) M/s. Niche Technologies (P) Ltd., Unit - SCL, D/511, Bagree Market, 5th floor, 71, BRBB Road, Calcutta - 1.

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

sd/-
Manoj Kumar Rustagi
Whole-Time Director
DIN: 07742914

sd/-
Rajendra Prasad Gupta
Director
DIN: 01325989

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 2018 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 di sclosed 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 signi ficant role in the company' s internal control system over financ ial reporting.

For Shiva Cement Limited

sd/-

Date: 21st April, 2018 (Girish Menon)

Rourkela-769 004 Chief Financial Officer

Compliance Certificate on Corporate Governance

To,
The Board of Directors
Shiva Cement Limited

I have examined the compliance of conditions of Corporate Governance by Shiva Cement Limited for the year ended 31st March, 2018 as stipulated in Clause- 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsi bility of the management. My examination was limited to procedures and implementation thereof, 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 whic h the management has conduc ted the affairs of the company.

For **Prakash Sahoo & Associates**
Company Secretaries
sd/-
Date: 21st April, 2018 Prakash Chandra Sahoo
C.P.No. 7917
Proprietor

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Company Status and Performance

The Company was incorporated in the year 1985 and its first commercial production commenced in 1986. The manufacturing facility is located at a strategic location in Odisha, with raw material and ready markets in the vicinity. It's natural marketing territory is Odisha, West Bengal, Jharkhand & Bihar states. These states are historically in cement supply deficit, due to poor availability of limestone reserve. The Company also boasts of captive limestone mines with surplus reserve to ensure uninterrupted availability of quality raw material. The state of the art infrastructure facility coupled with surplus core equipment capacity provides the Company with the potential to expand.

2. Global economy overview

The global economy saw cyclical recovery in FY 2017, growing the fastest since 2011. It expanded by 3.7% in FY 2017 and is expected to grow by almost 4% by FY 2019. This growth has been more broad-based than being dependent on a few countries. The main engines of the global economy - the US, emerging Asia and the Eurozone, which comprised 60% of world GDP in FY 2017 - are expected to contribute almost 70% of economic growth in FY 2018 in PPP terms.

Global trade also recovered in FY 2017 due to increase in private consumption and investments. Favourable financing costs, rising profits and improved business sentiment contributed to the growth of advanced economies and emerging markets. Developing economies supported the rebound in global investment, accounting for three quarters of GDP growth since FY 2016 and provided a substantial boost to global imports and exports.

USA: The US economy gainedmomentum in FY 2017 but slipped towards the end. It grew 2.3% for the year compared to 1.5% growth in 2016. Unemployment was recorded to be the lowest in 17 years leading to rising incomes, low borrowing costs and simplification in bank lending standards for residential mortgages. US industrial activity continues to strengthen and expand out, pointing to an increasingly self-sustaining economic expansion.The US tax reform has given modest push to its economy and it is expected that the fiscal policy changes over the coming year will further boost growth by about 0.4% in FY 2018 and FY 2019.

Eurozone: The European Union's economy grew by 2.5% in FY 2017, the strongest in the last decade. Easy money policy (zero interest rate) and purchase of financial assets by European Central Bank has provided big support to the financial growth of the region. The economy picked up momentum in the second half of the year, driven majorly by investments and net exports.

Japan: The Asian giant had a great year with its economy growing 1.6% in the last quarter of FY 2017 and is expected to grow 1.25% in FY 2018. This is a result of the upward revision of capital expenditure and inventory data. Profits, employment, wage gains and rising private investments will continue to reinforce Japan's economic growth.

United Kingdom: UK's GDP growth should be on an upward trajectory during FY 2018, largely retreating the slowdown recorded over the course of FY 2017. Consumer spending aside, Brexit is likely to continue to cast a shadow over some aspects of growth. The outlook is uncertain given lack of clarity over Brexit.

China: The country's economy is estimated to have grown by 6.9% in FY 2017 on the back of a rebound in the industrial sector, a resilient property market and strong export growth. Private consumption is expected to continue to remain the main driver of economic expansion, supported by rising wages and steady job creation.

Outlook

The global economy outlook looks promising for FY 2018 and FY 2019 across advanced as well as emerging economies. Economists do not expect inflation to rise much, central banks will reduce liquidity and raise interest rates in response to better growth, while corporate capital expenditure is likely to be a prominent growth driver across economies. Strong and integrated global growth momentum, looser fiscal policies and steady credit growth coupled with clear monetary policy and upbeat financial market conditions should continue to drive up the world economy.

3. Indian economy overview

India has emerged as the fastest growing economy of the world and is expected to be one of the top three economic powers in the next 10 to 15 years. India's GDP increased 6.6% in FY 2017 and is expected to grow further, by 7.35%, in FY 2018. India was also ranked at the 100th position, up by 30 places, in the World Bank's Ease of Doing Business report of FY 2017. Within South Asia, India is the only country to feature as one of the 10 economies that improved the most. A recent IMF report states India is now the world's sixth largest economy, displacing France. The five economies ahead of it are the United States, China, Japan, Germany and United Kingdom.

Implementation of the Goods and Services Tax (GST) was a landmark event in the history of Indian economy after demonetisation. Although it resulted in slowing of the economy along with subdued growth in the agriculture, allied and industry sectors, the situation was seen improving by the third quarter and as per recent data, GDP was reported to have grown by an average of 6.4% in the first three quarters of FY17-18. Corporate earnings have also been good.

With the improvement in the economic scenario, there have been various investments across sectors. M&A activity increased 53.3% in FY 2017 while private equity (PE) deals reached US$ 24.4 billion. India's foreign exchange reserves expanded by $1.217 billion reaching $426.082 billion in April FY 2018, leading to surge in foreign currency assets. The monetary policy remained steady and the Reserve Bank of India (RBI) kept interest rates stable after a 25 basis-point cut to the repo rate in August last year.

Owning to the rise in global crude prices and food prices, the Wholesale Price Index-based inflation was reported at 3.9% as of December FY 2017. Core inflation remained stable at an elevated level of 5%.

India's current account deficit (CAD) grew by 0.4% of the GDP from April to September FY 2017 and further by 1.8% till early months of FY 2018. This was due to higher trade deficit brought about by a larger increase in merchandise imports compared to exports. India's trade deficit grew to USD 74.5 billion in FY 2018 from USD 43.4 billion in the previous year.

The Index of Industrial Production (IIP) registered a growth of 8.4% (a 25-month high). This was because higher growth in goods, infrastructure/construction and consumer nondurables had a significant impact on IIP in the year. Indian companies raised Rs 1.6 trillion (US$ 24.96 billion) through the primary market in FY 2017.

Coal, crude oil, natural gas, petroleum refinery products, fertilisers, steel, cement and manufacturing industries grew 4.8% in comparison to 3% in FY 2016.

Outlook

India's economic outlook looks positive and is expected to strengthen in FY 2018. Increase in private investments, anticipation of greater stability in GST, growth in the employment, education, agriculture, infrastructure and the industrial sector is collectively expected to accelerate Indian economy's growth. Normal monsoon in FY 2018 is expected to boost grain production and help keep a check on food price inflation. Corporate earnings in India are expected to grow by 15-20% in FY 2018 supported by recovery in capital expenditure. Unemployment rate is expected to be 3.5% in FY 2018 the financial year. Growing impetus on exports will also be a major contributor to India's economy.

4. Cement industry overview

Industry landscape

India is the world's second-largest cement market and has added 110 million tonnes of cement by way of capacity in the last five years. India's cement capacity stood at 460MTPA as of December FY 2017 and is expected to increase by 5.0-5.5% y-o-y in FY 2018. There are 575 operational cement plants in the country and the industry is largely dominated by private players (98%). The top 20 cement companies manufacture around 70% of the total cement and a larger share of bigger plants are situated across southern and western parts of India across the states of Andhra Pradesh, Rajasthan and Tamil Nadu.

The year's performance

The year was a relatively slow and difficult one for the industry. Cement demand was flat at 1% during the year, affected mainly by demonetisation but also because of sand shortage, implementation of the Real Estate Regulatory Authority (RERA) Act, weather implications and introduction of GST. A slowdown in the housing sector, which utilises 65% of India's total cement, also led to the deceleration. Ban on sand mining, use of pet coke and diminished market concentration of industry leaders are some of the other contributing factors. Rural demand was affected by less-than-normal monsoon, while cement demand from industrial capital expenditure was adversely affected due to existence of excess capacities across various industrial sectors. The supply side on the other hand continued to reflect over-capacity leading to lower capacity utilisation levels by cement companies.

Government initiatives

The government allocated US$ 92.22 billion for infrastructure development in the FY 2018 Union Budget FY 2018compared to US$ 76.31 billion in FY 2017. The government's focus on developing roads, railways and infrastructure in the coming years will help the cement industry grow. Projects like Housing for All, Smart Cities Mission and Swachh Bharat Abhiyan are expected to increase cement demand by 6-7% to reach 307 million tonnes during FY 2018, subsequently growing the industry by 5-6% CAGR between FY 2017 and 2020. Improved rural incomes, higher rural credit and increased allocation for rural, agriculture and allied sectors are also likely to increase the demand for rural housing.

Impact of GST on the cement industry

Cement falls under the highest GST rate slab and attracts 28% tax. This led to an increase in rate of taxation, further leading to increase in costs for the infrastructure sector. Post implementation of GST, the industry is looking for optimisation avenues in logistics costs through direct supplies and by creating hubs to serve distant markets at lower costs.

Opportunities for the industry

Adoption of cement over bitumen: Use of cement instead of bitumen for the construction of all new road projects will add to the growth of the industry, developing a niche market for RMC (Ready Mix Concrete).

Diminishing market concentration: There is an upsurge of small- and mid-size cement players across regions which is diluting the market concentration of industry leaders. A large number of international players have also entered the market owing to the profit margins, constant demand and the right valuation.

Increasing investment opportunities: The government is making major investments to develop the infrastructure along with incentivising affordable housing for people across the country. This is a significant opportunity for the industry to grow.

Outlook

The outlook for the cement industry is promising and positive with numerous opportunities and low threat from substitutes. Favourable initiatives and policies will boost the growth of the industry but there is a need for change in the GST rates. Robust investments are being made by the existing players to expand production capacities, which will further add value to the industry. The government needs to relook at the tax slabs and help keep input costs low. At a regional level, the eastern zone followed by the central and northern regions would see healthier growth in demand over a low base as the state governments have a strong focus on development.

From a long-term perspective, the focus on infrastructure spending by the Government and downward trend in the interest rates will revive demand across sectors. The 7th Pay Commission is also expected to aid in housing demand.

5 Review of Operations

5.1 Highlights of FY 2017-18

1. Cement sales volume increased by 20.5 % compare to FY 2016-17.
2. Production of clinker and cement has been increased by 38.6% and 20.8% respectively compared to the production in FY 2016-17.
3. Repayment of entire borrowings from bank and financial institutions.
4. During the year company launched new brand "Mahabal" with improved quality replacing its existing "Sumangal" brand.

