

# SHIVA CEMENT LTD.

2018-19

33<sup>rd</sup> ANNUAL REPORT

A decorative graphic consisting of numerous parallel red diagonal lines that fan out from the bottom left towards the top right, set against a dark blue background.

**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**Resigned w.e.f 30.03.2019***Mr. D. K. Senapati***Nominee- Director**Resigned w.e.f 11.04.2019***Mr. K. P. Jhunjhunwala***Independent Director**Resigned w.e.f 29.03.2019***Mr. Mahendra Singh***Independent Director***Mr. B. K. Mangaraj***Independent Director***Mr. Sanjay Sharma***Additional Independent Director**Appointed w.e.f 23.04.2019***Ms. Sudeshna Banerjee***Additional Independent Director**Appointed w.e.f 23.04.2019***AUDITORS****Shah Gupta & Co.**

Chartered Accountants

Mumbai

<b>Contents ...</b>		
Director's Report	...	02
Corporate Governance	...	24
Management Discussion and Analysis Report	...	32
Auditors' Report	...	36
Balance Sheet	...	42
Profit & Loss Account	...	43
Cash flow statement	...	45
Notes on Financial Statements	...	46
Notice of AGM	...	72
❖ ❖ ❖		

**Mr. Girish Menon***Chief Financial Officer***Ms. Sneha Bindra***Company Secretary***REGISTRAR & TRANSFER AGENT****Niche Technologies (P) Ltd.**

3A, Auckland place, 7th Floor,

Room No. 7A &amp; 7B, Kolkata-700017

**REGISTERED OFFICE**

YY-5, Civil Township, 7/8 Area  
Rourkela - 769 004  
Website : www.shivacement.com

**PLANT SITE**

Vill : Telighana  
PO : Biringatoli, Kutra  
Dist. Sundargarh (Odisha)

**MINES**

Vill : Khatkurbahal  
Via : Kutra  
Dist. Sundargarh (Odisha)

# SHIVA CEMENT LIMITED

## DIRECTOR'S REPORT

### Dear Members,

We are pleased to present 33rd Annual Report for the financial year ended on 31st March, 2019. The operational performance during the year is as below.

### Financial Performance

(₹ lakhs)

Particulars	31/03/2019	31/03/2018
<b>Turnover</b>	<b>2937.53</b>	<b>2603.95</b>
Operating EBIDTA	(691.78)	(832.78)
Other Income	34.64	28.01
Finance Cost	1485.28	1378.83
Depreciation & Amortization	762.96	794.11
<b>Profit/(Loss) before exceptional item</b>	<b>(2905.38)</b>	<b>(2977.71)</b>
Exceptional Items (see details below)	0.00	1011.41
<b>Profit (Loss) before Taxation</b>	<b>(2905.38)</b>	<b>(3989.12)</b>
<b>Tax Expense/benefits</b>	<b>(779.50)</b>	<b>(879.67)</b>
<b>Profit (Loss) after Taxation</b>	<b>(2125.88)</b>	<b>(3109.45)</b>

### Highlights of performance :

The challenges for the Financial year 2018-19 were to consolidate the production performance, improvement in the quality parameters of Cement and establishing the new brand "Mahabal" in the market.

The outcome of above was Financial year 2018-19 ending with an increase in sales volume of cement by 10% over the last year sales.

This year, the company has utilized 53% of total installed capacity and produced 70,586 MT of Cement, which is 9% more than the last year's cement production. However, during the year the company has produced 39,732 MT clinker which is 7% lower than the last year's clinker production.

During the year the company has borrowed ₹1,477 lakhs and repaid ₹697.02 lakhs to its holding company JSW Cement Limited. On the total cumulative borrowed funds of ₹13,755.98 lakhs, the company has incurred interest cost amounting to ₹1,437.62 lakhs during the year. Current year's borrowed fund has been utilized for current operational expenditure and capital expenditure to the tune of ₹585.78 lakhs.

### Transfer to Reserves

During the financial year under review the Board has not proposed to transfer any amount to reserves.

### Dividend

As your Company has incurred a net loss during the year your Directors have not recommended any dividend for the year.

### Financial Statement :

The audited Financial Statements of the Company, which form a part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Indian Accounting Standards.

### Holding, Subsidiary & Associate Company :

Your Company has neither any subsidiary nor an associate company. The Company has a holding company as on 31st March, 2019 namely JSW Cement Limited. The net worth of JSW Cement Limited as on 31.03.2019 is ₹1293.84 crores

### Fixed Deposits :

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the rules made there under during the period under review.

## Extract of Annual Return :

The extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form MGT-9 of the rules prescribed under chapter VII relating to Management and Administration under the Companies Act, 2013, is made available on the Company's website and can be accessed from [www.shivacement.com](http://www.shivacement.com) and forms a part of this Annual Report as Annexure A.

## 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, 2019 was ₹3,900.00 Lakhs comprising 1,950 Lakh Equity shares of ₹2/- each.

## Board Meeting :

The Board meets to discuss and decide on Company/business policy and strategy apart from other business. A tentative date of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation as permitted by law, which are notified in next Board meeting.

During the year under review, the Board of Directors have met four times on 21.04.2018, 07.08.2018, 12.11.2018 and 24.01.2019. The maximum interval between two meetings did not exceed 120 days as prescribed under Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI(LODR) Regulations, 2015"] and Secretarial Standard SS-1.

## Directors' Responsibility Statement :

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, your Directors hereby state and 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 have 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 have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Declaration of Independence :

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015.

## Auditors

### A. Statutory Auditors :

At the Company's 31st Annual General Meeting (AGM) held on September 21, 2017, M/s Shah Gupta & Co. Chartered Accountants (Firm Registration No. 109574W), Mumbai, were appointed as the Company's Statutory Auditors for a period of five consecutive years i.e. from the conclusion of the 31st AGM till the conclusion of the 36th AGM subject to ratification if required by the members of the Company at every Annual General Meeting. However, the Ministry of Corporate Affairs vide its notification S.O. 1833(E) dated 07th May 2018 notified the amendment in section 139 of the Companies Act 2013, pursuant to which the appointment of Statutory Auditors is not required to be ratified by the members every year during the tenure of Statutory Auditors once approved by the members in their Annual General Meeting.

### B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Prakash Sahoo & Associates, Practicing Company Secretaries, Rourkela, Odisha to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in Form No. MR-3 is appended as Annexure B.

## **C. Comments on auditors' report**

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Shah Gupta & Co., Chartered Accountants, Statutory Auditors, in their Audit Report and by M/s. Prakash Sahoo & Associates, Practicing Company Secretaries, in their secretarial audit report. The Auditors did not report any incident of fraud to the Audit Committee of the Company in the year under review.

## **Particulars of loans or guarantees given, securities provided or investments made under Section 186 of the Companies Act, 2013 :**

During the year under review, the Company has not given loans or guarantees, securities provided or investments made under Section 186 of the Companies Act, 2013.

## **Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that provisions of Section 188 of the Companies Act, 2013 and the rules made thereunder are not attracted. However, the disclosure in Form AOC-2 in terms of Section 134 of the Act is appended as Annexure C.

## **Material changes and commitments affecting the financial position of the Company**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

## **Particulars regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

A statement containing necessary information, as required under the Companies Act, 2013 is annexed hereto in Annexure-D. There were no foreign exchange transactions during the year.

## **Company's policy on Directors', KMP & other employees' appointment and remuneration**

The Policies of the Company on Directors, KMP & other employees' appointment including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as Annexure E to this Report. The Remuneration Policy is forming part of Corporate Governance Report and detailed policy has also been published on the website [www.shivacement.com](http://www.shivacement.com) for investor's information.

## **Risk Management Policy**

The Company has in place a Risk Management Policy to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed by the Audit Committee. All risks are reviewed in the meetings of the Board of Directors. Risks related to internal controls, compliances & systems are also reviewed in detail by the Audit Committee. The Risk Management Policy has also been published on website [www.shivacement.com](http://www.shivacement.com) for investor's information.

## **Corporate Social Responsibility**

The Company believes in inclusive growth to facilitate creation of a value based and empowered society through continuous and purposeful engagement with society around. All the CSR initiatives are approved by the CSR Committee in line with the CSR Policy. The CSR Policy formulated is uploaded on the website of the Company at [www.shivacement.com](http://www.shivacement.com).

## **Vigil Mechanism**

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

## **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 function, for the evaluation of the Board and Committees. The evaluation of the Independent Directors was based on the range of the criteria like independent judgment strategy, performance and risk management; skill, knowledge and Familiarity about the Company, professional advice, attendance in Board and Committee meeting etc.

**Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

**Adequacy of Internal Financial Controls :**

The Board of Directors in consultation with Internal Auditors have laid down the Internal Financial Controls Framework, commensurate with the size, scale and complexity of its operations. The Internal Audit Team quarterly monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

**Directors and Key Managerial Personnel :**

Mr. Rajendra Prasad Gupta (DIN- 01325989), Non-Executive Director of your Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting of the Company.

During the year under review, Mr. Kashi Prasad Jhunjhunwala (DIN: 01005691), Ms. Sutapa Banerjee (DIN- 02844650) and Mr. D.K. Senapati (DIN: 03449031) resigned from the Directorship of the Company w.e.f 29.03.2019, 30.03.2019 and 11.04.2019 respectively. The Board places on record its sincere appreciation for the valuable guidance and contribution made by Mr. Kashi Prasad Jhunjhunwala, Ms. Sutapa Banerjee and Mr. D.K. Senapati during their tenure as Directors on the Board of Directors of the Company. Further, Mr. Sanjay Sharma and Ms. Sudeshna Banerjee were appointed as Additional Independent Directors with effect from 23rd April 2019,

There were no changes in other directors and Key Managerial Personnel during the year.

**Corporate Governance**

Your Company has complied with the requirements of Regulation 17 to 27 of the SEBI (LODR) Regulations, 2015 on Corporate Governance. Pursuant to Schedule V of the SEBI (LODR) Regulations, 2015, Report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed separately to this Annual Report

**Management Discussion and Analysis Report**

The Management Discussion and Analysis Report on the operations of the Company for the year under review, as required under Schedule V of the the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms part of this Annual Report.

**Human Resources**

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.

**E-Voting Platform**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, your Company is registered with NSDL for E-Voting services to set up an electronic platform to facilitate shareholders to cast vote in electronic form to exercise their right of voting at General Meetings / business to be transacted by means of voting through e-voting or ballot paper as provided under the Companies Act, 2013.

# SHIVA CEMENT LIMITED

---

## 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.

## Awards & Recommendations

The Company was awarded with First Prize in "Annual Mines Safety Week Celebration-2018".

## Business Responsibility Report

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

## Environmental & Social Obligation

Environment Clearance for Cement Plant: The existing Environment Clearance for plant capacity to produce 0.825 million MT Clinker and 1.05 million MT Cement, was valid up to 23rd May 2018. The Ministry of Environment and Forest (MoEF) & Climate Change (CC) vide their letter dated 15th June 2018 has extended validity of the EC for a period of 3 years i.e. upto 22nd May 2021.

Consent to Establish to produce 0.825 million MT Clinker and 1.05 million MT Cement has been granted by Odisha State Pollution Control Board (OSPCB) on 8th March 2018 and is valid up to 7th March 2023.

NOC for Groundwater withdrawal: Central Ground Water Authority (CGWA) has approved our application for 688 M3/day of groundwater for cement plant and No Objection Certificate (NOC) No. CGWA/NOC/IND/ORIG/2018/3874 for ground water abstraction to M/s Shiva Cement Limited has been granted. The NOC start date is 20th July 2018 and is valid upto 19th July 2020.