Way Forward

Plan to optimise the existing production capacity and improve cost parameters to make final product competitive.

5.2 Financial Performance:

Highlights of FY 2017-18 **₹ lakhs**

Particulars	FY 2017-18	FY 2016-17	Growth
Gross Turnover	2,604.0	2,391.2	9%
Net Turnover (net of Excise Duty)	2,526.4	2,196.6	15%
Operating EBIDTA	(834.5)	(564.4)	(48%)
Depreciation & amortisation	794.1	594.4	34%
Finance cost	1,377.1	776.6	77%
Profit before exceptional items	(2,977.7)	(1,914.4)	(56%)
Exceptional items	1,011.4	1,109.5	(9%)
PAT	(3,109.5)	(2,049.7)	(52%)

Gross turnover and net turnover for FY 2017-18 stood at ₹2,604 lakhs and ₹2,526.4 lakhs, respectively, registering 9% and 15% respectively growth on Y-o-Y basis. The growth was primarily on account of an increase in sales volume.

The Company's EBIDTA reduced to ₹(-) 834.5 lakhs from ₹(-) 564.4 lakhs, reporting a (-ve) growth by 48% on Y-o-Y basis. The increase in loss due to increase in cost of production and gradual reduction in net sales realisation.

Other Income

Other Income for the year was ₹28.01 lakhs as compared to ₹21.05 lakhs in previous year. In FY 2017-18, the company has recognised interest on security deposit with WESCO on accrual basis where as in FY 2016-17 it was accounted on receipt basis.

Material Cost

The Company's expenditure on raw material for FY 2017-18 increased to ₹651.16 lakhs from ₹593.15 lakhs in FY 2016-17. The increase is primarily due to increase in production volume.

Employee benefits expense

Employee benefits expense increased by 1.7% to ₹373.02 lakhs from ₹366.74 lakhs in FY 2016-17. The increase was primarily due to an increase in annual salary for existing employees.

Power and fuel cost

Power and fuel cost has increased by 53.2% to ₹1,199.51 lakhs from ₹783.09 lakhs in FY 2016-17. The increase was primarily due to increase in production volume & increase in fuel prices

Freight, forwarding & distributions

Freight and handling expenses have increased to ₹428.81 lakhs from ₹18.28 lakhs in FY 2016-17. This increase was primarily driven by the business decision for accepting the customer order on free on road (FOR) basis whereas in FY 2016-17 customer orders were accepted on Ex-Work basis.

Other expenses

Other expenses has increased by 39.7% to ₹749.71 lakhs from ₹536.41 lakhs in FY 2016-17. The increase was primarily on account of expenditure on major plant over hauling and provision for doubtful debt.

Finance cost

The Company's finance cost has increased by 77.3% to ₹1,377.06 lakhs from ₹776.63 lakhs in FY 2016-17 mainly due to interest on additional loan availed from holding company for repayment of existing liability and capital expenditure for project expansion.

Depreciation and amortization expenses

Depreciation and amortization expenses increased by 33.6% to ₹794.11 lakhs from ₹594.40 lakhs in FY 2016-17 is mainly due to depreciation on current additions and impact of assets capitalised in Q4 FY17.

Non-current assets:

₹ lakhs

Particulars	2017-18	2016-17	Change
Other non current assets	1,691.29	795.13	896.16

The increase is on account of payment of capital advances to vendors for future expansion.

Inventories

₹ lakhs

Particulars	2017-18	2016-17	Change
Raw materials	263.25	99.01	164.24
Semi-finished goods	169.82	40.50	129.32
Finished goods	423.88	424.94	(1.06)
Stores and spares	209.58	120.33	89.25
Fuel	240.09	178.70	61.39
Total	1,306.61	863.51	443.14

Inventory in terms of value and volume has increased mainly due to increase in stock of limestone, slag , coal for operation . Increase in semi-finished goods is on account of increased production of clinker and crushed limestone to maintain scale of operations and increase in stores materials to attend regular plant maintenance and planned shutdown.

Trade receivables

₹ lakhs

Particulars	2017-18	2016-17	Change
Trade receivables	419.48	124.12	295.36

The increase in trade receivable is mainly on account of increased sales volume during the year and change in sales pattern from ex-work to FOR basis.

Non-Current Liabilities :

₹ lakhs

Particulars	2017-18	2016-17	Change
Borrowings	12,403.00	2,879.26	9,523.74

Long-term Borrowings increased by ₹9,523.74 lakhs during the year. The increase was primarily due to drawal of loan for repayment of existing public deposits, short term loan from Banks & others.

Current Liabilities :

₹ lakhs

Particulars	2017-18	2016-17	Change
Borrowings	-	1,999.79	1,999.79

Short-term Borrowings decreased by ₹1,999.79 lakhs during the year. The decrease is on account of repayment of entire short term bank borrowing.

Trade Payables :

₹ lakhs

Particulars	2017-18	2016-17	Change
Trade Payables	375.38	693.74	318.36

Trade payable decreased by 45.9% mainly due to repayment of old overdue vendor liabilities.

Other financial liabilities :

₹ lakhs

Particulars	2017-18	2016-17	Change
Other financial liabilities	1,717.10	3,579.85	1,862.75

The reduction by 52 % in other financial liabilities mainly on account of repayment of entire demand liabilities from bank and repayment of public deposits.

Other current liabilities :

₹ lakhs

Particulars	2017-18	2016-17	Change
Other current liabilities	401.33	883.88	482.55

The reduction of in other current liabilities is on account of repayment of all statutory overdue payments.

6. Market Developments

The Company has launched "Mahabal Cement" in December, 2017 after withdrawing the earlier brand 'Sumangal' and is now widely accepted in the market. The Mahabal brand helped us to improve the price positioning of the Company by ₹10/- per bag and provide with a steady volume. The total sales of the Company were 46,515 MT of PPC and 17,728 MT of PSC with an increased average monthly NSR of ₹2,903/- per MT.

Distribution Network

The Company has appointed 126 new dealers taking the network strength to 147 dealers and geographically restructured our market to sale at the markets closer to the plant and thereby improve realizations. The Company hasappointed a new team of sales and technical officers to work in our strategic markets to improve price positioning and consolidation of sales numbers.

7. Risk and areas of Concern

The company has comprehensive and robust risk management framework that identifies and evaluates business risks and opportunities.

The company recognizes that the emerging & identified risks need to be managed and mitigated to -

- protect its shareholders and other stakeholder's interest,
- achieve its business objective and
- enable sustainable growth.

The Key Risks and its response strategies considered by Company are as under.

- Competitive dynamics & industrial cyclicality: - The risk is managed through widening & deepening customer reach, focusing on consistent quality.
- Raw material availability & cost: - Risk is mitigated by broad basing vendors from different geographies, exploring various contract options long term / spot, relationship management with vendors.
- Logistics & infrastructure: - There is centralized Logistics cell to ensure end to end integration and optimization of infrastructure spend.
- Environment, Health & safety: - Risk of noncompliance with norms is mitigated through right selection of equipment, processes, inputs & tracking emissions; tracking changing technology & safety training, medical facilities.
- Manpower availability with desired skill-sets: - The risk is managed by manpower planning in line with growth strategy, on the job / online trainings to develop competencies & soft skills. Risk of labor turnover is mitigated by proper recruitment policy and appraisal system.
- Reputation: - The risk of loss of reputation is managed through value driven leadership; adhering to highest standards of Governance, code of conduct extending even to Business partners.
- Finance: - It is managed by proactive tracking of funding & covenants, regular review of hedging strategy, close monitoring of plant operations, cost optimization, inventory, collections & vendor credit.

8. Forward Looking and Cautionary Statements

The Directors' Report and the Management Discussion and Analysis are describing the Company's objectives, expectations or predictions, which involve a number of risks and uncertainties. Actual results may differ materially from those expressed in the statement. Important risks and uncertainties that could influence the Company's operations include: 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 other factors which are material to the business operations of the Company.

INDEPENDENT AUDITORS' REPORT

To
The Members of
SHIVACEMENTLIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Shiva Cement Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018,and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance withthe 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement,whether due to fraud or error.

Auditor's Responsibility

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

In conducting 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 and the Order under sub-section 11 of Section 143 of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, 2018, and its loss, total comprehensive income,the changes in equity andits cash flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated April 22, 2017 and May 30, 2016 respectively expressed an qualified opinion on those Standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") 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.
2. As required by sub-section 3 of Section 143 of the Act, based on our audit we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income,the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.

(f) 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" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 31(a) of thes tandalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company has not entered into any derivative contracts during the year; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W
sd/-
Vipul K Choksi
Partner
M. No.37606

Place: Mumbai
Date: 21st April, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shiva Cement Limited of even date)

(i) (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) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed assets in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.

(ii) The inventory has been physically verified by the Company at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable and hence, reporting under paragraph 3 (iv) of the Order is not applicable.

(v) In our opinion and according to the information and explanations given to us, in respect of deposits accepted, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148 of the Act. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not required to make a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, and the records of the company examined by us, in our opinion, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, the undisputed amounts payable which were outstanding, at the year end, for a period of more than six months from the date are as below:

Name of the Statue	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates
Central Excise Act, 1944	Interest and Penalty on Excise Duty	82.50	2015-16
	Interest and Penalty on Excise Duty	10.21	2016-17
Finance Act, 1994	Interest on Service Tax	5.19	2014-15
	Interest on Service Tax	7.16	2015-16
	Interest on Service Tax	1.19	2016-17
Orissa Sales Tax Act, 1947	Interest on VAT	28.75	2014-15
	Interest on VAT	41.76	2015-16
	Interest on VAT	2.21	2016-17
Orissa Entry Tax Act, 1999	Interest on Entry Tax	0.59	2014-15
	Interest on Entry Tax	2.14	2015-16
	Interest on Entry Tax	0.14	2016-17
Central Sales Tax Act, 1956	Interest on CST	0.01	2014-15
	Interest on CST	0.04	2015-16
	Interest on CST	0.28	2016-17
Employees Provident Fund Act, 1952	Interest and Penalty on Provident Fund	1.08	2014-15
	Interest and Penalty on Provident Fund	19.62	2015-16
	Interest and Penalty on Provident Fund	5.21	2016-17
Orissa Employee State Insurance(ESI) Act, 1948	Interest on ESI	0.01	2011-12
	Interest on ESI	0.02	2012-13
	Interest on ESI	0.08	2013-14
	Interest on ESI	0.25	2014-15
	Interest and Penalty on ESI	2.60	2015-16
	Interest and Penalty on ESI	1.10	2016-17
Income Tax Act, 1961	Interest on Income Tax	47.33	2013-14
	Interest on Income Tax	23.03	2014-15
	Interest on Income Tax	2.14	2015-16

(b) According to the information and explanations given to us, details of dues of income tax, duty of customs, duty of excise, value added tax and cess which have not been deposited as on March31, 2018 on account of disputes are given below:

Name of the Statue	Nature of Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Orissa Sales Tax Act, 1947	Denial for incentive under various Industrial Policy Resolutions (IPRs) on the production of expanded unit of SCL's Unit-I, Penalty on late payment, etc.	47.25	1995-96	Hon'ble High Court of Odisha
		1.89	1998-99	Asst. Commissioner of commercial Tax, Rourkela
		57.84	2003-04	Hon'ble High Court of Odisha
		65.96	2004-05	Hon'ble High Court of Odisha
		1.03	2003-04	Asst. Commissioner of commercial Tax, Rourkela
Orissa Sales Tax Act, 1947	Denial for incentive under various IPRs on the production of expanded unit of SCL's Unit-I, Pending Form filings.	0.27	1988-99	Asst. Commissioner of Commercial Tax, Rourkela
		3.01	2003-04	Commissioner of Commercial Tax, Cuttack
Central Excise Act, 1944	Cenvat Credit	3.62	2012-13	CESTAT, Kolkata
Finance Act, 1994	Cenvat Credit	9.61	2005-06	CESTAT, Kolkata
Orissa Entry Tax Act, 1999	Tax-Credit, levy of tax on certain raw materials procured.	0.58	1999-2000	Asst. Commissioner of commercial Tax, Rourkela
		4.20	2001-02	Commissioner of commercial Tax, Cuttack
		1.60	2003-04	Commissioner of commercial Tax, Cuttack
		2.95	2008-11	Addl. Commissioner of commercial Tax, Cuttack
Income Tax Act, 1961	Interest and Penalty	466.32	2015-16	Asst. Commissioner of Income Tax, Sambalpur

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks during the year. The Company has not taken any loan from a financial institution, government or by way of issue of debentures.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans, hence, reporting under paragraph 3 (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officer or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company and hence, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, and hence, reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Hence, reporting under paragraph 3 (xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence, reporting under paragraph 3(xvi) of the Order is not applicable to the Company.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W
sd/-
Vipul K Choksi
Partner
M. No.37606

Place: Mumbai
Date: 21st April, 2018

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shiva Cement Limited of even date)

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, 2018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of theinternal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W
sd/-
Vipul K Choksi
Partner
M. No.37606

Place: Mumbai
Date: 21st April, 2018

BALANCE SHEET
(As at 31st March 2018)

	Particulars	Note No.	As at 31.03.2018 ₹ in Lakhs	As at 31.03.2017 ₹ in Lakhs	As at 01.04.2016 ₹ in Lakhs
I	**ASSETS**				
1	**Non-current assets**				
	(a) Property, plant and equipments	4	13,645.91	14,221.46	11,042.67
	(b) Capital work-in-progress	5	73.82	-	683.09
	(c) Intangible assets	6	1,009.75	1,063.49	24.54
	(d) Intangible assets under development	7	8.94	17.67	37.83
	(e) Financial assets		-	-	
	(i) Other	8	274.95	208.92	7.89
	(f) Deferred tax assets (net)	9	1,590.69	711.02	-
	(g) Other non-current assets	10	1,691.29	795.13	912.28
	Total Non-current assets		**18,295.35**	**17,017.69**	**12,708.30**
2	**Current assets**				
	(a) Inventories	11	1,306.61	863.51	1,649.15
	(b) Financial assets				
	(i) Trade receivables	12	419.49	124.12	1,538.18
	(ii) Cash and cash equivalents	13	46.48	47.39	31.63
	(iii) Bank balance other than (ii) above	14	71.63	67.13	79.91
	(iv) Other	8	89.07	55.37	114.10
	(c) Other current assets	10	208.20	473.89	1,744.82
	Total Current assets		**2,141.48**	**1,631.41**	**5,157.79**
	Total Assets		**20,436.83**	**18,649.10**	**17,866.09**
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity share capital	15	3,900.00	3,900.00	3,740.00
	(b) Other equity	16	1,178.37	4,287.01	6,155.92
	Total equity		**5,078.37**	**8,187.01**	**9,895.92**
	Liabilities				
2	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	17	12,403.00	2,879.26	1,735.53
	(b) Provisions	18	446.39	407.18	360.72
	(c) Deferred tax liabilities (net)		-	-	263.22
	Total Non-current liabilities		**12,849.39**	**3,286.44**	**2,359.47**
3	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	19	-	1,999.79	2,223.86
	(ii) Trade payables	20	375.38	693.74	821.91
	(iii) Other financial liabilities	21	1,717.10	3,579.85	1,672.61
	(b) Other current liabilities	22	401.33	883.88	869.97
	(c) Provisions	18	15.26	18.39	15.53
	(d) Current tax liabilities (net)		-	-	6.82
	Total current liabilities		**2,509.07**	**7,175.65**	**5,610.70**
	Total Equity and Liabilities		**20,436.83**	**18,649.10**	**17,866.09**
	See accompanying notes to the Financial Statements				

As per our report of even date

For and on behalf of the Board of Directors

For **Shah Gupta & Co.**
Chartered Accountants
FRN No : 109574W

sd/-
Vipul K. Choksi
Partner
Membership No. 37606

Place : Mumbai
Date : 21st April,2018

sd/-
R. P. Gupta
Director
DIN No. : 01325989

sd/-
Sneha Bindra
Company Secretary

sd/-
Manoj Kumar Rustagi
Whole Time Director
DIN No:07742914

sd/-
Girish Menon
Chief Financial Officer

STATEMENT OF PROFIT & LOSS

(For the year ended 31st March, 2018)

	Particulars	Note No.	For the year ended 31.03.2018 ₹in lakhs	For the year ended 31.03.2017 ₹in lakhs
	INCOME			
I	Revenue from operations	23	2,603.95	2,391.15
II	Other income	24	28.01	21.05
III	**Total Income (I+II)**		**2,631.96**	**2,412.20**
IV	**EXPENSES**			
	Cost of materials Consumed	25A	651.16	593.15
	Purchase of Stock in trade	25B	87.00	-
	Changes in inventories of finished goods, stock-in-trade and work in progress	25C	(128.25)	463.42
	Power & fuel		1,199.51	783.09
	Freight, forwarding & Distributions		428.81	18.28
	Employee benefits expense	26	373.02	366.74
	Finance costs	27	1,377.06	776.63
	Excise duty expense		77.54	194.51
	Depreciation and amortisation expense	28	794.11	594.40
	Other expenses	29	749.71	536.41
	Total expenses (IV)		**5,609.67**	**4,326.63**
V	**Loss before exceptional items and tax (III - IV)**		**(2,977.71)**	**(1,914.42)**
VI	Exceptional items		1,011.41	1,109.54
VII	**Loss before tax (V - VI)**		**(3,989.12)**	**(3,023.96)**
VIII	**Tax expense:**			
	(a) Current tax		-	-
	(b) Deferred tax		(879.67)	(974.24)
IX	**Loss for the year (VII-VIII)**		**(3,109.45)**	**(2,049.72)**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit or Loss			
	- Remeasurement of defined benefit plan		1.09	(7.01)
	- Deferred Tax on above		(0.28)	1.82
	Total		**0.81**	**(5.19)**
XI	**Total Comprehensive Income for the Period (IX+X)**		**(3,108.64)**	**(2,054.91)**
XII	**Earnings per equity share of face value of Rs 2/- each (refer note 31(j))**			
	(a) Basic (in Rs)		(1.59)	(1.05)
	(b) Diluted (in Rs)		(1.59)	(1.05)
	See accompanying notes to the Financial Statements			

As per our report of even date

For **Shah Gupta & Co.**
Chartered Accountants
FRN No : 109574W

sd/-
Vipul K. Choksi
Partner
Membership No. 37606

Place : Mumbai
Date : 21st April,2018

For and on behalf of the Board of Directors

sd/-
R. P. Gupta
Director
DIN No. : 01325989

sd/-
Sneha Bindra
Company Secretary

sd/-
Manoj Kumar Rustagi
Whole Time Director
DIN No:07742914

sd/-
Girish Menon
Chief Financial Officer

STATEMENT OF CASH FLOW
(For the year ended 31st March, 2018)

Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
A. Cash flow from operating activities:				
Net Loss before tax		**(3,989.12)**		(3,023.96)
Adjustments for:				
Depreciation and amortisation expenses	794.11		594.40	
Interest expense	1,374.28		776.63	
Interest on Income Tax	2.78		0.00	
Exceptional items	1,011.41		1,109.54	
Interest Income	(27.13)		-	
Loss on sale/discard of property, plant and equipments	2.71		-	
Other Income	(0.88)		(2.40)	
		3,157.29		2,478.17
Operating profit before changes in operating assets & liabilities		**(831.83)**		**(545.79)**
Adjustments for:				
(Increase)/decrease of Inventory	(443.10)		785.64	
(Increase)/decrease in trade & Other Receivables	(75.00)		2,542.70	
(Decrease)/increase in trade and other payables	(2,665.98)		1,794.43	
(Decrease)/Increase in exceptional Item	(1,011.41)		(1,109.54)	
		(4,195.49)		4,013.23
Cash generated from operations		(5027.32)		3,467.44
Tax (paid)/refund		(2.78)		
Net cash flow from operating activities (A)		**(5,030.10)**		**3,467.44**
B. Cash flow from investing activities:				
Payment for purchase of Property, plant & equipment/intangible asset/CWIP, including capital advances	(1,128.77)		(4,041.78)	
Interest received	27.13		-	
Other Income	0.88		2.40	
Net cash flow used in investing activities (B)		**(1,100.76)**		**(4,039.38)**
C. Cash flow from financing activities:				
Proceeds from issue of Equity shares (incl. premium)	-		346.00	
Redemption of Preference shares (incl. premium)	(54.41)		(10.59)	
Net Increase / (Decrease) in Public deposits	(83.65)		-	
Net Increase / (Decrease) in Short term borrowings	(1,999.79)		(224.07)	
Net Increase / (Decrease) in Long Term borrowings	9,607.39		1,193.75	
Net Increase / (Decrease) in Long Term liabilities	39.21		46.46	
Finance costs	(1,374.28)		(776.63)	
Net cash flow from financing activities (C)		**6,134.47**		**574.92**
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		3.59		2.98
Cash and cash equivalents at the beginning of the year		114.52		111.54
Cash and cash equivalents at the end of the year (refer note 13 & 14)		**118.11**		**114.52**

Notes:

* These earmarked account balances with banks can be utilised only for the specific identified purposes.