## 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.

## 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.

## 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.

## Acknowledgements

Your directors place on record their sincere appreciation to the government authorities, Bankers, NBFCs, consultants, shareholders, employees, suppliers & contractors of the Company for the co-operation and support extended to 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  
**Shiva Cement Limited**

Date: 23rd April, 2019  
Place: Rourkela

**Manoj Kumar Rustagi**  
Whole-Time Director  
DIN: 07742914

**Rajendra Prasad Gupta**  
Director  
DIN: 01325989

**Form No. MGT-9**  
**Extract of Annual Return**

(Annexure-A)

as on the financial year ended on 2018-19

[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, Roukela-7690004 Tele Phone: 0661-2400828, 2400168
Whether listed Company (YES/NO)	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	NICHE TECHNOLOGIES PRIVATE LIMITED CIN:U74140WB1994PTC062636 3A, Auckland place, 7th Floor, Room No. 7A & 7B, Kolkata-700017 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	83.31%
2	OTHERS GOODS	16.69%

**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	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a. Individual/HUF									
b. Central Govt.									
c. State Govt.									
d. Bodies Corp.	106166750	0	106166750	54.444	106166750	0	106166750	54.444	0.000
e. Banks / FI									
f. Any Other									
<b>Sub-total (A)(1)</b>	<b>106166750</b>	<b>0</b>	<b>106166750</b>	<b>54.444</b>	<b>106166750</b>	<b>0</b>	<b>106166750</b>	<b>54.444</b>	<b>0.000</b>
<b>2 Foreign</b>									
a. NRIs-Individuals									
b. Other-Individuals									
c. Bodies Corporate									
d. Banks / FI									
e. Any Other									
<b>Sub-total-A (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter(A)1+(A)2</b>	<b>106166750</b>	<b>0</b>	<b>106166750</b>	<b>54.444</b>	<b>106166750</b>	<b>0</b>	<b>106166750</b>	<b>54.444</b>	<b>0.000</b>



## SHIVA CEMENT LIMITED

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds									
b. Banks / FI	0	206083	206083	0.106	0	206083	206083	0.106	0.000
c. Cent. Govt.									
d. State Govt.									
e. Venture Capital Funds									
f. Insurance Co.									
g. Foreign Institu. Investors (FII)									
h. Foreign Venture Capital Funds									
i. Others (Specify)									
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>206083</b>	<b>206083</b>	<b>0.106</b>	<b>0</b>	<b>206083</b>	<b>206083</b>	<b>0.106</b>	<b>0.000</b>
<b>2. Non-Institutions</b>									
a. Bodies Corporate									
i) Indian	17247874	40364	17288238	8.866	17599556	40364	17639920	9.046	0.180
ii) Overseas									
b. Individuals									
i) Individual shareholders holding nominal share capital uptoRs 1 lakh	47217183	558517	47775700	24.500	49705714	547794	50253508	25.771	1.271
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	15453718	68439	15522157	7.960	15718967	68439	15787406	8.096	0.136
<b>c) Others Specify</b>									
1. NRI	1521166	0	1521166	0.780	1532924	0	1532924	0.786	0.006
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	6515188	0	6515188	3.341	3411691	0	3411691	1.750	(1.591)
5. Trusts	4100	618	4718	0.002	1100	618	1718	0.001	(0.001)
6. Foreign Bodies - D.R.	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	<b>87959229</b>	<b>667938</b>	<b>88627167</b>	<b>45.450</b>	<b>87969952</b>	<b>657215</b>	<b>88627167</b>	<b>45.450</b>	<b>0.000</b>
Total Public Shareholding (B) = (B)(1)+(B)(2)	87959229	874021	88833250	45.556	87969952	863298	88833250	45.556	0.000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>194125979</b>	<b>874021</b>	<b>195000000</b>	<b>100.000</b>	<b>194136702</b>	<b>863298</b>	<b>195000000</b>	<b>100.000</b>	<b>0.000</b>
<b>ii) Shareholding of Promoters</b>									
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.	104366750	53.521	10.061	104366750	53.521	10.061	0.000	
2	Reynold Traders Private Limited	1800000	0.923	0.000	*1800000	0.923	0.000	0.000	
	<b>Total</b>	<b>106166750</b>	<b>54.444</b>	<b>9.890</b>	<b>106166750</b>	<b>54.444</b>	<b>9.890</b>	<b>0.000</b>	

\*Reynold Traders Pvt. Ltd. transferred/sold 1800000 equity shares to JSW Cement Ltd. in an off-market transaction pursuant to share purchase agreement dated 30.03.2019, however the aforesaid shares were effectively credited in JSW Cement Ltd's demat account on 01.04.2019.

## SHIVA CEMENT LIMITED

### 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	<b>JSW Cement Limited</b>				
	a) At the Beginning of the Year	104366750	53.521		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			104366750	53.521
2	<b>REYNOLD TRADERS PRIVATE LIMITED</b>				
	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
	<b>TOTAL</b>	<b>106166750</b>	<b>54.444</b>	<b>106166750</b>	<b>54.444</b>

### 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	<b>ASHA MUKUL AGRAWAL</b>				
	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	<b>ASHIKA CREDIT CAPITAL LIMITED</b>				
	a) At the Beginning of the Year	805707	0.413		
	b) Changes during the year				
	Date Reason				
	06/04/2018 Transfer	(805707)	0.413	-	-
	c) At the End of the Year			-	-
3	<b>CELSIA PHILOMENA BOCARRO</b>				
	a) At the Beginning of the Year	-	-		
	b) Changes during the year				
	Date Reason				
	08/06/2018 Transfer	39300	0.020	39300	0.020
	06/07/2018 Transfer	98650	0.051	137950	0.071
	03/08/2018 Transfer	201994	0.104	339944	0.174
	10/08/2018 Transfer	120053	0.062	459997	0.236
	31/08/2018 Transfer	59161	0.030	519158	0.266
	21/09/2018 Transfer	15740	0.008	534898	0.274
	c) At the End of the Year			534898	0.274
4	<b>FAIRWEALTH FINANCIAL SERVICES LIMITED</b>				
	a) At the Beginning of the Year	530000	0.272		
	b) Changes during the year				
	Date Reason				
	18/05/2018 Transfer	(50000)	0.026	480000	0.246
	08/06/2018 Transfer	(108837)	0.056	371163	0.190
	15/06/2018 Transfer	(69893)	0.036	301270	0.154
	22/06/2018 Transfer	(40000)	0.021	261270	0.134
	14/12/2018 Transfer	(102000)	0.052	159270	0.082
	28/12/2018 Transfer	(50000)	0.026	109270	0.056

## SHIVA CEMENT LIMITED

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
	11/01/2019 Transfer	(40000)	0.021	69270	0.036
	18/01/2019 Transfer	(69000)	0.035	270	0.000
	c) At the End of the Year			270	0.000
5	<b>GLOBE CAPITAL MARKET LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	30/06/2018 Transfer	6000	0.003	6000	0.003
	22/02/2019 Transfer	692885	0.355	698885	0.358
	22/03/2019 Transfer	(6000)	0.003	692885	0.355
	c) At the End of the Year			692885	0.355
6	<b>GRD SECURITIES LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	04/05/2018 Transfer	94000	0.048	94000	0.048
	11/05/2018 Transfer	148000	0.076	242000	0.124
	25/05/2018 Transfer	7500	0.004	249500	0.128
	01/06/2018 Transfer	115000	0.059	364500	0.187
	08/06/2018 Transfer	95500	0.049	460000	0.236
	15/06/2018 Transfer	(330710)	0.170	129290	0.066
	22/06/2018 Transfer	350000	0.179	479290	0.246
	30/06/2018 Transfer	(272750)	0.140	206540	0.106
	06/07/2018 Transfer	287000	0.147	493540	0.253
	13/07/2018 Transfer	(115000)	0.059	378540	0.194
	20/07/2018 Transfer	(85000)	0.044	293540	0.151
	27/07/2018 Transfer	170000	0.087	463540	0.238
	03/08/2018 Transfer	(28000)	0.014	435540	0.223
	10/08/2018 Transfer	(314900)	0.161	120640	0.062
	17/08/2018 Transfer	209900	0.108	330540	0.170
	24/08/2018 Transfer	17500	0.009	348040	0.178
	31/08/2018 Transfer	(16500)	0.008	331540	0.170
	14/09/2018 Transfer	(28000)	0.014	303540	0.156
	21/09/2018 Transfer	183000	0.094	486540	0.250
	29/09/2018 Transfer	(155000)	0.079	331540	0.170
	05/10/2018 Transfer	135000	0.069	466540	0.239
	12/10/2018 Transfer	(240000)	0.123	226540	0.116
	19/10/2018 Transfer	56940	0.029	283480	0.145
	26/10/2018 Transfer	161000	0.083	444480	0.228
	02/11/2018 Transfer	305750	0.157	750230	0.385
	09/11/2018 Transfer	(265000)	0.136	485230	0.249
	23/11/2018 Transfer	(4000)	0.002	481230	0.247
	30/11/2018 Transfer	(90000)	0.046	391230	0.201
	07/12/2018 Transfer	122500	0.063	513730	0.263
	14/12/2018 Transfer	(114258)	0.059	399472	0.205
	21/12/2018 Transfer	34000	0.017	433472	0.222
	28/12/2018 Transfer	10000	0.005	443472	0.227
	04/01/2019 Transfer	(155000)	0.079	288472	0.148
	11/01/2019 Transfer	265000	0.136	553472	0.284
	18/01/2019 Transfer	(174900)	0.090	378572	0.194
	25/01/2019 Transfer	194900	0.100	573472	0.294

## SHIVA CEMENT LIMITED

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
	08/02/2019 Transfer	(161500)	0.083	411972	0.211
	15/02/2019 Transfer	206000	0.106	617972	0.317
	22/02/2019 Transfer	(41000)	0.021	576972	0.296
	01/03/2019 Transfer	(116000)	0.059	460972	0.236
	15/03/2019 Transfer	(123259)	0.063	337713	0.173
	22/03/2019 Transfer	170000	0.087	507713	0.260
	29/03/2019 Transfer	90000	0.046	597713	0.307
	c) At the End of the Year			597713	0.307
<b>7</b>	<b>HARSH VANIJYA PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	8000000	4.103		
	b) Changes during the year				
	Date Reason				
	27/04/2018 Transfer	(385000)	0.197	7615000	3.905
	30/06/2018 Transfer	(5000)	0.003	7610000	3.903
	02/11/2018 Transfer	(80000)	0.041	7530000	3.862
	31/03/2019 Transfer	158000	0.081	7688000	3.943
	c) At the End of the Year			7688000	3.943
<b>8</b>	<b>INDIANIVESH CAPITALS LIMITED .</b>				
	a) At the Beginning of the Year	500001	0.256		
	b) Changes during the year				
	Date Reason				
	20/07/2018 Transfer	(100000)	0.051	400001	0.205
	04/01/2019 Transfer	(249001)	0.128	151000	0.077
	11/01/2019 Transfer	49000	0.025	200000	0.103
	08/02/2019 Transfer	101000	0.052	301000	0.154
	c) At the End of the Year			301000	0.154
<b>9</b>	<b>KARVY STOCK BROKING LIMITED</b>				
	a) At the Beginning of the Year	2908784	1.492		
	b) Changes during the year				
	Date Reason				
	06/04/2018 Transfer	(1252309)	0.642	1656475	0.849
	13/04/2018 Transfer	(117284)	0.060	1539191	0.789
	20/04/2018 Transfer	(220165)	0.113	1319026	0.676
	27/04/2018 Transfer	(56210)	0.029	1262816	0.648
	04/05/2018 Transfer	(75708)	0.039	1187108	0.609
	11/05/2018 Transfer	(66142)	0.034	1120966	0.575
	18/05/2018 Transfer	(82630)	0.042	1038336	0.532
	25/05/2018 Transfer	(69273)	0.036	969063	0.497
	01/06/2018 Transfer	(8870)	0.005	960193	0.492
	08/06/2018 Transfer	(77499)	0.040	882694	0.453
	15/06/2018 Transfer	(4936)	0.003	877758	0.450
	22/06/2018 Transfer	(1905)	0.001	875853	0.449
	30/06/2018 Transfer	(47927)	0.025	827926	0.425
	06/07/2018 Transfer	(22076)	0.011	805850	0.413
	13/07/2018 Transfer	(23307)	0.012	782543	0.401
	20/07/2018 Transfer	(531554)	0.273	250989	0.129
	27/07/2018 Transfer	(4458)	0.002	246531	0.126
	03/08/2018 Transfer	(13530)	0.007	233001	0.119
	10/08/2018 Transfer	8062	0.004	241063	0.124
	17/08/2018 Transfer	21634	0.011	262697	0.135
	24/08/2018 Transfer	(20970)	0.011	241727	0.124
	31/08/2018 Transfer	(2358)	0.001	239369	0.123