1. The Cash Flow Statement has been prepared under the "Indirect method" as set out in IND AS-7 statement of cash flow.

See accompanying notes to the Financial Statements

As per our report of even date

For **Shah Gupta & Co.**
Chartered Accountants
FRN No : 109574W

sd/-
Vipul K. Choksi
Partner
Membership No. 37606

Place : Mumbai
Date : 21st April,2018

For and on behalf of the Board of Directors

sd/-
R. P. Gupta
Director
DIN No. : 01325989

sd/-
Sneha Bindra
Company Secretary

sd/-
Manoj Kumar Rustagi
Whole Time Director
DIN No:07742914

sd/-
Girish Menon
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
(For the year ended 31st March, 2018)

A. Equity Share Capital

₹ lakhs

Particular	Total
Balance at April 1, 2016	**3,740.00**
Changes in equity share capital during the year	160.00
Balance at March 31, 2017	**3,900.00**
Changes in equity share capital during the year	-
Balance at March 31, 2018	**3,900.00**

B. Other Equity ₹ lakhs

Particulars	Securities Premium	Capital Reserve	Retained earning	Money received against shares warrants	Items of Other comprehensive Income/(Loss) Remeasurement of net defined benefit	Total
Balance at April 1, 2016	4,870.13	812.31	323.48	150.00	-	6,155.92
Premium on equity shares issued during the year (upon conversion of Equity Share warrants)	336.00	-	-	-	-	336.00
Utilised during the year for:						
Issue of Share warrants	-	-	-	(150.00)	-	(150.00)
Loss for the year	-	-	(2,049.72)	-	-	(2,049.72)
Other Comprehensive Income for the year	-	-	-	-	(5.19)	(5.19)
Total	**336.00**	**-**	**(2,049.72)**	**(150.00)**	**(5.19)**	**(1,868.91)**
Closing balance at March 31, 2017	**5,206.13**	**812.31**	**(1,726.24)**	**-**	**(5.19)**	**4,287.01**
Loss for the year			(3,109.45)		-	(3,109.45)
Other Comprehensive Income for the year					0.81	0.81
Total			**(3,109.45)**	**-**	**0.81**	**(3,108.64)**
Closing balance at March 31, 2018	**5,206.13**	**812.31**	**(4,835.69)**	**-**	**(4.38)**	**1,178.37**
See accompanying notes to the Financial Statements						

As per our report of even date

For **Shah Gupta & Co.**
Chartered Accountants
FRN No : 109574W

sd/-
Vipul K. Choksi
Partner
Membership No. 37606

Place : Mumbai
Date : 21st April,2018

For and on behalf of the Board of Directors

sd/-
R. P. Gupta
Director
DIN No. : 01325989

sd/-
Sneha Bindra
Company Secretary

sd/-
Manoj Kumar Rustagi
Whole Time Director
DIN No:07742914

sd/-
Girish Menon
Chief Financial Officer

Notes to Financial Statements for the Year ended 31st March 2018

1. **General Information**

Shiva Cement Limited ("the Company") is engaged in the business of manufacture and sale of cement, clinker and trading of allied products. The company is operating its integrated cement plant having cement production capacity of 1,32,000 MT and clinker production capacity of 1,15,500 MT.

Shiva Cement Limited is a public limited company and is listed on Bombay Stock Exchange having its registered office at YY-5, Civil Township, Rourkela, Sundargarh, Odisha.

2. **Significant Accounting Policies**

A. Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Comp anies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 21st April,2018.

For all periods up to and including the year ended 31 March 2017, the Company prepared its Standalone financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Standalone Financial Statements of the Company. The date of transition to Ind AS is 1 April, 2016. Refer note 2(Q) below for the details of first-time adoption exemptions availed by the Company.

B. Basis of preparation & presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended with effect from 1st April, 2017. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2018.

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

C. Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Spares parts, servicing equipment and standby equipment which can be used only in connection with a particular Plant & Equipment of the Company and their use is expected to be irregular, are capitalised at cost. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses., if any.

The Company has opted to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April, 2016, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Sr. No.	**Class of assets**	**Useful life of assets (in Years)**
1	Plant and Machinery	2 to 25
2	Factory Building	30
3	Non-Factory Building	60
4	Computer & Networking’s	3 to 6
5	Furniture	10
6	Vehicles	8

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of installation and in the case of a new project from the date of commencement of commercial production. Depreciation on deductions / disposals is provided on pro-rata basis upto the date of deduction/disposal.

Spares, servicing equipment and standby equipment, which are capitalised, are depreciated over the useful life of the related fixed asset. The written down value of such spares is charged to statement of profit and loss, on issue for consumption.

Lease improvement cost are amortized over the period of the lease

Capital assets whose ownership does not vest with the Company are amortised based on the estimated useful life as follows:

Sr. No.	**Class of assets**	**Useful life of assets (in Years)**
1	Approach Roads	5

D. Intangible assets :

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful life of Intangible assets :

Sr. No.	**Class of assets**	**Useful life of assets (in Years)**
1	Software	3 to 5
2	Mines development expense	Period of mining lease

For transition to Ind AS, the Company has opted to continue with carrying value of all its intangible assets recognised as of 1 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

E. Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

F. Borrowing Costs

Borrowing costs attributable to the acquisition and construction of qualifying assets, are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

G. Leasing - Operating lease

Lease payments under an operating lease shall be recognized as an expense on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

H. Inventories

Inventories are valued as follows:

- **Raw materials, fuel, stores & spare parts and packing materials:**

  Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products,in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis.

- **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**

  Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

- **Waste / Scrap:**

  Waste / Scrap inventory is valued at NRV.

  Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

I. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

J. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a liable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

K. Mines restoration provision

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

L. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates, outgoing sales taxes and are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).
- Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

M. Employee benefits

(i) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expenses’. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(ii) Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

N. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

O. Earnings Per Share

Basic EPS is computed by dividing the net profit or (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

P. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

I. Financial assets

(a) Recognition and initial measurement

i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item.

(c) De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(d) Impairment

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

e) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

II. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

(i) Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in Statement of Profit and Loss. The net gain or loss recognized in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

(ii) Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

d) Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

e) De-recognition of financial assets :

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

Q. First time adoption - mandatory exceptions, optional exemptions

a. Overall principle

The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption - mandatory exceptions and optional exemptions have been explained in detail.

b. Deemed cost

Deemed cost for property, plant and equipment and intangible assets including capital work in progress and intangible assets under development

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets including capital work in progress and intangible assets under development recognised as of 1st April,2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

c. Determining whether an arrangement contains a lease

The Company has opted to apply the Appendix C of Ind AS 17 - Determining whether an arrangement contains a Lease, to determine whether the arrangements existing as on the transition date contains a lease, on the basis of facts and circumstances existing as at the transition date

d. De-recognition of financial assets and financial liabilities

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2016 (the transition date).

e. Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at fair value through profit or loss and investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

f. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

3. Key sources of estimation uncertainty and Recent Accounting Pronouncements:

A. Key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

i) Useful lives of property, plant and equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

ii) Mines restoration obligation

In determining the fair value of the Mines Restoration Obligation, assumptions and estimates are made in relation to mining reserve, discount rates, the expected cost of mines restoration and the expected timing of those costs.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vi) Defined benefits plans

The cost of defined benefit plan and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

B. Recent Accounting Pronouncements

(i) IND AS 115 - Revenue from Contracts with Customers:

On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Ind AS 115, Revenue from Contract with Customers effective from April 1, 2018. The core principle of the new standard is that an entity should recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

(ii) IND AS 21 - Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

(iii) Amendments to Ind AS 12

Amendments to Ind AS 12, Income Taxes clarifying the requirements for recognising deferred tax assets on unrealised losses. The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset’s tax base. They also clarify certain other aspects of accounting for deferred tax assets. These amendments only clarify the existence of guidance of Ind AS 12 and do not change the underlying principles for recognition of deferred tax asset.

NOTES TO THE FINANCIAL STATEMENTS

(For the year ended 31st March, 2018)

Note 4. Property, plant and equipment ₹ lakhs

Description of Assets	Freehold Land	Buildings	Plant & Equipment	Pollution Control Equipment	Electrical equipments	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tangibles Total
I. Cost/Deemed cost										
Balance as at April 1, 2016	**5.98**	**1,516.34**	**8,785.06**	**91.71**	**577.46**	**3.26**	**0.01**	**33.81**	**29.04**	**11,042.67**
Additions	420.03	250.59	3,077.55	-	-	7.96	-	-	-	3,756.13
Deductions	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	**426.01**	**1,766.93**	**11,862.61**	**91.71**	**577.46**	**11.22**	**0.01**	**33.81**	**29.04**	**14,798.80**
Additions			76.38	17.33	5.91	15.16	5.69	28.85	4.70	154.02
Deductions						1.63		0.27	0.84	2.74
Balance as at March 31, 2018	**426.01**	**1,767.93**	**11,938.99**	**109.04**	**583.37**	**24.75**	**5.70**	**62.39**	**32.90**	**14,950.08**
II. Accumulated depreciation and impairment										
Balance as at April 1, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expense	-	84.04	441.08	5.19	39.36	1.18	-	1.94	4.54	577.33
Deductions	-	-	-	-	-	-		-	-	-
Balance as at March 31, 2017	**-**	**84.04**	**441.08**	**5.19**	**39.36**	**1.18**	**-**	**1.94**	**4.54**	**577.33**
Depreciation expense	-	81.12	570.07	3.17	27.88	5.43	0.59	29.48	9.12	726.86
Deductions	-	-	-	-	-	-		-	0.03	0.03
Balance as at March 31, 2018	**-**	**165.16**	**1,011.15**	**8.36**	**67.24**	**6.61**	**0.59**	**31.42**	**13.63**	**1,304.16**
Carrying Value										
As at March 31,2018	**426.01**	**1,601.77**	**10,927.84**	**100.68**	**516.13**	**18.14**	**5.11**	**30.97**	**19.27**	**13,645.91**
At March 31, 2017	426.01	1,682.89	11,421.53	86.52	538.10	10.04	0.01	31.87	24.50	14,221.46
At April 1, 2016	5.98	1,516.34	8,785.06	91.71	577.46	3.26	0.01	33.81	29.04	11,042.67
Useful life of the assets (years)	NA	5-30	2-25	5-25	10-25	3-6	5	10	8	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

a The Company has availed the deemed cost exemption in relation to the Property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated depreciation on 1st April, 2016 under the previous GAAP.

Description of Assets	Freehold Land	Buildings	Plant & Equipment	Pollution Control Equipment	Electrical equipments	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tangibles Total
I. Cost/Deemed cost										
Balance as at April 1, 2016	5.98	2,033.01	12,020.36	191.62	824.11	47.63	0.11	71.42	163.91	15,358.15
II. Accumulated depreciation and impairment										
Balance as at April 1, 2016	-	516.67	3,235.30	99.91	246.65	44.37	0.10	37.61	134.87	4,315.48
III. Net carrying value										
As at April 1,2016	**5.98**	**1,516.34**	**8,785.06**	**91.71**	**577.46**	**3.26**	**0.01**	**33.81**	**29.04**	**11,042.67**

b Fixed Assets include assets with net block of ₹95.52 Lakhs (Previous Year ₹119.32 Lakhs) not owned by the Company.

c The land at kalunga and the land at Teleghana on which factories have been built were taken on 90 years lease from Industrial Development Corporation of Odissa.

d Certain property, plant and equipment are pledged against borrowings ,the details relating to which have been described in Note 17 pertaining to borrowings.

e The Company has reviewed the useful lives and the residual value of Property,Plant and equipment and intangible assets in accordance with requirement of IND AS and revised the useful life of Property,plant and equipments and Intangible assets. Accordingly, depreciation for the current year is higher by ₹24.34 Lakhs.