## SHIVA CEMENT LIMITED

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
	14/09/2018 Transfer	2691	0.001	242060	0.124
	21/09/2018 Transfer	(2008)	0.001	240052	0.123
	29/09/2018 Transfer	(2750)	0.001	237302	0.122
	05/10/2018 Transfer	869	0.000	238171	0.122
	12/10/2018 Transfer	(4958)	0.003	233213	0.120
	19/10/2018 Transfer	(266)	0.000	232947	0.119
	26/10/2018 Transfer	(7740)	0.004	225207	0.115
	02/11/2018 Transfer	(3125)	0.002	222082	0.114
	09/11/2018 Transfer	1220	0.001	223302	0.115
	23/11/2018 Transfer	(39838)	0.020	183464	0.094
	30/11/2018 Transfer	(3555)	0.002	179909	0.092
	07/12/2018 Transfer	1079	0.001	180988	0.093
	14/12/2018 Transfer	20739	0.011	201727	0.103
	21/12/2018 Transfer	(2165)	0.001	199562	0.102
	28/12/2018 Transfer	(5400)	0.003	194162	0.100
	04/01/2019 Transfer	3150	0.002	197312	0.101
	11/01/2019 Transfer	658	0.000	197970	0.102
	18/01/2019 Transfer	(2050)	0.001	195920	0.100
	25/01/2019 Transfer	1393	0.001	197313	0.101
	08/02/2019 Transfer	3940	0.002	201253	0.103
	15/02/2019 Transfer	(50)	0.000	201203	0.103
	22/02/2019 Transfer	4500	0.002	205703	0.105
	01/03/2019 Transfer	(17101)	0.009	188602	0.097
	08/03/2019 Transfer	29382	0.015	217984	0.112
	15/03/2019 Transfer	(34119)	0.017	183865	0.094
	22/03/2019 Transfer	(612)	0.000	183253	0.094
	29/03/2019 Transfer	(541)	0.000	182712	0.094
	31/03/2019 Transfer	10	0.000	182722	0.094
	c) At the End of the Year			182722	0.094
10	<b>KARVY STOCK BROKING LIMITED-DS NAGAR</b>				
	a) At the Beginning of the Year	187650	0.096		
	b) Changes during the year				
	Date Reason				
	20/07/2018 Transfer	500000	0.256	687650	0.353
	07/12/2018 Transfer	(20000)	0.010	667650	0.342
	14/12/2018 Transfer	(98000)	0.050	569650	0.292
	c) At the End of the Year			569650	0.292
11	<b>MANGALA SUBHASH RATHOD</b>				
	a) At the Beginning of the Year	3060512	1.569		
	b) Changes during the year				
	Date Reason				
	29/09/2018 Transfer	(139600)	0.072	2920912	1.498
	02/11/2018 Transfer	(27500)	0.014	2893412	1.484
	14/12/2018 Transfer	(47156)	0.024	2846256	1.460
	21/12/2018 Transfer	(75862)	0.039	2770394	1.421
	28/12/2018 Transfer	(28321)	0.015	2742073	1.406
	04/01/2019 Transfer	(119677)	0.061	2622396	1.345
	11/01/2019 Transfer	(26360)	0.014	2596036	1.331
	15/02/2019 Transfer	(15000)	0.008	2581036	1.324
	08/03/2019 Transfer	(82607)	0.042	2498429	1.281
	15/03/2019 Transfer	(75000)	0.038	2423429	1.243
	22/03/2019 Transfer	(42320)	0.022	2381109	1.221
	c) At the End of the Year			2381109	1.221

## SHIVA CEMENT LIMITED

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
<b>12</b>	<b>MOTILAL OSWAL FINVEST LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	24/08/2018 Transfer	186379	0.096	186379	0.096
	31/08/2018 Transfer	438	0.000	186817	0.096
	14/09/2018 Transfer	(3180)	0.002	183637	0.094
	21/09/2018 Transfer	(1978)	0.001	181659	0.093
	29/09/2018 Transfer	(19008)	0.010	162651	0.083
	12/10/2018 Transfer	(5000)	0.003	157651	0.081
	30/11/2018 Transfer	1000	0.001	158651	0.081
	14/12/2018 Transfer	(1000)	0.001	157651	0.081
	11/01/2019 Transfer	283738	0.146	441389	0.226
	25/01/2019 Transfer	5000	0.003	446389	0.229
	08/02/2019 Transfer	(5000)	0.003	441389	0.226
	08/03/2019 Transfer	216743	0.111	658132	0.338
	c) At the End of the Year			658132	0.338
<b>13</b>	<b>PADMINI VINIYOG PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	840947	0.431		
	b) Changes during the year				
	Date Reason				
	28/12/2018 Transfer	(6745)	0.003	831213	0.426
	11/01/2019 Transfer	(283738)	0.146	547475	0.281
	08/03/2019 Transfer	(216743)	0.111	330732	0.170
	c) At the End of the Year			330732	0.170
<b>14</b>	<b>SAHI TRADING PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	57430	0.029		
	b) Changes during the year				
	Date Reason				
	06/04/2018 Transfer	1227586	0.630	1285016	0.659
	13/04/2018 Transfer	(48826)	0.025	1236190	0.634
	20/04/2018 Transfer	(113766)	0.058	1122424	0.576
	27/04/2018 Transfer	(51060)	0.026	1071364	0.549
	04/05/2018 Transfer	(20716)	0.011	1050648	0.539
	11/05/2018 Transfer	(59997)	0.031	990651	0.508
	18/05/2018 Transfer	(60497)	0.031	930154	0.477
	25/05/2018 Transfer	(5000)	0.003	925154	0.474
	08/06/2018 Transfer	59997	0.031	985151	0.505
	06/07/2018 Transfer	(5000)	0.003	980151	0.503
	13/07/2018 Transfer	(7003)	0.004	973148	0.499
	20/07/2018 Transfer	(5000)	0.003	968148	0.496
	27/07/2018 Transfer	30000	0.015	998148	0.512
	10/08/2018 Transfer	(50)	0.000	998098	0.512
	21/09/2018 Transfer	(500)	0.000	997598	0.512
	29/09/2018 Transfer	(50)	0.000	997548	0.512
	05/10/2018 Transfer	(50)	0.000	997498	0.512
	12/10/2018 Transfer	(2000)	0.001	995498	0.511
	30/11/2018 Transfer	(250)	0.000	995248	0.510
	07/12/2018 Transfer	(10000)	0.005	985248	0.505
	14/12/2018 Transfer	(19467)	0.010	965781	0.495

## SHIVA CEMENT LIMITED

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
	21/12/2018 Transfer	(15000)	0.008	950781	0.488
	28/12/2018 Transfer	(15596)	0.008	935185	0.480
	04/01/2019 Transfer	(1725)	0.001	933460	0.479
	11/01/2019 Transfer	(600)	0.000	932860	0.478
	18/01/2019 Transfer	(2350)	0.001	930510	0.477
	25/01/2019 Transfer	(106301)	0.055	824209	0.423
	08/02/2019 Transfer	(250)	0.000	823959	0.423
	15/02/2019 Transfer	(100)	0.000	823859	0.422
	08/03/2019 Transfer	(149)	0.000	823710	0.422
	15/03/2019 Transfer	(250)	0.000	823460	0.422
	22/03/2019 Transfer	(150)	0.000	823310	0.422
	29/03/2019 Transfer	(170)	0.000	823140	0.422
	c) At the End of the Year			823140	0.422
<b>15</b>	<b>SAMARTH COMMODITIES MERCHANTS PVT LTD</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	13/04/2018 Transfer	6783	0.003	6783	0.003
	06/07/2018 Transfer	1196624	0.614	1203407	0.617
	21/12/2018 Transfer	169795	0.087	1373202	0.704
	25/01/2019 Transfer	(44203)	0.023	1328999	0.682
	31/03/2019 Transfer	109000	0.056	1437999	0.737
	c) At the End of the Year			1437999	0.737
<b>16</b>	<b>SHRENIK.V.MEHTA</b>				
	a) At the Beginning of the Year	600125	0.308		
	b) Changes during the year				
	Date Reason				
	01/06/2018 Transfer	(60000)	0.031	540125	0.277
	13/07/2018 Transfer	(140125)	0.072	400000	0.205
	27/07/2018 Transfer	(52600)	0.027	347400	0.178
	03/08/2018 Transfer	(7737)	0.004	339663	0.174
	31/08/2018 Transfer	(18500)	0.009	321163	0.165
	14/09/2018 Transfer	(2000)	0.001	319163	0.164
	21/09/2018 Transfer	(22893)	0.012	296270	0.152
	26/10/2018 Transfer	(1000)	0.001	295270	0.151
	25/01/2019 Transfer	(167338)	0.086	127932	0.066
	c) At the End of the Year			127932	0.066
<b>17</b>	<b>SUMPOORNA PORTFOLIO LIMITED</b>				
	a) At the Beginning of the Year	816000	0.418		
	b) Changes during the year				
	Date Reason				
	06/04/2018 Transfer	15479	0.008	831479	0.426
	13/04/2018 Transfer	(400)	0.000	831079	0.426
	04/05/2018 Transfer	(500)	0.000	830579	0.426
	08/06/2018 Transfer	(28694)	0.015	801885	0.411
	19/10/2018 Transfer	(690985)	0.354	110900	0.057
	30/11/2018 Transfer	5889	0.003	116789	0.060
	15/03/2019 Transfer	(20000)	0.010	96789	0.050
	c) At the End of the Year			96789	0.050
	<b>TOTAL</b>	<b>18818256</b>	<b>9.650</b>	<b>16934071</b>	<b>8.684</b>

**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	<b>KASHI PRASAD JHUNJHUNWALA</b>				
	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	<b>NARINDER SINGH KAHLON</b>				
	a) At the Beginning of the Year	100	0.000		
	b) Changes during the year	[No changes during the year]			
	c) At the End of the Year			100	0.000
3	<b>RAJENDRA PRASAD GUPTA</b>				
	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
	<b>TOTAL</b>	<b>22247</b>	<b>0.011</b>	<b>22347</b>	<b>0.011</b>

**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		12,976.00	-	12,976.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due		823.62	-	823.62
<b>Total (i+ii+iii)</b>	-	<b>13,799.62</b>	-	<b>13,799.62</b>
Change in Indebtedness during the financial year				
• Addition	-	2,770.66	-	2,770.66
• Reduction	-	697.02	-	697.02
<b>Net Change</b>	-	<b>2,073.64</b>	-	<b>2,073.64</b>
Indebtedness at the end of the financial year				
i) Principal Amount	-	13,755.98	-	13,755.98
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,117.29	-	2,117.29
<b>Total (i+ii+iii)</b>	-	<b>15,873.27</b>	-	<b>15,873.27</b>

**vii) 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 (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	-	1.00 (per month)	-	1.00 (per month)
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit -Others specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	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 parent company.



## SHIVA CEMENT LIMITED

### 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	0.8	1.50	1.75		4.05
	• Commission					
	• Others, please specify	--	--	--		--
	<b>Total(1)</b>	<b>0.8</b>	<b>1.50</b>	<b>1.75</b>		<b>4.05</b>
2	Other Non-Executive Directors	D.K. Senapati	Sutapa Banerjee	Narinder Singh Kahlon	R. P. Gupta	
	• Fee for attending board / committee meetings	0.25	0.50	-	-	0.75
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>0.25</b>	<b>0.50</b>	<b>-</b>	<b>-</b>	<b>0.75</b>
	<b>Total (B)=(1+2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.55</b>
	<b>Total Managerial Remuneration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Overall Ceiling as per the Act</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (As Deputed from holding company) : Nil  
(Mr. Girish Menon-CFO and Ms. Sneha Bindra-CS have been deputed by JSW Cement Ltd., holding company, hence they receive salary from holding company.)

viii) Penalties / Punishment/ Compounding of Offences: None

**Form No. MR-3**  
**Secretarial Audit Report**  
For the Financial Year Ended 31st March, 2019

[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, 2019 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 2019, 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:-

- Secretarial Standards  
The Secretarial Standards SS-1, SS-2 & SS-3 issued and notified by the Institute of Company Secretaries of India has been complied with by the company during the period under review.
- 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.

## SHIVA CEMENT LIMITED

---

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.

I further report that during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations guidelines and standards etc. referred to above.

**for PRAKASH SAHOO & ASSOCIATES**  
Company Secretaries

Place : Rourkela  
Date : 6th April, 2019

**Prakash Chandra Sahoo**  
Proprietor  
M.No. : FCS 7253  
C.P. No.:7917

(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

Place : Rourkela  
Date : 6th April, 2019

**Prakash Chandra Sahoo**  
Proprietor  
M.No. : FCS 7253  
C.P. No.:7917

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- 1. Details of contracts or arrangements or transactions not at arm's length basis-** Not Applicable
- 2. Details of material contracts or arrangement or transactions at arm's length basis-** For details of transactions during the year refer note 27(i) of the financial statements. The materials transactions are as under:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements/transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
JSW Cement Limited ( Holding Company)	Sale of Goods	Yearly	The company has sold 14433.51 MT of Portland Cement (PPC) to JSW Cement Limited under "agreement to manufacture" at net realisation price of JSW Cement Limited –(minus) Rs.100/- per MT. Total Sale Value recognised during the year is Rs. 1100.15 Lakhs	Approved in Audit Committee meeting and noted in Board Meeting	Nil
	Purchase of Goods	Yearly	The company purchased 2476.17 MT of Slag from JSW Cement Limited Total Purchase Value during the year is Rs. 31.20 Lakhs	Approved in Audit Committee meeting and noted in Board Meeting	Nil
	Lease rent received	Yearly	Shiva Cement has sub let a part of its rented house to JSW Cement Limited for its office use at Rourkela Location . Total rent collected during the year is Rs. 0.71 Lakhs	Approved in Audit Committee meeting and noted in Board Meeting	Nil
	Loan Received	Long Term	The company has taken unsecured loan from JSW Cement Limited. Total Loan taken during the year is Rs. 1477.00 Lakhs	Approved in Audit Committee meeting and noted in Board Meeting	Nil
	Loan Repaid	Long Term	Loan repayment made to JSW Cement Limited during the year is Rs. 697.02 Lakhs.	-	Nil
	Interest paid on Loan	Long Term	The interest is charged by JSW Cement on its loan amount @ 10.75% PA. Total interest charged during the year is Rs. 1437.62 Lakhs.	-	Nil

For and on behalf of the Board  
**Shiva Cement Limited**Date: 23rd April, 2019  
Place: Rourkela**Manoj Kumar Rustagi**  
Whole-Time Director  
DIN: 07742914**Rajendra Prasad Gupta**  
Director  
DIN: 01325989

**FORM – A** [SeeRule-2]**Form for Disclosure of Particulars with respect to Conservation of Energy****A. Power and Fuel Consumption**

Particulars	31.03.2019	31.03.2018	
<b>1. Electricity</b>			
a) Purchased			
Units (in ₹Thousand)	8,599.08	9,113.22	
Total amount (in ₹Thousand)	56,629.40	59,888.57	
Rate/Unit (including DPS)	6.59	6.57	
b) Own Generation			
i) Through Diesel Generator			
Units (in Thousand)	29.98	17.48	
Cost/Unit (₹)	32.26	25.04	
ii) Through Steam Turbines Generator			
Units			
Unit per Ltr. for Fuel oil Gas		N.A	
<b>2. Coal</b>			
Quantity (in Mt)	14,424.00	13,551.00	
Total Cost (₹ in Thousand)	62,269.87	59,063.70	
Average Rate (₹ Per Mt)	4,317.10	4,358.62	
<b>3. Diesel Oil</b>			
Quantity (in K. Ltr)	26.59	40.01	
Total Cost (₹ in Thousand)	1,886.34	2,240.00	
Average Rate (₹ Per Litre)	70.94	55.99	
<b>4. Other/Internal Generation</b>			
Quantity (in Mt)			
Total Cost (₹ in Thousand)	N.A	N.A	
Average Rate (₹)			
<b>Consumption per unit of production (Cement &amp; Surplus clinker)</b>			
<b>Particulars</b>	<b>Standards if any</b>	<b>Current Year</b>	<b>Previous Year</b>
Power Units Per Tonne		122.04	141.13
Coal Cons. (%)		20.40%	20.95%
<b>Reasons for variation in consumption of power &amp; fuel from previous year :</b>			

**FORM-B** [See Rule-2]**Form for disclosure of particulars with respect to technology absorption Research and development (R&D) for the year ended 31/03/2019**

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

**NOMINATION POLICY FOR DIRECTORS****1. POLICY OBJECTIVES**

The primary objective of the Policy is to provide a frame work and set standards that is consistent with the provisions of sections 149, 178 and other applicable provisions of the Companies Act, 2013, SEBI (LODR), Regulations, 2015 and the Articles of Association of the Company, for the appointment of persons to serve as Directors on the Board of Shiva Cement Limited ("the Company") and for appointment of the Key Managerial Personnel (KMP) and Senior Management of the Company, who have the capacity and ability to lead the Company towards achieving sustainable development.

Independent Directors for the purpose of the policy shall mean, "Independent Directors" as defined under applicable provisions of the Companies Act as may be in force from time to time.

Senior Management for the purpose of the policy shall mean "Senior Management" as defined under:

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

**2. SIZE AND COMPOSITION OF THE BOARD**

It should have:

- Mix of Qualification, skills and experience;
- Mix of Executive, Non-Executive and Independent Directors
- minimum and maximum number of directors as may be permitted by its articles, and by law;
- At-least One Woman Director.

The Nomination and Remuneration Committee (Committee) established by the Board shall assist it in fulfilling its responsibilities relating to the size and composition of the Board.

In relation to above, the Nomination and Remuneration Committee is responsible for:

- i. reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board;
- ii. setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- iii. formulate criteria for determining qualifications and identify individuals suitably qualified to become Board members in terms of skills, knowledge, positive attributes, experience, independence of director and other factors as per the provisions of applicable law and selecting or making recommendations to the Board on the selection of individuals nominated for directorship;
- iv. ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment, as required under the applicable law;
- v. assessing the independence of independent non-executive directors;
- vi. monitoring the annual checks and assessment on the members of the Board, including the suitability and the sufficiency of time commitment of non-executive directors; and
- vii. any other matter that is specifically delegated to the Committee by the Board.

**3. SELECTION**

Recruitment shall be done as and when necessary to fill vacancies in Shiva Cement Ltd. Board, KMP and Senior Management positions.

The Nomination and Remuneration Committee shall first solicit nomination of persons to be appointed as Directors from the existing members of the Board.

The Nomination and Remuneration Committee may also solicit recommendations for appointment of persons as Directors, KMP and Senior Management Personnel from any or all of the following sources: the Chief Executive Officer, Senior Management, other executive officers or third-party search firms.

The nomination shall be sent to the Chairman of the Nomination and Remuneration Committee via letter or e-mail. The nomination should include a brief description of the person's qualifications & experience, and a description of any previous relationships between the person and promoter/parent company and other relevant details.

In case of independent Directors, the Committee may identify suitable person(s) from across a diverse candidate pool or from a data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent directors, maintained by any Body, institute or association, as may be notified by the Central Government, having expertise in creation and maintenance of such data bank and put on their website for use by the company making the appointment of such directors. Provided that responsibility of exercising due diligence before selecting a person from the data bank referred to above, as an independent director shall lie with the Nomination and Remuneration Committee and Board making such appointment.

The Nomination and Remuneration Committee shall review and evaluate the candidate including his / her qualifications, and conduct inquiries it deems appropriate with no regard to the source of the initial recommendation of such proposed candidate.

## SHIVA CEMENT LIMITED

---

After reviewing the profile of the nominated candidate & holding a meeting with the proposed candidate, if it so desires, the nomination and remuneration committee may recommend the candidate for appointment as director, kmp or senior management, as the case may be, to the Board, as required.

When recommending a candidate for appointment, the Nomination and Remuneration Committee:

- i. shall assess the appointee against a range of criteria including qualification, age, experience, positive attributes, independence, relationships, diversity of gender, background, professional skills and personal qualities required to operate successfully in the position and has discretion to decide adequacy of such criteria for the concerned position;
- ii. All candidates shall be assessed on the basis of merit, related skills and competencies. There should be no discrimination on the basis of religion, caste, creed or sex.

The recommendation of the nomination and remuneration committee shall be considered at the board meeting immediately following the meeting of the nomination and remuneration committee at which the candidature was recommended.

The final decision to appoint a candidate as a director / kmp / senior management of shiva cement shall be taken by the board of directors by passing an appropriate resolution.

#### 4. PROVISIONS RELATING TO APPOINTMENT / RESIGNATION / REMOVAL

##### 4.1 Election, re-election and retirement

The Directors / KMP / Senior Management of the Company shall be appointed and shall retire as per the provisions of the Companies Act, 2013, where applicable, and the prevailing HR policies of the Company. The Board will have the discretion to retain the Director / KMP / Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company and subject to compliance with the provisions of the Companies Act, 2013, and SEBI (LODR) Regulations, 2015 as and where applicable.

All new Director Appointees to the Board are subject to election at the General Meeting following their appointment. The explanatory statement annexed to the notice of the General Meeting called to consider the said appointment shall indicate the justification for choosing the appointee for appointment as director.

##### 4.2 Resignation of Director/ KMP/ Senior Management

The resignation of a director shall take effect from the date on which the notice of resignation is received by the Company or the date, if any, specified by the director in the notice, whichever is later.

The resignation of a KMP/ Senior Management shall take effect in accordance with the HR Policy of the Company from time to time.

##### 4.3 Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director / KMP/ Senior Management subject to the internal HR policy and provisions and compliance of the Act and other applicable, rules and regulations.

The Committee can also recommend to the Board, the removal of any Director/ KMP/ Senior Management for non-compliance or violation of any Guidelines for Professional Conduct in accordance with Clause 6.

##### 4.4 Familiarization Programme for Independent Directors

The company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

#### 5. GUIDELINES FOR PROFESSIONAL CONDUCT

All Directors, KMP, Senior Management shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his duties;
- iii. exercise his responsibilities in a bona fide manner in the interest of the company;
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vi. assist the Company in implementing the best corporate governance practices.
- vii. follow the Code of Conduct for Board Members and Senior Management.

In addition:

- i. An independent director shall not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- ii. An independent director shall refrain from any action that would lead to loss of his/her independence;
- iii. Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;

Every individual intending to be appointed as director of the Company shall make an application for allotment of Director Identification Number (DIN) (in case he does not have a DIN) to the Central Government in such form and manner and along with such fees as may be prescribed. Every person proposed to be appointed as a director by the Company in General Meeting or otherwise, shall furnish his Director Identification Number and a declaration that he/she is not disqualified to become a director under this Act.

The person appointed as a director shall not act as a director unless he/she give his/her consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his/her appointment in such manner as may be prescribed.

The person appointed as a director shall not hold office as a director, including any alternate directorship, in more than twenty companies at the same time, provided that the maximum number of public companies in which he/she hold office as a director shall not exceed ten.

An Independent Director shall not serve as an Independent Director in more than such number of companies and a Whole-time Director cannot act as an Independent Director in more than such number of companies as provided under the applicable law.

### **6. DUTIES OF DIRECTORS**

The persons appointed as a director of the Company shall act in accordance with the articles of the Company and the provisions of applicable law. He/she shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.

The persons appointed as a director shall not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

The persons appointed as directors should not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates. The director should not assign his office. Any assignment, if made shall be void.

The persons appointed as Directors also have the following duties:

- To actively participate in the Board and Committee meetings
- To seek information from the management wherever required
- To disclose his interest in particular discussion and not to be present during such discussion in committee / board meetings
- To read the agenda and draft minutes carefully and provide inputs, if any
- To abide by the rules, policies, code of conduct of the company as may be applicable
- To safeguard the interests of all stakeholders

### **7. SUBJUGATION**

This policy shall be subject to the provisions contained in the Articles of Association of the Company, the Companies Act, 2013, any guidelines/directives issued by The Ministry of Corporate Affairs from time to time.