Note 5. Capital work-in-progress ₹ lakhs

Balance as at April 1, 2016	683.09
Balance as at March 31, 2017	-
Balance as at 31 March, 2018	73.82

Note 6. Intangible assets ₹ lakhs

Intangibles	Computer Software	Stripping Cost	Mining Rights	Intangible Total
I. Cost/Deemed cost				
Balance as at April 1, 2016	**1.17**	**-**	**23.36**	**24.53**
Additions	37.83	1,018.20		1,056.03
Deductions				
Balance as at March 31, 2017	**39.00**	**1,018.20**	**23.36**	**1,080.56**
Additions	13.51	-	-	13.51
Deductions	-	-	-	-
Balance as at March 31, 2018	**52.51**	**1,018.20**	**23.36**	**1,094.07**
II. Accumulated depreciation and impairment				
Balance as at April 1, 2016	-	-	-	-
Amortisation expense	3.79	13.27	0.01	17.07
Deductions	-	-	-	-
Balance as at March 31, 2017	**3.79**	**13.27**	**0.01**	**17.07**
Amortisation expense	12.42	54.78	0.05	67.25
Deductions				
Balance as at March 31, 2018	**16.21**	**68.05**	**0.06**	**84.32**
Carrying Value				
As at March 31,2018	**36.30**	**950.15**	**23.30**	**1,009.75**
At March 31, 2017	35.21	1,004.93	23.35	1,063.49
At April 1, 2016	1.17	-	23.36	24.53
Useful life of the asset (years)	3	25	50	
Method of amortisation	SLM	SLM	SLM	

The Company has availed the deemed cost exemption in relation to Intangibles on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated depreciation on 1st April, 2016 under the previous GAAP.

Description of Assets	Computer Software	Stripping Cost	Mining Rights	Intangible Total
I. Cost/Deemed cost				
Balance as at April 1, 2016	**6.08**	**-**	**23.84**	**29.92**
II. Accumulated depreciation and impairment				
Balance as at April 1, 2016	**4.91**	**-**	**0.48**	**5.39**
Carrying Value				
As at March 31,2018	**1.17**	**-**	**23.36**	**24.53**

Note 7. Intangible assets under development ₹ lakhs

Particulars	Software	Mining development	land development	Total
Balance as at April 1, 2016	37.83	-	-	37.83
Balance as at March 31, 2017	-	-	17.67	17.67
Balance as at 31 March, 2018	-	2.45	6.49	8.94

Note 8. Other financial assets ₹ lakhs

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Security Deposits	214.75	72.90	208.92	48.43	7.89	103.91
Advance to employees	-	2.74	-	-	-	4.78
Term deposits	60.20	-	-	-	-	-
Interest accrued on term deposits	-	13.43	-	6.94	-	5.41
Total	**274.95**	**89.07**	**208.92**	**55.37**	**7.89**	**114.10**

Note 9. Deferred Tax Assets (net) ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deferred tax assets :			
MAT Credit entitlement	428.15	428.15	-
Provision allowed under tax on payment basis	120.01	42.70	-
Unabsorbed depreciation / losses	2,596.61	1,757.04	-
Others	14.88	88.82	-
Total	**3,159.65**	**2,316.71**	-
Deferred tax liabilities:			
Tangible and Intangible Assets	1,568.96	1,599.08	-
Others	-	6.61	-
Total	**1,568.96**	**1,605.69**	-
Net Deferred tax assets	**1,590.69**	**711.02**	**-**

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised

Note 9.1. Movement in MAT credit entitlement ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balance at the Beginning of the year	428.15	-	-
Add: MAT Credit entitlement availed during the year	-	428.15	-
Balance at the end of the year	**428.15**	**428.15**	-

Note 10. Other Assets ₹ lakhs

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Capital advances	965.70	-	45.73	-	194.80	-
Leasehold land pre-payment	725.06	-	749.40	-	717.48	-
Pre-payments	0.53	10.16	-	7.83	-	8.60
Balances with government authorities	-	135.52	-	344.81	-	112.74
Advance to suppliers	-	62.52	-	121.24	-	1623.48
Total	**1691.29**	**208.20**	**795.13**	**473.89**	**912.28**	**1744.82**

Note 11. Inventories (at lower of cost and net realisable value) ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Raw materials	236.19	70.59	49.12
Work-in-progress	196.88	68.92	79.69
Finished goods	75.02	69.88	64.68
Stock-in-trade	348.86	355.06	784.49
Fuel	240.09	178.73	184.69
Stores and spares	209.57	120.33	486.48
Total	**1,306.61**	**863.51**	**1,649.15**

Refer Note 17 for Inventories hypothecated as security against certain bank borrowings

Note 11.1 Cost of Inventory recognised as an expense ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Cost of material consumed	651.16	593.15
Change in inventories of finished goods,		
work in progress and stock in trade	(128.25)	463.42
Stores and spares	185.1	90.75
Power & Fuel	590.63	369.34
Total	**1,298.64**	**1,516.66**

Note 12. Trade Receivables ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured, considered good	419.49	124.12	1,496.78
Doubtful	62.31	-	41.40
Less : Allowance for bad and doubtful debt (*)	(62.31)	-	-
Total	**419.49**	**124.12**	**1,538.18**

(*) Refer Note 2 P (i) (d) of notes to financial statement.

Note 13. Cash and cash equivalents ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balance with banks	46.36	47.26	8.83
Cash on hand	0.12	0.13	22.80
Total	**46.48**	**47.39**	**31.63**

Note 14. Other Bank balances ₹ lakhs

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Fixed Deposits With Banks			
Maturity more than 3 months and upto 12 months (Refer note 14.1, 14.2)	71.63	67.13	79.91
Maturity more than 12 months	60.20	-	-
Less: Fixed Deposits maturity more than 12 months disclosed under other Non-Current Financial Assets (Refer note 8)	(60.20)	-	-
Total	**71.63**	**67.13**	**79.91**

14.1. Includes deposits of ₹63.05 lakhs (as at 31.03.2017 - ₹65.17 lakhs, as at 31.03.2016- ₹78.11 lakhs) are pledged with bank against cash credit facilities.

14.2. Includes deposits of ₹68.79 lakhs (as at 31.03.2017 - ₹1.96 lakhs , as at 31.03.2016- ₹1.79 lakhs) given as security to Government department and others.

Note 15. Share Capital

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised						
Equity shares of ₹ 2/- each	22,87,50,000	4,575.00	22,87,50,000	4,575.00	22,87,50,000	4,575.00
(b) Issued, Subscribed and fully paid up						
Equity shares of ₹ 2/- each	19,50,00,000	3,900.00	19,50,00,000	3,900.00	18,70,00,000	3,740.00
Total	**19,50,00,000**	**3,900.00**	**19,50,00,000**	**3,900.00**	**18,70,00,000**	**3,740.00**
G.Total	**19,50,00,000**	**3,900.00**	**19,50,00,000**	**3,900.00**	**18,70,00,000**	**3,740.00**

(i) Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹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) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares						
ACC Ltd	-	-	-	-	2,36,50,000	12.65%
Unicon Merchants (p) Ltd	-	-	-	-	2,06,17,549	11.03%
Akash Gupta	-	-	-	-	1,09,89,444	5.88%
JSW Cement Limited	10,43,66,750	53.52%	9,63,37,806	49.40%	-	0.00%
Non Cumulative Redeemable preference shares						
IPICOL Ltd	-	-	8,62,777	71.68%	8,62,777	71.68%
Bank Of Baroda	-	-	3,40,888	28.32%	3,40,888	28.31%

(iii) Details of forfeited shares\warrants

Class of shares	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Equity shares warrants	-	-	1,95,00,000	214.50	1,95,00,000	214.50

Note 16. Other Equity ₹ lakhs

	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(i)	**Capital reserve**	812.31	812.31	812.31
(ii)	**Securities premium account**	5,206.13	5,206.13	4,870.13
(iii)	**Money received against share warrants**	-	-	150.00
(iii)	**Retained Earnings**	(4,835.69)	(1,726.24)	323.48
(iv)	**Items of other comprehensive income**			
	Opening balance	(5.19)	0.00	-
	Remeasurement of defined benefit	0.81	(5.19)	-
	Total	**1,178.37**	**4,287.01**	**6,155.92**

Note 17. Borrowings ₹ lakhs

	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Non-Current	Current maturities	Non-Current	Current maturities	Non-Current	Current maturities
Secured :						
Term loan from banks			2,222.61	-	1,601.86	-
	-	-	2,222.61	-	1,601.86	-
Unsecured :						
From related party	12,403.00	573.00	573.00	-	-	-
Public Deposits			83.65	-	133.67	-
	12,403.00	**573.00**	656.65		133.67	-
Total	**12,403.00**	**573.00**	**2,879.26**	-	**1,735.53**	-

Notes :

1. The Secured borrowings are net of amortised cost ₹Nil (31.03.2017 - ₹8.75 lakhs, 31.03.2016- ₹30.14 lakhs)
2. Aggregate amount of installments due for payments within one year ₹573 lakhs , (31st March, 2017 : Nil and 1st April, 2016 : Nil) have been grouped under “Current maturities of long-term debt”. (Refer Note 21)

Note 18. Provisions ₹ lakhs

	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Non-Current	Current maturities	Non-Current	Current maturities	Non-Current	Current maturities
For employee benefits						
Gratuity	105.55	13.54	119.80	18.39	108.63	15.53
Leave Encashment	13.23	1.72	-	-	-	-
Others:						
For Mines Restoration Expenditure (refer note 3(A)(ii))	327.61	-	287.38	-	252.09	-
Total	**446.39**	**15.26**	**407.18**	**18.39**	**360.72**	**15.53**

As on 31.03.2018		As on 31.03.2017		As on 01.04.2016		Term of Repayment	Security
Non Current	Current	Non Current	Current	Non Current	Current		
-	-	1,246.73	-	1601.86	-	Paid on 3rd November,2017	The loan is secured by first charge on entire fixed assets of the company, both present and future, and on the lease-hold 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
-	-	975.88	-	-	-	Paid on 3rd November,2017	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.

Note: The Public deposits which were outstanding are paid off during the year.

Note 18.1 Movement of provisions during the year as required by Ind AS- 37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013:

₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Mines Restoration expenditure (to be settled at Mines closure) Opening Balance	287.38	252.09	-
Add: Provision made during the year	40.23	35.29	252.09
Total	**327.61**	**287.38**	**252.09**

Note 19. Borrowings (Current) ₹ lakhs

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured			
Loans repayable on demand			
From Banks - Cash Credits / Working Capital	-	-	-
Borrowings (Secured by Hypothecation of Stocks and Book Debts of the Company)	-	1,999.79	2,223.86
Total	-	**1,999.79**	**2,223.86**

Note 20. Trade Payables ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Due to Micro and Small Enterprises (Refer Note 31K)	-	13.56	52.48
Others	375.38	680.18	769.43
Total	**375.38**	**693.74**	**821.91**

20.1 . Trade Payables are based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and there are no delays in payments to Micro, Small, and Medium Enterprises as required to be disclosed under the said Act.