### **8. REVIEW**

This policy is subject to periodic review by the Board and may only be amended by a resolution of the Board.



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2018-19

Pursuant 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 period 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

#### i. Composition:

The Board of Directors comprises of following Directors with rich and varied experience in their respective fields:

Name of Director	Position
Mr. Manoj Kumar Rustagi	Whole-Time Director
Mr. Rajendra Prasad Gupta	Non-Executive Director
Mr. Narinder Singh Kahlon	Non-Executive Director
Ms. Sutapa Banerjee *resigned w.e.f 30.03.2019	Non-Executive Director
Mr. D.K. Senapati *resigned w.e.f 11.04.2019	Nominee Director
Mr. K.P. Jhunjhunwala *resigned w.e.f 29.03.2019	Independent Director
Mr. B.K. Mangaraj	Independent Director
Mr. Mahendra Singh	Independent Director

#### ii. Meetings and attendance record of each Director:

The Board met Four times during the year ended 31st March, 2019:

S. No.	Date of Board Meeting	City	No. of Directors Present
1	21.04.2018	Mumbai	6 out of 8
2	07.08. 2018	Bhubnaeswar	6 out of 8
3	12.11.2018	Mumbai	6 out of 8
4	24.01.2019	Mumbai	5 out of 8

The attendance record of the Directors at the Board Meetings held during the year ended 31st March, 2019, and the last Annual General Meeting (AGM) and the details of other Directorships and Committee Chairmanships and Memberships held by the Directors of the Company as on 31st March, 2019 are given below:

Category	Name of Director	Position	Attendance at		No. of other Directorships
			Board Meetings	30th AGM held on 20th September 2018 (Y/N)	
Executive Director	Mr. Manoj Kumar Rustagi	Whole-Time Director	4	Yes	1
Non-Executive	Mr. R.P. Gupta	Director	3	No	1
	Mr. Narinder Singh Kahlon	Director	4	No	2
	Mr. D.K. Senapati	Director	1	No	-
	Ms. Sutapa Banerjee	Director	2	No	9
Independent Director	Mr. Mahendra Singh	Director	3	Yes	-
	Mr. B.K. Mangaraj	Director	4	No	-
	Mr. K.P. Jhunjhunwala	Director	2	Yes	1

#### a. 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.

**b. 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 30th March, 2019. 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 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 inter alia 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 inter alia 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 4 times on 21.04.2018, 07.08.2018, 12.11.2018, and 24.01.2019. 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	2
Mr. B.K. Mangaraj - Member	Independent Director	4
Mr. Mahendra Singh-Member	Independent Director	3
Mr. Manoj Kumar Rustagi - Member	Whole-time Director	4

**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 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 21, 2018. 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:

## SHIVA CEMENT LIMITED

Name of Members	Category	No. of Meetings attended
Mr. B.K. Mangaraj- Member	Independent Director	1
Mr. Mahendra Singh - Member	Independent Director	1
Mr. Narinder Singh Kahlon*- Member	Non-Executive Director	1

### 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 holding 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 & Independent directors. The Company pays sitting fees to Independent Director, Non-Executive Women Director and Nominee Director at the rate of ₹25,000/- for each Board meeting attended and ₹15000/- for each committee meeting attended. Sitting fee paid to the Directors for the year ended 31st March, 2019 is as follows:-

S.No.	Name	Sitting Fees Paid (₹ In Lakhs)
1	Mr. K.P. Jhunjhunwala, Independent Director	0.80
2	Mr. Mahendra Singh, Independent Director	1.50
3	Mr. B.K. Mangaraj, Independent Director	1.75
4	Mr. D.K. Senapati, Nominee Director	0.25
5	Ms. Sutapa Banerjee, Non-Executive Women Director	0.50

### Performance Evaluation Criteria for Independent Director:

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 comprises of two Non-Executive and one Executive Director as follows:

- Mr. Rajendra Prasad Gupta, Non-Executive Director
- Mr. Narinder Singh Kahlon, Non-Executive Director
- Mr. Manoj Kumar Rustagi, Whole-Time Director.

The roles and responsibilities 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 twice during the year on 07.08.2018 and 12.11.2018. 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	2
Mr. Narinder Singh Kahlon - Member	Non-Executive Director	2
Mr. Manoj Kumar Rustagi- Member	Whole-Time Director	2

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

Number of complaints received and resolved to the satisfaction of Shareholders / Investors during the year under review and their break-up is as under:

No. of Shareholders Complaints received during the year ended 31.03.2019: 04

No. of Complaints resolved to the satisfaction of the Shareholders: 04

No. of pending Complaints as on 31.03.2019: NIL

### 6. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee (CSR) comprises of three members namely: Mr. Mr. Mahendra Singh, Independent Director, Mr. Manoj Kumar Rustagi, Whole-Time Director and Mr. Narinder Singh Kahlon, Non-Executive Director.

The purpose of the committee is to formulate and monitor the CSR policy of the Company. The CSR Committee has adopted a policy that intends to:

- Strive for economic development that positively impacts the society at large with a minimal resource footprint.
- Be responsible for the corporation's action and encourage a positive impact through its activities on the environment, communities and stakeholders. The Committee oversees the CSR activities/ functioning, programs and execution of initiatives as per predefined guidelines.

The Committee met once during the year on 24.01.2019, in which all the Committee members attended the meeting.

### 7. 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:

- 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.
- 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.
- 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.

### 8. 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
32nd	September 20, 2018	11:00 AM	Hotel Mantra Palace, Rourkela-4	i. Reclassification of promoters of the Company
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.

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

# SHIVA CEMENT LIMITED

## 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

## 9. 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 Statements.

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 Transactions disclosure

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

## 10. 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 Samba/ 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.

## 11. General Shareholder information:

### a) AGM programme:

AGM date and time	24th September, 2019 at 11:30 A.M.
Venue	Hotel Mantra Palace, Rourkela.
Equity shares listed at	Bombay Stock Exchange and Calcutta Stock Exchange

## b) Financial Calendar 2019-20 (tentative)

Annual General Meeting: 24th September, 2019

### Board Meeting

Results for the quarter ending June 30,2019	Last Week of July '19
Results for the quarter ending Sep 30,2019	Second Week of Nov'19
Results for the quarter ending Dec 31,2019	Second Week of Feb '20
Results for the quarter ending Mar 31,2020	Second Week of May'20

c) i) Scrip Code: Calcutta Stock Exchange 10029983

ii) Demat ISIN Numbers Bombay Stock Exchange 532323

in NSDL & CDSL Equity Shares INE555C01029

**(Note: Annual listing fees for the year 2018-19 have been duly paid to Stock Exchanges)**

## 12. 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
Apr-18	33.00	25.25	29.90
May-18	30.45	24.15	25.1
Jun-18	26.00	21.40	23.60
Jul-18	24.9	20.15	24.35
Aug-18	25.00	21.25	23.40
Sep-18	24.90	16.65	18.80
Oct-18	19.75	16.20	17.70
Nov-18	18.30	16.05	16.80
Dec-18	18.30	15.50	16.30
Jan-19	17.70	12.00	12.60
Feb-19	14.60	11.70	13.98
Mar-19	17.70	14.10	16.54

## 13. Registrar and Transfer Agents :

**Niche Technologies (P) Ltd.**  
3A, Auckland place, 7th Floor,  
Room No. 7A & 7B,  
Kolkata-700017

## 14. Share Transfer system:

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

## 15. Dematerialisation of shares:

The Company's equity shares are admitted as eligible securities on National Securities Depository Ltd. and Central Depository Services (I) Ltd. under ISIN No. INE555C01029. As on 31st March, 2019, 19,41,36,702 equity shares representing 99.55% of the total paid up share capital of the Company are held by shareholders in electronic form.

## SHIVA CEMENT LIMITED

### Distribution of Shareholding

Sr No.	NO. OF SHARES -----			No. of Holders	% to Total	Total Shares	% to Total
1.	1	-	500	30261	64.7100	46,00,189	2.3591
2.	501	-	1,000	6487	13.8718	50,05,469	2.5669
3.	1,001	-	5,000	7778	16.6325	1,66,76,955	8.5523
4.	5,001	-	10,000	1152	2.4634	84,94,598	4.3562
5.	10,001	-	50,000	909	1.9438	1,86,74,257	9.5765
6.	50,001	-	1,00,000	110	0.2352	78,87,807	4.0450
7.	1,00,001	-	And Above	67	0.1433	13,36,60,725	68.5440
Totals				46764	100.0000	19,50,00,000	100.0000

### Shareholding Pattern

Category	No. of Shares	% of holdings
Promoters & Promoters Group	106166750	54.44
Financial Institutions & Banks	206083	0.10
NRI	1532924	0.78
Bodies Corporate	16106996	8.26
Public	67573838	34.67
Others(Clearing Member/Trusts)	3413409	1.75
Total	195000000	100.00

<b>i) Plant Location</b>	Village: Telighana, Post : Biringatoli, Via - Kutra Dist. Sundargarh (Orissa)
<b>ii) Correspondence Address for Investor:</b>	Shiva Cement Limited, YY-5, Civil Township, 7/8 Area, Rourkela, Odisha - 769004  M/s. Niche Technologies (P) Ltd. 3A, Auckland place, 7th Floor, Room No. 7A & 7B, Kolkata-700017
<b>iii) Any query on Annual Report</b>	The Share Department Shiva Cement Limited, P-25, Civil Township, Rourkela - 769004.

### 16. Non-Compliance of any Requirement of Corporate Governance:

There are no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in subparas (2) to (10) of Para (C) of Schedule V. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges as required under Regulation 27 of the SEBI (LODR) Regulations 2015.

17. Adoption of Discretionary Requirements: The status of adoption of discretionary requirements of Regulation 27(1) as specified under Part E of Schedule II of the SEBI (LODR) Regulations 2015 is provided below:

- Modified Opinion in Auditors Report: The Company's financial statement for the financial year 2018-19 does not contain any modified audit opinion.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

#### Compliance Certificate by Practicing Company Secretary.

The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance regarding directors as required under Schedule V of the SEBI (LODR) Regulations, 2015, which is annexed herewith.

#### Declaration

As Provided in Schedule V Part C Clause 2(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is hereby Confirmed that in the opinion of the board, the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

#### Declaration

As provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and Senior Managerial personnel of the company have affirmed the compliance of conduct for the year ended 31st March, 2019.

For and on behalf of the Board  
**Shiva Cement Limited**

Date: 23rd April, 2019  
Place: Rourkela

**Manoj Kumar Rustagi**  
Whole-Time Director  
DIN: 07742914

**Rajendra Prasad Gupta**  
Director  
DIN: 01325989

## SHIVA CEMENT LIMITED

---

### 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 2019 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.
- (iii) 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.
- (iv) 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.
- (v) We have indicated to the Auditors and the Audit Committee;
  - significant changes, if any, in the internal control over financial reporting during the year.
  - Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Shiva Cement Limited

Date: 23rd April, 2019  
Rourkela-769 004

**Girish Menon**  
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, 2019 as stipulated in Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as applicable during the year ended March 31, 2019.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Prakash Sahoo & Associates**  
Company Secretaries

Date: 23rd April, 2019

**Prakash Chandra Sahoo**  
C.P.No. 7917  
Proprietor

---

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of Shiva Cement Limited  
YY-5, Civil Township,  
Rourkela, Odisha-769004.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shiva Cement Limited having CIN L26942OR1985PLC001557 and having registered office at YY-5, Civil Township, Rourkela, Odisha-769004 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Prakash Sahoo & Associates.**,  
Company Secretaries

Date: 23rd April, 2019

**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. Its 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 SCL with the potential to expand.

### 2. Economy overview

According to the Central Statistics Office (CSO), India's economy grew at 6.8% in FY2019, a marginal growth from 6.7% in FY2020. Despite softer growth, the Indian economy remains one of the fastest growing economies in the world. It is expected to only grow further on the back of sustained rise in consumption and a gradual revival in investments. The growth is also expected to be fuelled by factors such as easier financial conditions, fiscal or quasi-fiscal support, steadily growing export orders and accelerating investment growth as capacity utilisation rises, interest rates decline, and geopolitical tensions and political uncertainty are assumed to wane.

Growth in government final consumption expenditure is pegged at 9.2% in FY2020 compared with 10.9% in FY2019. Several foreign companies are setting up facilities in India owing to various government initiatives such as 'Make in India' aimed at boosting the domestic manufacturing sector. These initiatives will not only drive manufacturing, but will also create employment opportunities. The government has also undertaken a several initiatives to create education avenues as also to provide a thrust to real estate and infrastructure. Moreover, digitisation is also expected to benefit every sector, ranging from agriculture to manufacturing, as India strives to become one of the early adopters of 5G technology.

### 3. Cement Industry overview

India is the second-largest producer of cement globally and the cement industry forms an integral part of the country's economy. The sector is dominated by private players and has a large concentration in the South and West of India. 210 large cement plants account for a cumulative installed capacity of over 410 million tonnes, while over 350 mini cement plants have an estimated production capacity of nearly 11.10 million tonnes.

According to ICRA, the industry saw a 13.6% y-o-y increase in volume to 275.7 million metric tonnes in the first 10 months of FY2019. This growth was primarily driven by rural and affordable housing, and demand and improved focus on infrastructure segments such as road, metro and irrigation projects. The government's 'Housing For All' initiative is expected to augur well for the cement sector. The real estate market in India is expected to reach \$1 Trillion by 2023 from US\$ 120 billion in 2017. Moreover, rural housing is expected to witness strong growth and low-cost housing. Both these factors are expected to amplify demand for cement in the country. The government's thrust on infrastructure through projects such as Dedicated Freight Corridors (DFCs), Smart Cities Mission and ports will further propel the sector. On the back of these factors, India's cement industry is expected to produce a capacity of 550 million tonnes by 2025 and the industry is expected to grow at a CAGR of 5-6% until FY2020.

### 4. Review of Operations

#### 4.1 Highlights of FY 2018-19

- Cement sales volume increased by 10.2% compare to FY 2017-18.
- Production of cement has been increased by 9.1% compare to the production in FY 2017-18.

#### Way Forward

- Plan to increase capacity by setting up new cement grinding facilities on the existing leased land.
- Revised mining Plan submitted to increase the mining capacity from existing 1,20,000 MT to 15,00,000 MT limestone by FY 2021-22.

#### 4.2 Financial Performance:

##### Highlights of FY 2018-19

Particulars	FY 2018-19	FY 2017-18	Growth
Gross Turnover	2,937.53	2,681.49	10%
Net Turnover (net of Excise Duty)	2,937.53	2,603.95	10%
Operating EBIDTA	(691.78)	(832.79)	17%
Depreciation & amortisation	762.96	794.11	(4%)
Finance cost	1,485.28	1,378.83	8%
Profit before exceptional items	(2,905.38)	(2,977.72)	2%
Exceptional items	-	1,011.41	(100%)
PAT	(2,125.88)	(3,109.46)	32%
Earnings per share (diluted) (₹)	(1.09)	(1.59)	32%

Gross turnover and net turnover for FY 2018-19 stood at ₹2,937.53 lakhs registering 10% growth on Y-o-Y basis. The growth was primarily on account of increase in sales .

The Company's EBITDA improved to ₹(-)691.78 lakhs from ₹(-)832.79 lakhs, reporting a growth by 17% on Y-o-Y basis. The improvement mainly due to increase in sales volume.

#### Other Income

Other Income for the year is ₹34.64 lakhs as compared to ₹28.01 lakhs in previous year. The increase primarily is on account of increase in Scrap sales in FY 2018-19.

#### Material Cost

The Company's expenditure on raw material for FY 2018-19 has increased to ₹720.26 lakh from ₹651.15 lakhs in FY 2017-18. The increase is primarily due to increase in production volume.

#### Employee benefits expense

Employee benefits expense increased by 5.5% to ₹393.70 lakhs from ₹373.02 lakhs in FY 2017-18. The increase is primarily due to increase in annual salary for existing employees.

#### Power and fuel cost

Power and fuel cost has reduced by 0.7% to ₹1198.66 lakhs from ₹1199.51 lakhs in FY 2017-18. The reduction in fuel cost is due to reduction in clinker production .

#### Freight, forwarding & Distributions

Freight and handling expenses has decreased substantially to ₹234.57 lakhs from ₹428.81 lakhs in FY 2017-18. The decrease primarily driven by the business decision for accepting the customer order on ex-work basis where as in FY 2017-18 , customer orders were accepted on free on road ( FOR) basis.

#### Other expenses

Other expenses has decreased by 17% to ₹623.93 lakhs from ₹749.71 lakhs in FY 2017-18. The decrease is primarily on account of expenditure on major plant over hauling done in previous year which is not there in the current year.

#### Finance cost

The Company's finance cost has increased by 7.7% to ₹1,485.28lakhs from ₹1,378.82 lakhs in FY 2017-18. The increase mainly due to interest on additional loan availed from holding company.

#### Depreciation and amortization expenses

Depreciation and amortization expenses decreased by 3.9% to ₹762.96 lakhs from ₹794.11lakhs in FY 2017-18 is mainly due to exhaust of life of few assets under asset class furniture & fixture, computer & Intangible assets .

### 5. Market Developments

The Company continues to supply Mahabal Cement in the Odisha & Jharkhand markets. Mahabal Cement is offered as PSC Portlant Slag Cement & PPC - Portland Pozzolana Cement variants both of which have good acceptance in the market.

The total sales of the company were in excess of 70,000MT in FY19, which is a growth of 17% over the previous year.

#### Distribution Network:

To cut distribution costs the company has taken to Ex-factory model of supplies to dealers and have been able to streamline sales & realizations with this arrangement. Prices have been worked out accordingly so that the dealers can buy ex-factory from Shiva Cement and sell competitively in the nearby markets of Odisha like Keonjhar, Sundargarh, Jharsuguda & Mayurbanj and in select markets of Jharkand like Bokaro, Dhanbad, etc.

### 6. Risk and areas of Concern

The company has comprehensive risk management policy that governs the process to identify and evaluates business risks and opportunities.

Risk management process brings together the understanding of the potential upside and downside of all those factors which can affect the organisation's objective.

At Shiva Cement, we have identified the following key risks and deployed mitigation strategies for each of them:

Sr. No	Risk Domain	Response Strategies
1	Raw material	Company regularly tracks - <ul style="list-style-type: none"> <li>● Commodity markets</li> <li>● Relationship management for regular supply &amp; timely signals about future</li> </ul>
2	Infrastructure & Logistics	It is de-risk by <ul style="list-style-type: none"> <li>● Ensuring the logistic cost is optimum and by adopting the most economical mode of transport.</li> <li>● Appropriate budget allocation and resource prioritisation to meet the demand of present and future infrastructure set up.</li> </ul>

## SHIVA CEMENT LIMITED

Sr. No	Risk Domain	Response Strategies
3	Environment, Health & safety	<p>Company de-risk by:</p> <ul style="list-style-type: none"> <li>● Closely monitoring compliance with norms.</li> <li>● Prioritizing pollution prevention measures</li> <li>● Coordinating Safety training, mock drill, best practices, structures audit.</li> <li>● Establishing fire prevention and handling processes</li> </ul>
4	Attract and retain the desired talent/manpower.	<p>Company re-risks by</p> <ul style="list-style-type: none"> <li>● Effective talent search process</li> <li>● Competitive compensation</li> <li>● Robust performance management system to reward potential &amp; initiative.</li> <li>● Adequate training for leadership &amp; specific competency</li> <li>● Leadership driven tone at the top, code of conduct, HR policies.</li> </ul>
5	Reputation	<p>Company de-risks by</p> <ul style="list-style-type: none"> <li>● Strict adherence to applicable statutes through compliance check-lists, internal communications, regular audits.</li> <li>● Robust corporate governance practice.</li> <li>● Effective stakeholder &amp; performance management.</li> </ul>
6	Finance	<p>Company de-risks by</p> <ul style="list-style-type: none"> <li>● Tracking and monitoring external events that has impact on financial performance.</li> <li>● Regularly reviewing financing, pricing and procurement policy considering exposure, emerging scenario, track record, etc.</li> <li>● Effective monitoring of internal performance &amp; cash flows through internal meetings.</li> </ul>
7	Confidentiality, integrity and availability of data & systems.	<p>Company de-risk by:</p> <ul style="list-style-type: none"> <li>● Information security policy that governs the IS processes.</li> <li>● Conducting periodic audits of IT processes.</li> <li>● Incorporating cybersecurity and privacy into everyday business decisions and processes.</li> </ul>

### 7. INTERNAL CONTROLS, AUDIT AND INTERNAL FINANCIAL CONTROLS

#### Overview

A robust system of internal controls, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies.

#### Internal Control

The Company has a proper and adequate system of internal controls, commensurate with the size and nature of its business. Internal control systems are integral to corporate governance. Some significant features of the internal control systems are:

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the Company.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.
- De-risking the Company's assets/ resources and protecting them from any loss.
- Ensuring the integrity of the accounting system and a proper and authorised recording and reporting of all transactions.
- Preparation and monitoring of annual budgets.
- Ensuring a reliability of all financial and operational information. Audit Committee, a sub-committee of the Board of Directors, comprising of Independent Directors. The Audit Committee regularly reviews audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards, etc.

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

#### Audit plan and execution

The Internal Audit Team prepares a risk-based audit plan. The frequency of the audit is decided by risk ratings of areas/functions. The audit plan is carried out by the internal team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend and the aggressive growth of the Company. In addition, the audit committee also places reliance on internal feedback and other external events for inclusion into the audit plan.

**Internal financial controls**

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has devised appropriate systems and framework, including proper delegation of authority, policies and procedures; effective IT systems aligned to business requirements; risk-based internal audits; risk management framework and a whistle blower mechanism. The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity-level policies, processes and Standard Operating Procedures (SOP). The entity-level policies include antifraud policies (such as code of conduct, confidentiality and whistle blower policy) and other policies (such as organisation structure, insider trading policy, HR policy, etc.). The Company has also prepared SOP for each of its processes. During the year, controls were tested and no reportable material weakness in design and effectiveness was observed.