Note 21. Other Financial Liabilities-Current ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Current maturity of long-term debt	573.00	2,575.69	438.99
Loans repayable on demand	-	175.35	337.45
Current dues of other long-term liabilities	-	12.09	14.44
Interest accrued but not due on borrowings	823.62	34.75	42.65
Premium on redemption of preference shares	-	42.32	50.55
Security deposits from customers, vendors & others	201.67	561.07	669.56
Others (Refer Note below)	118.81	178.58	118.97
Total	**1,717.10**	**3,579.85**	**1,672.61**

21.1. There are no amounts due and outstanding to Investor Education and Protection Fund as at 31.03.2018, 31.03.2017 and 01.04.2016.

21.2 Others include the liability related to Employees, Rebate and Discount to Customers etc.

Note 22. Other Current Liabilities ₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advance from customers	4.59	142.42	36.16
Statutory liabilities	396.74	741.46	833.81
Total	**401.33**	**883.88**	**869.97**

Note 23. Revenue from operations ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Sale of products		
Sale of Manufactured Products	2,516.95	1,911.70
Sale of traded product	87.00	479.45
Total	**2,603.95**	**2,391.15**

Note 24. Other income ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Interest income		
On bank deposits	9.08	8.29
On others	18.05	10.36
Miscellaneous income	0.88	2.40
Total	**28.01**	**21.05**

Note 25 A. Cost of materials consumed ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i) Opening stock	70.59	33.92
(ii) Add: Purchases (Net)	816.76	629.82
	887.35	663.74
(iii) Less: Closing stock	236.19	70.59
Cost of materials consumed	**651.16**	**593.15**

Note 25 B. Purchase of stock in trade ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Slag	87.00	-
Total	**87.00**	-

Note 25 C. Changes in inventories of finished goods, work-in-progress and stock-in-trade ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Closing inventories		
Finished goods/Stock-in-Trade	423.88	424.94
Work-in-progress	169.82	40.51
Total	**593.70**	**465.45**
Opening inventories		
Finished goods/Stock-in-Trade	424.94	849.18
Work-in-progress	40.51	79.69
Total	**465.45**	**928.87**
(Increase) / Decrease in inventories	**(128.25)**	**463.42**

Note 26. Employee benefits expense ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Salaries and wages	311.76	316.79
Contributions to provident and other funds	32.40	31.27
Gratuity (Refer note 31 (f))	18.04	16.91
Staff welfare expenses	10.82	1.77
Total	**373.02**	**366.74**

Note 27. Finance costs ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Interest expense :		
On borrowings	1,272.90	684.04
On others (Including interest on public deposits)	14.81	92.59
Other Borrowing Cost (Finance Charges)	89.35	-
Total	**1,377.06**	**776.63**

Note 28. Depreciation and amortisation expense ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i) Depreciation	726.86	577.33
(ii) Amortisation	67.25	17.07
Total	**794.11**	**594.40**

Note 29. Other expenses ₹ lakhs

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Store and spares consumed	185.10	90.75
Packing service charges	54.69	37.25
Repairs and maintenance		
- Plant and equipment	82.72	63.68
- Building	48.11	34.10
- Vehicles	15.75	16.43
- Others	4.69	1.70
Rent (including lease rentals)31.77	23.86	
Insurance	5.63	4.37
Rates & taxes	22.47	0.77
Travelling and conveyance	30.32	59.12
Loss on sale of property, plant and equipments	2.71	-
Directors sitting Fees	7.80	0.85
Provision for doubtful receivables	62.31	-
Legal and Professional charges	42.84	45.24
Sales Promotion and Other Selling Expenses	8.48	35.46
Other Administrative expenses (Refer note 29.1)	144.32	122.83
Total	**749.71**	**536.41**

Note 29.1 Auditors remuneration (excluding Tax)

Statutory Audit	5.00	1.40
Tax Audit	-	0.60
Other services	0.08	0.48
Total	**5.08**	**2.48**

Note 30 . Financial instruments

A. Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by bank borrowing and funding from holding company.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Long term borrowings	12,403.00	2,879.26	1,735.53
Current maturities of long term debt	573.00	2,575.69	438.99
Short term borrowings	-	1,999.79	2,223.86
Less: Cash and cash equivalent	46.48	47.39	31.63
Less: Bank balances other than cash and cash equivalents	71.63	67.13	79.91
Less: Current investment	-	-	-
Net Debt	13,094.11	7,569.26	4,509.92
Total Equity	**5,078.37**	**8,187.01**	**9,895.92**
Gearing ratio	**2.58**	**0.92**	**0.46**

(i) Equity includes all capital and reserves of the company that are managed as capital

(ii) Debt is defined as long-term and short-term borrowings .

B. Categories of financial instruments

₹ lakhs

Particulars	As at 31.03.2018		As at 31.03.2017	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	46.48	46.48	47.39	47.39
Bank balances other than cash and cash equivalents	71.63	71.63	67.13	67.13
Trade receivables	419.49	419.49	124.12	124.12
Other current assets	208.20	208.20	473.89	473.89
Non current investments	-	-	-	-
Other financial assets	89.07	89.07	55.37	55.37
Total financial assets at amortised cost (A)	**834.87**	**834.87**	**767.90**	**767.90**
Financial liabilities				
Measured at amortised cost				
Long term borrowings (*)	12,976.00	12,976.00	2,879.26	2,879.26
Short term borrowings	-	-	1,999.79	1,999.79
Trade payable	375.38	375.38	693.74	693.74
Other financial liabilities	2,092.48	2,092.48	4,273.59	4,273.59
Total financial liabilities at amortised cost	**15,443.86**	**15,443.86**	**9,846.38**	**9,846.38**

(*) including current maturities of long term debt

Financial instruments (continued)

A. Risk management framework

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Interest rate risk
- Credit risk ; and
- Liquidity risk

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents, derivatives.

(a) Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits defined in accordance with the assessment.Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Ageing	**0 to 6 Month**	**6 to 12 Months**	**More Than 12 Months**	**Total**
Gross Carrying Amount	346.26	96.03	39.50	481.79
Expected Loss rate	1.38%	20.04%	96.91%	-
Expected credit Losses (Losses allowance provision)	4.79	19.24	38.28	62.31
Carrying amount of trade receivables (net of impairment)	**341.47**	**76.79**	**1.22**	**419.48**

(b) Cash and cash equivalents :

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies. The Company's maximum exposure to the credit risk for the components of balance sheet as 31st March 18, 31st March 17 and 1st April 16 is the carrying amounts mentioned in Note no 12 .

iv. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Liquidity exposure as at 31 March 2018

₹ lakhs

Contractual cash flows				
Particulars	**< 1 year**	**1-5 year**	**> 5 years**	**Total**
Financial assets				
Cash and cash equivalents	46.48	-	-	46.48
Bank balances other than cash and cash equivalents	71.63	-	-	71.63
Trade receivables	419.49	-	-	419.49
Other financial assets	89.07	274.95	-	364.02
Total Financial assets	**626.67**	**274.95**	**-**	**901.62**
Financial liabilities				
Long term borrowings	573.00	12,403.00	-	12,976.00
Trade payable	375.38	-	-	375.38
Other financial liabilities	1,144.10	-	-	1,144.10
Total financial liabilities	**2,092.48**	**12,403.00**	**-**	**14,495.48**

Liquidity exposure as at 31 March 2017

₹ lakhs

Contractual cash flows				
Particulars	**< 1 year**	**1-5 year**	**> 5 years**	**Total**
Financial assets				
Cash and cash equivalents	47.39	-	-	47.39
Bank balances other than cash and cash equivalents	67.13	-	-	67.13
Trade receivables	124.12	-	-	124.12
Other financial assets	55.37	208.92	-	264.29
Total Financial assets	**294.01**	**208.92**	**-**	**502.93**
Financial liabilities				
Long term borrowings	2,879.26	-	-	2,879.26
Short term borrowings	1,999.79	-	-	1,999.79
Trade payable	693.74	-	-	693.74
Other financial liabilities	3,579.85	-	-	3,579.85
Total financial liabilities	**9,152.64**	**-**	**-**	**9,152.64**

Liquidity exposure as at 1 April 2016

₹ lakhs

Contractual cash flows				
Particulars	**< 1 year**	**1-5 year**	**> 5 years**	**Total**
Financial assets				
Cash and cash equivalents	31.63	-	-	31.63
Bank balances other than cash and cash equivalents	79.91	-	-	79.91
Trade receivables	1,538.18	-	-	1,538.18
Other financial assets	114.10	7.89	-	121.99
Total Financial assets	**1,763.82**	**7.89**	**-**	**1,771.71**
Financial liabilities				
Long term borrowings	1,735.53	-	-	1,735.53
Short term borrowings	2,223.86	-	-	2,223.86
Trade payable	821.91	-	-	821.91
Other financial liabilities	1,672.61	-	-	1,672.61
Total financial liabilities	**6,453.91**	**-**	**-**	**6,453.91**

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Level wise disclosure of financial instruments ₹ lakhs

Particulars	31.03.2018	31.03.2017	01.04.2016	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial liabilities :					
Borrowing	12,976.00	4,879.05	3,959.39	Level 2	Inputs other than Quoted prices included within level 1 that are observable for an Asset or Liability either directly or indirectly.

The carrying amount of Trade Receivable, Trade Payable, Capital Creditors, Cash and Cash Equivalents and other Bank Balances are considered to be the same as their fair values due to their short term nature.

Note 31 . Other Notes

a) Contingent liabilities not provided for in respect of disputed claims / levies: ₹ lakhs

Sr No	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
1	Excise duty and Service Tax	13.23	32.83	23.22
2	Orissa Sales Tax, VAT, CST	177.25	182.89	201.96
3	Entry Tax	9.32	9.32	12.07
4	Income tax	466.32	466.32	-
	Total	**666.12**	**691.36**	**237.25**

b) Commitments ₹ lakhs

Sr No	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	**3,459.75**	**100.00**	**95.75**

c) In the opinion of the Management, the current assets, the loans and advances have a value on realisation atleast equal to the amount at which they are stated in Balance Sheet in ordinary course of business. Provisions are for all known liabilities and the same is adequate and not in excess of what is required.

d) The Company is yet to receive balance confirmation in respect of certain Trade Payables, Advances and Trade Receivables. The Management does not expect any material difference affecting the amount at which they are stated.

e) Exceptional Item:

-Exceptional item for the year ended March 31, 2018 amounting to ₹1011.41 lakhs represents settlement of old quality claims and interest on disputed security deposit under long-term supply agreement of cement.