**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.

For and on behalf of the Board  
**Shiva Cement Limited**

Date: 23rd April, 2019  
Place: Rourkela

**Manoj Kumar Rustagi**  
Whole-Time Director  
DIN: 07742914

**Rajendra Prasad Gupta**  
Director  
DIN: 01325989

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
SHIVACEMENTLIMITED

### Report on Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Shiva Cement Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Act ('SAs'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

We draw attention to note 31(m) to the financial statement which indicates that during the year ended March 31, 2019 the Company has incurred loss of Rs.2,127.37 lakh and as on March 31, 2019, the Company's accumulated loss is Rs.6,961.58 Lakh resulting in erosion of net worth of the Company. The financial statements of the Company have been prepared on a going concern basis for the reason stated in the note no 31(m). The validity of the going concern assumption would depend upon the performance of the Company as per its future business plan. Our opinion is not qualified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	How the matter was addressed in our audit
<b>Provision for Mines Restoration</b>	
Refer to the accounting policies in Note2(D) to the financial statements: Provision for mine restoration; Note 27 to the financial statements: use of estimates and judgements - determination of provision for mine restoration to the financial statements	
<b>Subjective estimate</b>	<b>We performed audit procedures set out below</b>
<p>The provision for Mines Restoration relates to mines located at Khaturbahal (Kutra District)</p> <p>The calculation of the provisions requires significant management's judgment because of the inherent complexity in estimating future costs. These costs are provided at the present value of expected costs to settle the obligation using estimated cash flows. The provisions are subject to the effects of any changes in local regulations, management's expected approach to decommissioning and discount rates.</p> <p>The provision for Mines Restoration was identified as a key audit matter due to the significance of the management's judgement involved in the determination of forecasted closure and restoration costs, life of mines and discount rate.</p>	<p>In evaluating the reasonability of provisions for closure and restoration costs, we performed detailed assessment of the Management's assumptions. Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>As at March 31, 2019, we reviewed the assumptions used by management in their calculations and verified the calculations and assessed the assumptions used.</li> <li>We also recalculated the provision based on these assumptions used by management for the discount rates, areas to be rehabilitated, the nature of expenses to be incurred (i.e. related to asset or expense).</li> <li>We assessed the competence of the work of management's expert, who produced the cost estimates.</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's report and Management Discussion & Analysis (MD&A) report, but does not include the financial statements and our auditor's report thereon. The Director's report and MD&A report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under sub-section (3)(i) of section 143 of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements of in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## SHIVA CEMENT LIMITED

---

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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, to the extent applicable.
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, the 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 books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
  - (f) The going concern matter described in under material uncertainty related to going concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (h) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of the sub-section 16 of Section 197 of the Act, as amended:

In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 31 (a) of the 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

**Vipul K Choksi**  
Partner  
M. No.37606

Place: Rourkela  
Date: 23rd April, 2019

**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 financial statements, the lease agreements are in the name of the Company.
- (ii) The inventory, except goods in transit, has been physically verified by the Company at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been substantially confirmed by them. 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. Hence, 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) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence reporting under the provisions of clause 3 (v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act.
- (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 generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-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 Statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates
Odisha VAT Act 2004	Interest on VAT	28.75	2014-15
	Interest on VAT	4.94	2015-16
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
Employees Provident Fund Act, 1952	Interest and Penalty on Provident Fund	0.28	2014-15
	Interest and Penalty on Provident Fund	5.28	2015-16
	Interest and Penalty on Provident Fund	1.27	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	47.29	2013-14
	Interest on Income Tax	23.03	2014-15
	Interest on Income Tax	2.14	2015-16



## SHIVA CEMENT LIMITED

(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 March 31, 2019 on account of disputes are given below :

Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the amount elates	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.	39.25	1995-96	Hon'ble High Court of Odisha
		0.89	1998-99	Asst. Commissioner of commercial Tax, Rourkela
		30.34	2003-04	Hon'ble High Court of Odisha
		57.96	2004-05	Hon'ble High Court of Odisha
		1.03	2003-04	Asst. Commissioner of commercial Tax, Rourkela
Central Sales Tax Act, 1956	Denial for incentive under various IPRs on the production of expanded unit of SCL's Unit-I, Pending Form filings.	0.19	1988-99	Asst. Commissioner of Commercial Tax, Rourkela
		1.71	2003-04	Commissioner of Commercial Tax, Cuttack
Orissa Entry Tax Act, 1999	Tax-Credit, levy of tax on certain raw materials procured.	0.38	1999-20	Asst. Commissioner of commercial Tax, Rourkela
		1.60	2001-02	Commissioner of commercial Tax, Cuttack
		0.40	2003-04	Commissioner of commercial Tax, Cuttack
		1.95	2008-11	Addl. Commissioner of commercial Tax, Cuttack
Finance Act, 1994	Service Tax	7.11	2005-06	CESTAT, Kolkata
Income Tax Act, 1961	Interest and Penalty	466.32	2015-16	Asst. Commissioner of Income Tax, Sambalpur

- (viii) Based on our examination of documents and records, the Company has not taken any loan from a financial institution, a bank, the government or issued debentures and, hence, reporting under paragraph 3 (viii) of the Order is not applicable.
- (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 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 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 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

**Vipul K Choksi**  
Partner  
M. No.37606

Place: Rourkela  
Date: 23rd April, 2019

**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 with reference to the aforesaid financial statements 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** (hereinafter referred to as "the Company") as of March 31, 2019, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.**,  
Chartered Accountants  
Firm Registration No.: 109574W

**Vipul K Choksi**  
Partner  
M. No.37606

Place: Rourkela  
Date: 23rd April, 2019

**BALANCE SHEET**  
(As at 31st March 2019)

	Particulars	Note No.	As at 31.03.2019 ₹ in Lakhs	As at 31.03.2018 ₹ in Lakhs
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipments	4	13,274.44	13,645.91
	(b) Capital work-in-progress	5	29.38	73.82
	(c) Intangible assets	6	962.38	1,009.75
	(d) Intangible assets under development	7	27.48	8.94
	(e) Financial assets			
	(i) Other financial assets	8	10.20	60.20
	(f) Deferred tax assets (net)	9	2,370.19	1,590.69
	(g) Other non-current assets	10	1,791.94	1,914.37
	<b>Total Non-current assets</b>		<b>18,466.01</b>	<b>18,303.68</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	11	976.87	1,306.61
	(b) Financial assets			
	(i) Trade receivables	12	294.62	419.49
	(ii) Cash and cash equivalents	13	41.69	46.48
	(iii) Bank balance other than (ii) above	14	76.09	71.64
	(iv) Other financial assets	8	68.93	88.72
	(c) Other current assets	10	243.45	200.60
	<b>Total Current assets</b>		<b>1,701.65</b>	<b>2,133.54</b>
	<b>Total Assets</b>		<b>20,167.66</b>	<b>20,437.22</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	15	3,900.00	3,900.00
	(b) Other equity	16	(949.01)	1,178.37
	<b>Total equity</b>		<b>2,950.99</b>	<b>5,078.37</b>
	<b>Liabilities</b>			
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	17	1,477.00	12,403.00
	(ii) Other financial liabilities	18	1,293.66	822.23
	(b) Provisions	19	495.62	446.39
	<b>Total Non-current liabilities</b>		<b>3,266.28</b>	<b>13,671.62</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables			
	I. total outstanding dues of micro enterprises and small enterprises		-	-
	II. total outstanding dues of creditors other than micro enterprises and small enterprise enterprises	20	579.00	802.82
	(ii) Other financial liabilities	21	13,246.00	753.44
	(b) Other current liabilities	22	107.02	115.71
	(c) Provisions	19	18.37	15.26
	<b>Total current liabilities</b>		<b>13,950.39</b>	<b>1,687.23</b>
	<b>Total Equity and Liabilities</b>		<b>20,167.66</b>	<b>20,437.22</b>
	See accompanying notes to the Financial Statements			

As per our report of even date

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

**Vipul K. Choksi**  
Partner  
Membership No. 37606

Place : Rourkela  
Date : 23rd April, 2019

**R. P. Gupta**  
Director  
DIN No. : 01325989

**Sneha Bindra**  
Company Secretary

For and on behalf of the Board of Directors

**Manoj Kumar Rustagi**  
Whole Time Director  
DIN No:07742914

**Girish Menon**  
Chief Financial Officer

**STATEMENT OF PROFIT & LOSS**  
(For the year ended 31st March, 2019)

Particulars		Note No.	For the year ended	For the year ended
			31.03.2019	31.03.2018
			₹ in lakhs	₹ in lakhs
	<b>INCOME</b>			
I	Revenue from operations	23	2,937.53	2,603.95
II	Other income	24	34.64	28.01
III	<b>Total Income ( I+II )</b>		<b>2,972.17</b>	<b>2,631.96</b>
IV	<b>EXPENSES</b>			
	Cost of materials Consumed	25A	720.26	651.16
	Purchase of Stock in trade	25B	-	87.00
	Changes in inventories of finished goods, stock-in-trade and work in progress	25C	458.19	(128.25)
	Power & fuel	25D	1,198.66	1,199.51
	Freight, forwarding & distributions	25E	234.57	428.81
	Employee benefits expense	26	393.70	373.02
	Finance costs	27	1,485.28	1,378.83
	Excise duty expense		-	77.54
	Depreciation and amortisation expense	28	762.96	794.11
	Other expenses	29	623.93	747.95
	<b>Total expenses ( IV )</b>		<b>5,877.55</b>	<b>5,609.68</b>
V	<b>Loss before exceptional items and tax ( III - IV )</b>		<b>(2,905.38)</b>	<b>(2,977.71)</b>
VI	Exceptional items	31e	-	1,011.41
VII	<b>Loss before tax ( V - VI )</b>		<b>(2,905.38)</b>	<b>(3,989.12)</b>
VIII	<b>Tax expense:</b>			
	(a) Current tax		-	-
	(b) Deferred tax	9	(779.50)	(879.67)
IX	<b>Loss for the year ( VII-VIII )</b>		<b>(2,125.88)</b>	<b>(3,109.45)</b>
X	<b>Other Comprehensive Income/(Loss)</b>			
	Items that will not be reclassified to Profit or Loss			
	- Remeasurement of defined benefit plan		(2.01)	1.09
	- Income tax relating to item that will not be reclassified to profit or loss		0.52	0.28
	<b>Total</b>		<b>(1.49)</b>	<b>0.81</b>
XI	<b>Total Comprehensive Income/(Loss) for the Year ( IX+X )</b>		<b>(2,127.37)</b>	<b>(3,108.64)</b>
XII	<b>Earnings per equity share of face value of Rs 2/- each</b>	31j		
	(a) Basic (in Rs)		(1.09)	(1.59)
	(b) Diluted (in Rs)		(1.09)	(1.59)
See accompanying notes to the Financial Statements				

As per our report of even date

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

**Vipul K. Choksi**  
Partner  
Membership No. 37606

Place : Rourkela  
Date : 23rd April, 2019

**R. P. Gupta**  
Director  
DIN No. : 01325989

**Sneha Bindra**  
Company Secretary

For and on behalf of the Board of Directors

**Manoj Kumar Rustagi**  
Whole Time Director  
DIN No:07742914

**Girish Menon**  
Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY**  
(For the year ended 31st March, 2019)

**A. Equity Share Capital**

₹ in lakhs

Particular	Total
Balance at April 1, 2017	3,900.00
Changes in equity share capital during the year	-
Balance at March 31, 2018	3,900.00
Changes in equity share capital during the year	-
Balance at March 31, 2019	3,900.00

**B. Other Equity**

₹ in lakhs

Particulars	Reserves and Surplus			Items of Other comprehensive Income/(Loss)	Total
	Securities Premium	Capital Reserve	Retained earning	Remeasurement of net defined benefit	
Balance at April 1, 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, net of income tax	-	-	-	0.81	0.81
<b>Total</b>	-	-	<b>(3,109.45)</b>	<b>0.81</b>	<b>(3,108.64)</b>
Closing balance at March 31, 2018	5,206.13	812.31	(4,835.69)	(4.38)	1,178.37
Loss for the year			(2,125.89)	-	(2,125.89)
Other Comprehensive Income/(loss) for the year, net of income tax			-	(1.49)	(1.49)
<b>Total</b>			<b>(2,125.89)</b>	<b>(1.49)</b>	<b>(2,127.38)</b>
Closing balance at March 31, 2019	5,206.13	812.31	(6,961.58)	(5.87)	(949.01)
See accompanying notes to the Financial Statements					