-Exceptional items for the previous year ended March 31,2017 amounting to ₹1109.54 Lakhs includes prior period interest on statutory dues, security deposits written off and consultancy charges.

f) Employee Benefits:

i) Defined Contribution Plan:

The company operates defined contribution retirement benefit plans for all qualifying employees.

ii) Defined Benefit Plans – Gratuity:

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 and 60 without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest Rate Risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2018 by external agencies. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity Unfunded:

₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
a. Changes in Present Value of obligations:		
Opening Balance of present value of obligation	138.19	124.16
Acquisition adjustment	-	-
Service Cost	7.68	7.07
Interest Cost	10.36	9.84
Actuarial (gain)/loss on obligation	(0.81)	5.19
Benefits paid	(36.34)	(8.07)
Closing Balance	**119.08**	**138.19**
b. Net Asset/(Liability) recognised in the Balance Sheet:		
Present Value of obligations	119.08	138.19
Fair Value of plan asset	-	-
Net Asset/(Liability) recognised in the Balance Sheet	**119.08**	**138.19**
c. Expenses during the Year:		
Service cost	7.68	7.07
Interest cost	10.36	9.84
Expected Return on Plan assets	-	-
Actuarial (Gain)/Loss	(0.81)	5.19
Total	**17.23**	**22.10**
d. Principal actuarial assumptions:		
Rate of Discounting	7.75% p.a.	7.5% p.a.
Rate of increase in salaries	6.0% p.a.	6.0% p.a.
Attrition Rate	2.0% p.a.	2.0% p.a.

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the LIC Ultimate Tables 2006-08.

iii) Experience adjustments

₹ lakhs

Particulars	As at 31.03.2018	As at 31st 31.03.2017	As at 1st 01.04.2016
Defined Benefit Obligation	(36.34)	(8.07)	1.14
Plan Assets	-	-	-
Deficit	36.34	8.07	(1.14)
Experience Adjustments on Plan Liabilities–Loss/(Gain)	0.09	0.01	(0.07)
Experience Adjustments on Plan Assets–Loss/(Gain)	-	-	-

₹ lakhs

Particulars	As at 31.03.2018		As at 31.03.2017	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(112.68)	126.24	(130.61)	146.55
Future salary growth (1% movement)	126.29	(112.52)	146.08	(130.89)
Attrition rate (1% movement)	119.66	(118.43)	139.71	(136.94)
Mortality rate (1% movement)	119.05	119.05	-	-

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹21.92 Lakhs (Previous Year ₹20.85 Lakhs).
Company's contribution to ESIC recognized in statement of Profit and Loss ₹8.37 Lakhs (Previous Year ₹8.02 Lakhs).

iv) Compensated Absences

Assumption used in accounting for compensated absences

₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Present value of obligation	14.96	-	-
Expense recognized in Statement of Profit or loss	-	-	-
Discount rate (p.a)	7.75%	-	-
Salary escalation (p.a)	6.00%	-	-

g) Segment Reporting

The Company is primarily in the business of manufacturing and sale of cement and cement related product. As per IND AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no other reportable business applicable to the company

Non-current operating assets

All non – current assets, financial instruments, deferred tax assets of the company are located in India.

h) Related parties disclosure as per IND AS 24:

A) List of Related Parties

1	**Holding Company** JSW Cement Limited
2	**Enterprises under common control/ exercising significant influence with whom the company has entered into transactions during the year** Unicon Merchants Pvt Ltd Shivom Minerals Limited
3	**Key Managerial Personnel** Manoj Rustagi (Whole Time Director) Girish Menon (Chief Financial Officer) Sneha Bindra (Company secretary)

₹ lakhs

Nature of Transaction	As at 31.03.2018	As at 31.03.2017
Transaction during the year		
Sale of Goods		
JSW Cement Limited	344.00	-
Lease rent received (incl. GST)		
JSW Cement Limited	0.30	-
Loan Repayment		
Unicon Merchants Pvt Ltd	1,026.90	-
Loan Received		
JSW Cement Limited	12,403.00	573.00
Interest paid on loan		
JSW Cement Limited	913.59	1.55
Unicon Merchants Pvt Ltd	21.37	-
Capital Advance given		
Shivom Minerals limited	226.06	-

C. Closing balance of related parties

Nature of Transaction	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Advances			
Shivom Minerals LTD	200.00	-	-
Sale of Goods			
JSW Cement Limited	46.26	-	-
Loan Received			
JSW Cement Limited	12,976.00	573.00	-
Interest Payable			
JSW Cement Limited	913.59	1.55	-

i) Operating Lease

Lease rentals charged to Statement of Profit and Loss for right to use the following Assets are :

₹ lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Office pemise and Guest House	4.17	4.01
Total	4.17	4.01

j) Earnings per share (EPS)

Particulars	As at 31.03.2018	As at 3103.2017
Profit/(Loss) attributable to Equity shareholders (₹ in lakhs)(A)	(3,108.64)	(2,054.91)
Weighted average number of Equity shares for basic EPS (B)	19,50,00,000	19,50,00,000
Effect of Dilution :		
Weighted average number of Equity shares adjusted for the effect of dilution (C)	19,50,00,000	19,50,00,000
Basic EPS (Amount in ₹) (A/B)	(1.59)	(1.05)
Diluted EPS*(Amount in ₹) (A/C)	(1.59)	(1.05)

k) Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company): **₹ lakhs**

Sr. No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
1	Principal amount due outstanding as at 31st March	-	13.56	52.48
2	Interest due on (1) above and unpaid as at 31st March	-	-	-
3	Interest paid to the supplier	-	-	-
4	Payments made to the supplier beyond the appointed day during the year	-	-	-
5	Interest due and payable for the period of delay	-	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-	-

l) Previous year figures have also been reclassified/ regrouped, wherever necessary, to conform to current year's classification.

First time adoption IND AS Reconciliations **₹ lakhs**

a. Reconciliations of Balance Sheet			As at 31.03.2017			As at 01.04.2016		
	Particulars	Note No.	Amount as per previous GAAP	Effects of to transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
I	**ASSETS**							
1	Non-current assets							
	(a) Property, Plant and equipments	7	14,221.46	-	14,221.46	11,042.66	-	11,042.66
	(b) Capital work-in-progress		-	-		683.09	-	683.09
	(c) Intangible assets	2	1,063.49	-	1,063.49	1.17	23.37	24.54
	(d) Intangible assets under development	3	17.67	-	17.67	37.83	-	37.83
	(e) Financial assets						-	
	(i) Others		208.92	-	208.92	7.89	-	7.89
	(ii) Investments	3	0.07	(0.07)	-	0.07	(0.07)	-
	(f) Deferred tax assets (net)	4	518.26	192.76	711.02		-	-
	(g) Other non-current assets	7	811.00	(15.87)	795.13	966.15	(53.87)	912.28
	Total Non-current assets		**16,840.87**	**176.82**	**17,017.69**	**12,738.86**	**(30.57)**	**12,708.29**
2	Current assets							
	(a) Inventories		863.51	-	863.51	1,649.15	-	1,649.15
	(b) Financial assets						-	
	(i) Trade receivables		124.12	-	124.12	1,538.18	-	1,538.18
	(ii) Cash and cash equivalents		47.39	-	47.39	31.63	-	31.63
	(iii) Bank balance other than (ii) above		67.13	-	67.13	79.91	-	79.91
	(iv) Others		55.37	-	55.37	114.11	-	114.11
	(c) Other current assets		473.89	-	473.89	1,744.82	-	1,744.82
	(d) Loans		-	-	-	-	-	-
	Total Current assets		**1,631.41**	**-**	**1,631.41**	**5,157.80**	**-**	**5,157.80**
	Total Assets		**18,472.28**	**176.82**	**18,649.10**	**17,896.66**	**(30.57)**	**17,866.09**
II	**EQUITY AND LIABILITIES**							
1	**Equity**							
	(a) Equity share capital		3,900.00	-	3,900.00	3,740.00	-	3,740.00
	(b) Other equity	2,3,6,8	4,418.50	(131.49)	4,287.01	6,357.33	(201.41)	6,155.92
	Total equity		**8,318.50**	**(131.49)**	**8,187.01**	**10,097.33**	**(201.41)**	**9,895.92**
	Liabilities							
2	**Non-current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings	2	2,900.65	(21.39)	2,879.26	1,765.67	(30.14)	1,735.53
	(b) Provisions	6	119.80	287.38	407.18	108.63	252.09	360.72
	(c) Deferred tax liabilities (net)	4	-	-	-	364.88	(101.66)	263.22
	(d) Other longterm liabilities		-	-	-	-	-	-
	Total Non-current liabilities		**3,020.45**	**265.99**	**3,286.44**	**2,239.18**	**120.29**	**2,359.47**
3	**Current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings		1,999.79	-	1,999.79	2,223.86	-	2,223.86
	(ii) Trade payables		693.74	-	693.74	821.91	-	821.91
	(iii) Others		3,537.53	42.32	3,579.85	1,622.06	50.55	1,672.61
	(b) Other current liabilities		883.88	-	883.88	869.97	-	869.97
	(c) Provisions		18.39	-	18.39	15.53	-	15.53
	(d) Current tax liabilities (net)		-	-	-	6.82	-	6.82
	Total current liabilities		**7,133.33**	**42.32**	**7,175.65**	**5,560.15**	**50.55**	**5,610.70**
	Total Equity and Liabilities		**18,472.28**	**176.82**	**18,649.10**	**17,896.66**	**(30.57)**	**17,866.09**

b. Reconciliation of Total comprehensive income for the year ended March 31, 2017 ₹ lakhs

		Particulars	Note No.	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind As
		INCOME				
I		Revenue from operations	5	2,391.15	-	2,391.15
II		Other income		21.05	-	21.05
III		**Total Income (I+II)**		**2,412.20**	**-**	**2,412.20**
IV		**EXPENSES**				
	1	Cost of materials Consumed		593.15	-	593.15
	2	Purchase of Stock in trade		-	-	-
	3	Changes in inventories of finished goods, stock-in-trade and work in progress		463.42	-	463.42
	4	Power & fuel		783.09	-	783.09
	5	Freight, forwarding & Distributions		18.28	-	18.28
	6	Employee benefits expense	6	371.93	(5.19)	366.74
	7	Finance costs	2	732.58	44.05	776.63
	8	Excise duty expense	5	194.51	-	194.51
	9	Depreciation and amortisation expense	7	613.99	(19.59)	594.40
	10	Other expenses	7	516.81	19.60	536.41
		Total expenses		**4,287.76**	**38.87**	**4,326.63**
V		**Profit before exceptional items and tax (III-IV)**		(1,875.56)	(38.86)	(1,914.42)
VI		Exceptional items		1,109.54	-	1,109.54
VII		**Loss before tax (V-VI)**		**(2,985.10)**	**(38.86)**	**(3,023.96)**
VIII		**Tax expense:**				
		(a) Current tax		-	-	
		(b) Deferred tax		(883.15)	(91.09)	(974.24)
IX		**Profit for the year (VII - VIII)**		**(2,101.95)**	**52.23**	**(2,049.72)**
X		**Other Comprehensive Income**	8			
		Items that will not be reclassified to Profit or Loss				
		Remeasurement of defined benefit plan		-	(5.19)	(5.19)
XI		**Total Comprehensive Income for the period (IX + X)**		**(2,101.95)**	**47.04**	**(2,054.91)**

c. Effects of IND AS adoption on Total Equity

₹ lakhs

	Note No.	**As at 31.03.2017**	**As at 01.04.2016**
Net Worth under IGAAP		**8,365.36**	**10,111.78**
Impact due to Ind AS			
Finance cost on unwinding of site restoration liability		(264.02)	(228.72)
Depreciation on site restoration liability		(0.01)	0.00
Preference shares reclassified to borrowings	1	(12.09)	(14.44)
Financial liabilities measured at amortised cost using effective rate method	2	21.39	30.14
Deferred tax impact on above	4	82.22	68.60
Total Impact due to Ind AS		**(172.51)**	**(144.42)**
Impact due to error & omission			
Asset derecognised and charged to revenue		(65.70)	-
Premium on redemption of preference shares		(42.32)	(50.55)
Impact due to change in depreciation/amortization		(8.29)	-
Others		(0.07)	(53.94)
Deferred tax impact on above		110.54	33.05
Total impact due to error & omission		**(5.84)**	**(71.44)**
Total equity as per Ind AS		**8,187.01**	**9,895.92**

Effects of IND AS adoption on Cash Flows for year ended 31 March 2017

₹ lakhs

Particulars	Amount as per previous GAAP	Effects of transition to IND AS	Amount as per IND AS
Net cash generated from/(used in) operating activities	3,664.23	(196.79)	3,467.44
Net cash generated from/(used in) investing activities	(4,189.21)	149.83	(4,039.38)
Net cash generated from/(used in) financing activities	548.87	26.05	574.92
Net increase/(decrease) in cash and cash equivalents	**23.89**	**(20.91)**	**2.98**
Cash and cash equivalents at start of year/period	97.55	13.99	111.54
Cash and cash equivalents at close of year/period	**121.44**	**(6.92)**	**114.52**

NOTES:

1. To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

2. **Financial liabilities and related transaction costs:**

   Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under Ind AS with the difference been adjusted to opening retained earnings.

   Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under Ind AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.

   Difference in the un-amortised borrowing cost as per Ind AS and previous GAAP on transition date has been adjusted to the cost of asset under construction or opening retained earnings, as applicable.

3. **Financial assets at amortised cost:**

   Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.

4. **Deferred tax as per balance sheet approach:**

   Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

5. **Excise duty:**

   Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the Statement of Profit and Loss as part of expenses.

6. **Defined benefit liabilities:**

   Under Ind AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

7. **Property,plant and equipments**

   Under IGAAP, Leasehold Land were classified as Fixed Assets as the standard on the leases excluded Land. However, as per IND AS - 17, where the substantial risk and rewards incidental to ownership of an asset has not been transferred in the name of the company, the company has classified such land under Operating lease. The amount paid towards such leases has been shown as Pre payments under Other non current assets.

8. **Other comprehensive income:**

   Under Ind AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and “other comprehensive income” includes remeasurements of defined benefit plans and fair value gain or losses on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

SHIVA CEMENT LIMITED

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

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the Members of SHIVA CEMENT LIMITED (CIN: L26942OR1985PLC001557)("theCompany") will be held on Thursday, 20th day of September, 2018 at 11:00 A.M. at the Hotel Mantra Palace, Panposh Road, Next to Reliance Digital, Rourkela, Odisha- 769004 transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2018and the Reports of the Board of Directors and Auditors thereon.
2. To appoint director in place of Mr. Narinder Singh Kahlon (DIN : 03578016) , who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the first proviso to section 139(1) of the Companies Act, 2013 read with the first proviso to rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of Shah Gupta & Co., Chartered Accountants, Mumbai (FRN: 109574W) as Statutory Auditors of the Company to hold office from the conclusion of the 32nd Annual General Meeting till the conclusion of the 33rd Annual General Meeting be and is hereby ratified."

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to fix the remuneration payable and the reimbursement of out of pocket expenses, if any, to the said Auditors."

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 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. Akash Gupta, Mr. Anubha Gupta, Ms. Preeti Gupta, Ms. Shilpi Gupta, Mr. Vikash Gupta, Ms. Sonu Gupta, R.P. Gupta (HUF) and Unicon Merchants Private Limited from Promoters/Promoters Group category to Public Shareholder's category.

   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."

By the order of the Board
For **SHIVA CEMENT LIMITED**

sd/-
(Sneha Bindra)
Company Secretary

Place: Rourkela
Date:7th August, 2018

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 shall remain closed from 14/09/2017 to 20/09/2017 (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. SEBI has in its Board Meeting held on March 28, 2018 decided that except in case of transmission or transposition, requests for effecting transfer of securities listed companies shall not be processed unless the securities are held in dematerialised form. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Having regard to the difficulties experienced by the shareholders in disposing off their shares held in physical form and to mitigate the hardship caused to them. Members can contact the Company or Niche Technologies Pvt. Ltd. For assistance in this regard.
10. 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.

11. 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.
12. 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 17th September 2018 (9:00 am) and ends on 19th September 2018 (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 13th September 2018, 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. as password. 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 "EVEN" 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 13th September 2018.

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. 13th September 2018, 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 No. 4 of the accompanying notice is as under:

Item No. 4:

The promoters of the Company namely:

1. Akash Gupta
2. Anubha Gupta
3. Preeti Gupta
4. R.P. Gupta (HUF)
5. Shilpi Gupta
6. Sonu Gupta
7. Vikash Gupta
8. Unicon Merchants Private Limited
9. Mr. R.P. Gupta
10. Mr. Sanjay Agarwal
11. Mr. Ramesh Kumar Gupta

had on 1st March, 2017 transferred their shares of the equity share capital of the Company to JSW Cement Limited under a Share Purchase Agreement dated 10th January, 2017.

The Company had in its AGM held on 21st September, 2017 had obtained approval of reclassification of promoters i.e. Mr. R.P. Gupta, Mr. Sanjay Agarwal and Mr. Ramesh Kumar Gupta were reclassified from promoters' category to public shareholders and JSW Cement Ltd. and Reynold Traders Pvt. Ltd. were classified under promoter’s category.

The persons namely Mr. Akash Gupta, Ms. Anubha Gupta, Ms. Preeti Gupta, R.P. Gupta (HUF), Ms. Shilpi Gupta, Ms, Sonu gupta, Mr. Vikash Gupta and Unicon Merchants Private Limited are currently classified under promoters/promoters group category. The Company has received letters from the aforesaid persons duly requesting to be categorised under public shareholders of the Company. Pursuant to Regulation 31A of the Securities Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015 re-classification of the promoters requires shareholders' approval.

Further, JSW Cement Limited and Reynold Traders Private Limited shall continue to be promoters of the Company.

None of the Directorsof the Company and their relatives are concerned and interested, financially or otherwise, in the resolution set out in item no-4.

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

By the order of the Board
For **SHIVA CEMENT LIMITED**

sd/-
(Sneha Bindra)
Company Secretary

Place: Rourkela
Date:7th August, 2018

SHIVA CEMENT LIMITED

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

PROXY FORM

MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Adminstration) Rules, 2014)

32nd ANNUAL GENERAL MEETING (Thrusday, September 20, 2018)

Name of the member(s) : ____

Registered Address : ____

Email id : ____

Folio No./DP ID-Client ID No.

I/We being the member(s) of ________________________ shares of the above named Company, hereby appoint

1. Name : ____
   Address : ____
   Email id : ____

   Signature : __________________, or failing him/her
2. Name : ____
   Address : ____
   Email id : ______________________________

   Signature : __________________ , or failing him/her

   As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32ndAnnual General Meeting of the Company, to be held onThursday, 20th day of September, 2018 at 11:00 A.M. at Hotel Mantra Palace, Panposh Road, Next to Reliance Digital, Rourkela, Odisha and any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	**Description of Resolution**		
Ordinary Business		**For**	**Against**
1	Adoption of the financial statements of the Company for the year ended 31 March 2018 together with the report of the Directors' and Auditors' thereon.		
2	Appointment of Narinder Singh Kahlon (DIN:03578016), who retires by rotation and offers himself for re-appointment.		
3	Ratification of appointment of M/s Shah Gupta & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
Special Business			
4	Reclassification of Promoters of the Company		

Signed this ________________ day of ____________ 2018

Signature of Shareholder : ______________________ Affix Revenue Stamp

Signature of First Proxy holder Signature of Second Proxy holder Signature of Third Proxy holder

NOTE :

1. THIS FORM OF PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT YY-5, CIVIL TOWNSHIP, ROURKELA-769004 NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31st Annual General Meeting.

SHIVA CEMENT LIMITED

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

ATTENDANCE SLIP

32^{nd} ANNUAL GENERAL MEETING

Thursday, September 20, 2018

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 32nd ANNUAL GENERAL MEETING of the Company at Hotel Mantra Palace, Panposh Road, Next to Reliance Digital, Rourkela, Odisha, on Thursday, 20th day of September, 2018 at 11:00 A.M.

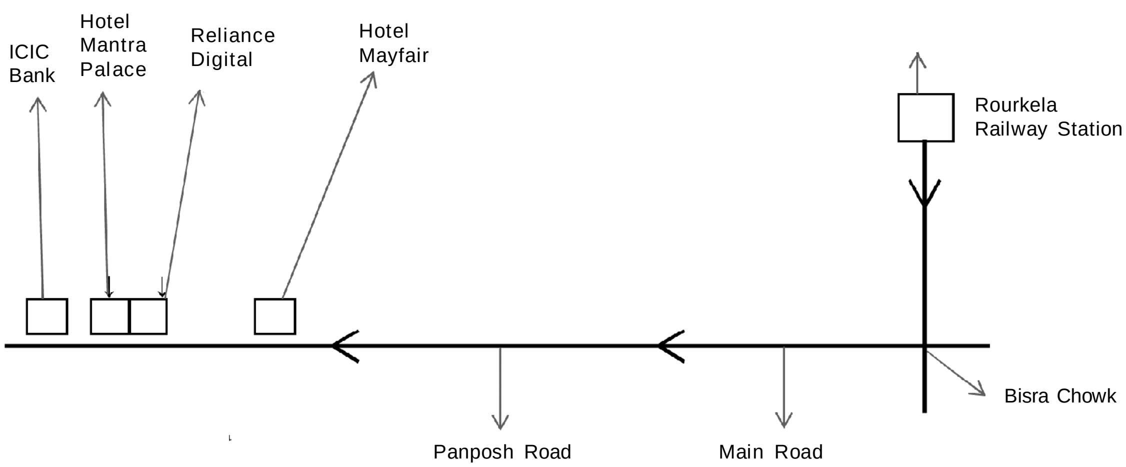
Member's Folio/DP ID- Client ID No.	Member's /Proxy's Name in Block Letters	Member's/ Proxy's Signature

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



SHIVA CEMENT LTD.
YY-5 Civil Township, Rourkela-769 004