As per our report of even date

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

**Vipul K. Choksi**  
Partner  
Membership No. 37606

Place : Rourkela  
Date : 23rd April, 2019

For and on behalf of the Board of Directors

**R. P. Gupta**  
Director  
DIN No. : 01325989

**Sneha Bindra**  
Company Secretary

**Manoj Kumar Rustagi**  
Whole Time Director  
DIN No:07742914

**Girish Menon**  
Chief Financial Officer

**STATEMENT OF CASH FLOWS**  
(For the year ended 31st March, 2019)

Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>A. Cash flow from operating activities:</b>				
<b>Net Loss before tax</b>		<b>(2,905.38)</b>		<b>(3,989.12)</b>
<i>Adjustments for:</i>				
Depreciation and amortisation expenses	762.96		794.11	
Interest expense	1,485.28		1,374.28	
Interest on Income Tax	-		2.78	
Exceptional items	-		1,011.41	
Interest Income	(15.38)		(27.13)	
Loss on sale/discard of property, plant and equipments	-		2.71	
Write off of advances	40.00		-	
Rental income from investment properties	(0.60)		-	
Other Income	(18.66)		(0.88)	
		2,253.61		3,157.29
<b>Operating loss before changes in operating assets &amp; liabilities</b>		<b>(651.77)</b>		<b>(831.83)</b>
<i>Adjustments for:</i>				
(Increase)/decrease of Inventory	329.74		(443.10)	
(Increase)/decrease in trade & other Receivables	234.24		(75.00)	
(Decrease)/increase in trade and other liabilities	(447.47)		(3,603.30)	
Increase in provision	50.85		36.08	
(Decrease)/Increase in exceptional Item	-		(1,011.41)	
		167.36		(5,096.73)
<b>Cash used in operations</b>		<b>(484.41)</b>		<b>(5,928.56)</b>
Income Tax paid		-		(2.78)
<b>Net cash used in operating activities (A)</b>		<b>(484.41)</b>		<b>(5,931.34)</b>
<b>B. Cash flow from investing activities:</b>				
Payment for purchase of Property, plant & equipment/Intangible asset/CWIP, including capital advances	(318.23)		(1,128.77)	
Interest received	15.38		27.13	
Rental income	0.60		-	
Other Income	18.66		0.88	
<b>Net cash used in investing activities (B)</b>		<b>(283.59)</b>		<b>(1,100.76)</b>
<b>C. Cash flow from financing activities:</b>				
Redemption of Preference Shares (incl. premium)	-		(54.41)	
Repayment of Public Deposits	-		(83.65)	
Proceeds from/(repayment) of current borrowings	-		(1,999.79)	
Proceeds from/(repayment) of non current borrowings	779.98		9,607.39	
Interest paid	(12.31)		(433.83)	
<b>Net cash flow from financing activities (C)</b>		<b>767.67</b>		<b>7,035.71</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(0.33)</b>		<b>3.59</b>
Cash and cash equivalents at the beginning of the year		<b>118.11</b>		<b>114.52</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>117.78</b>		<b>118.11</b>
<b>Cash and cash equivalents at the end of the year *</b>		<b>117.78</b>		<b>118.11</b>
* Comprises:				
(a) Cash on hand		-		0.12
(b) Balances with banks				
(i) In current accounts		<b>41.69</b>		46.35
(ii) In earmarked accounts** (Refer Note (14))		<b>76.09</b>		71.64
Notes :				
** These earmarked account balances with banks can be utilised only for the specific identified purposes.				
See accompanying notes to 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

**R. P. Gupta**  
Director  
DIN No. : 01325989

**Manoj Kumar Rustagi**  
Whole Time Director  
DIN No:07742914

**Vipul K. Choksi**  
Partner  
Membership No. 37606

**Sneha Bindra**  
Company Secretary

**Girish Menon**  
Chief Financial Officer

Place : Rourkela  
Date : 23rd April, 2019

## Notes to Financial Statements for the Year ended 31<sup>st</sup> March 2019

### 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 Companies 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 23rd April,2019.

#### 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, 2019, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2019.

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 year, 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.

The financial statement is prepared in INR.

Current and non-current classification

The company presents the assets and liabilities in the balance sheet based on current/ non-current classification.

As asset is classified as current when it satisfies any of the following criteria :

- It is expected to be realised or is intended for sale or consumption in the company's normal operating cycle . It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria :

- It is expected to be settled in the company's normal operating cycle;

- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

**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.

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 property plant & equipment 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 property plant & equipment. 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.



## Stripping Cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Such costs are presented within mining assets. After initial recognition, stripping assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of limestone is used to depreciate or amortise stripping cost.

### 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 mining lease

## 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.

## 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  
The Company as a lessee**

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.

**The Company as a lessor**

Rental income from operating leases is recognized on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on straight line basis over the lease term.

**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.

For the purpose of the statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above.

**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 reliable 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. 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.

- On March 28, 2018, Ministry of Corporate Affairs has notified Ind AS 115, "Revenue from Contracts with Customers", effective date of adoption of the Standard is financial period beginning on or after 1st April, 2018. The core principle of the Standard is that an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, besides reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The Standard permits entities to apply one of the following transitional methods :

- i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- ii) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

Company has adopted cumulative catch - up approach and there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results

- 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.

### L. 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.

### M. 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 year.

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 year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised 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.

Deferred tax assets and liabilities are off set when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

**N. 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.

**O. 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/ liabilities :**

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/ liabilities :**

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.

**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 post employment 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 longterm nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**vii) Provisions and liabilities**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgment to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of time value of money and the risk specific to the liability.

**B. Recent Accounting Pronouncements**

Ministry of corporate affairs ( MCA) has notified following amendments to IND AS on March 30, 2019 which is effective for the annual period beginning on or after April 1, 2019.

**(i) Adoption of IND AS 116, Leases**

On 30th March,2019 , the Ministry of Corporate Affairs has notified IND AS 116 , Leases. IND AS 116 will replace the existing leases standard , IND AS 17 , leases and related interpretations. The standard sets out the principles for the recognition, measurement , presentation and disclosure of leases for both parties to a contract i.e the lessee and the lessor.IND AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. On completion of evaluation of effect of IND AS 116 , there is no impact in the financial statement as the entity do not have any leasing contract for more than 12 months.

**(ii) (a) IND AS 12 , Appendix C, Uncertainty over Income Tax Treatments**

On 30th March,2019 , the Ministry of Corporate Affairs has notified IND AS 12, Appendix C, uncertainty over Income Tax treatment, which is to be applied while performing the determination of taxable profit ( or loss), tax bases, unused tax losses , unused tax credits and tax rates, when there is uncertainty over Income Tax treatment under IND AS 12. According to the appendix, companies need to determine the probability of relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment while determining taxable profit ( tax loss) , tax base, unused tax losses, unused tax credits and tax rates. The standard permit two possible methods of transition ; a. Full retrospective approach , b. retrospectively with cumulative effect of initially applying appendix C. The impact after application of the standard is under review by the management.

**(ii) (b) Amendment to IND AS 12 , income taxes :**

On 30th March,2019 , the Ministry of Corporate Affairs issued amendments to guidance in IND AS 12 , income taxes , in connection with accounting for dividend distribution taxes. Effective date of application of this amendment is annual period beginning on or after 1st April,2019. The company is currently evaluating the effect of this amendment on the financial statement.

**(iii) Amendment to IND AS 19, plan amendment, curtailment or settlement :**

On 30th March,2019 , the Ministry of Corporate Affairs issued amendments to IND AS 19, Employee benefits, in connection with accounting for plan amendments, curtailment and settlements.

The amendment requires an entity -

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment , curtailment or settlement and
- To recognize in profit or loss as part of part service cost , or gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date of application of this amendment is annual period beginning on or after 1st April,2019. The company is currently evaluating the effect of this amendment on the financial statement.

**(iv) Amendment to IND AS 23-Borrowing cost**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. The company does not expect any impact from this amendment.



**NOTES TO THE FINANCIAL STATEMENTS**  
 (For the year ended 31st March, 2019)

**Note 4. Property, plant and equipment**

₹ in lakhs

Description of Assets	Freehold Land	Buildings	Plant & Equipment	Pollution Control Equipment	Electrical equipments	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tangibles Total
<b>I. Cost/Deemed cost</b>										
Balance as at April 1, 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	-	-	-	-	-	1.64	-	0.27	0.84	2.75
<b>Balance as at March 31, 2018</b>	<b>426.01</b>	<b>1,766.93</b>	<b>11,938.99</b>	<b>109.04</b>	<b>583.37</b>	<b>24.74</b>	<b>5.70</b>	<b>62.39</b>	<b>32.90</b>	<b>14,950.07</b>
Additions	-	230.58	92.98	4.30	15.04	0.25	0.98	-	-	344.13
Deductions	-	-	-	-	-	-	-	-	-	-
<b>Balance as at Mar 31, 2019</b>	<b>426.01</b>	<b>1,998</b>	<b>12,031.97</b>	<b>113.34</b>	<b>598.41</b>	<b>24.99</b>	<b>6.68</b>	<b>62.39</b>	<b>32.90</b>	<b>15,294.20</b>
<b>II. Accumulated depreciation and impairment</b>										
Balance as at April 1, 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
<b>Balance as at March 31, 2018</b>	<b>-</b>	<b>165.16</b>	<b>1,011.15</b>	<b>8.36</b>	<b>67.24</b>	<b>6.61</b>	<b>0.59</b>	<b>31.42</b>	<b>13.63</b>	<b>1,304.16</b>
Depreciation expense	-	85.37	582.31	4.43	29.20	6.98	1.19	2.93	3.19	715.60
Deductions	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>250.53</b>	<b>1,593.46</b>	<b>12.79</b>	<b>96.44</b>	<b>13.59</b>	<b>1.78</b>	<b>34.35</b>	<b>16.82</b>	<b>2,019.76</b>
Carrying Value										
<b>As at March 31, 2019</b>	<b>426.01</b>	<b>1,746.98</b>	<b>10,438.51</b>	<b>100.55</b>	<b>501.97</b>	<b>11.40</b>	<b>4.90</b>	<b>28.04</b>	<b>16.08</b>	<b>13,274.44</b>
As at March 31, 2018	426.01	1,601.77	10,927.84	100.68	516.13	18.13	5.11	30.97	19.27	13,645.91
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. Tangible asset include asset for which ownership is not in the name of the company- net block of ₹ 105.77 Lakhs (Previous Year ₹ 95.52 Lakhs).  
 b. 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.

**Note 5. Capital work-in-progress**

₹ in lakhs

Balance as at March 31, 2018	73.82
Balance as at 31 March, 2019	29.38

**Note 6. Intangible assets**

₹ in lakhs

Intangibles	Computer Software	Stripping Cost	Mining Rights	Intangible Total
<b>I. Cost/Deemed cost</b>				
Balance as at April 1, 2017	39.00	1,018.20	23.36	1,080.56
Additions	13.51	-	-	13.51
Deductions	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>52.51</b>	<b>1,018.20</b>	<b>23.36</b>	<b>1,094.07</b>
Additions	-	-	-	-
Deductions	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>52.51</b>	<b>1,018.20</b>	<b>23.36</b>	<b>1,094.07</b>
<b>II. Accumulated depreciation and impairment</b>				
Balance as at April 1, 2017	3.79	13.27	0.01	17.07
Amortisation expense	12.42	54.78	0.05	67.25
Deductions	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>16.21</b>	<b>68.05</b>	<b>0.06</b>	<b>84.32</b>
Amortisation expense	14.55	32.79	0.03	47.37
Deductions	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>30.76</b>	<b>100.84</b>	<b>0.09</b>	<b>131.69</b>
Carrying Value				
<b>As at March 31, 2019</b>	<b>21.75</b>	<b>917.36</b>	<b>23.27</b>	<b>962.38</b>
As at March 31, 2018	36.30	950.15	23.30	1,009.75
Useful life of the asset ( years)	3	25	50	
Method of amortisation	SLM	SLM	SLM	

**Note :** The Developmental Stripping cost is amortised over the period of mining lease.

## SHIVA CEMENT LIMITED

Notes forming part of financial statements for the year ended 31st March, 2019

### Note 7. Intangible assets under development

₹ in lakhs

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Mining development	20.99	2.45
Land & land development	6.49	6.49
<b>Total</b>	<b>27.48</b>	<b>8.94</b>

### Note 8. Other financial assets

₹ in lakhs

Particulars	As at 31.03.2019		As at 31.03.2018	
	Non-Current	Current	Non-Current	Current
Security deposits	-	56.51		72.55
Advance to employees	-	0.89		2.74
Fixed deposits (Refer note 14)	10.20	-	60.20	-
Interest accrued but not due on fixed deposits	-	11.53		13.43
<b>Total</b>	<b>10.20</b>	<b>68.93</b>	<b>60.20</b>	<b>88.72</b>

### Note 9. Deferred Tax Assets (net)

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Deferred tax assets :</b>		
MAT credit entitlement	428.15	428.15
Provision allowed under tax on payment basis	129.88	120.01
Unabsorbed depreciation / losses	3,572.71	2,596.61
Others	14.88	14.88
<b>Total</b>	<b>4,145.62</b>	<b>3,159.65</b>
<b>Deferred tax liabilities:</b>		
Tangible and intangible assets	1,775.43	1,568.96
Others	-	-
<b>Net Deferred tax assets Total</b>	<b>2,370.19</b>	<b>1,590.69</b>

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

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Balance at the Beginning of the year	428.15	428.15
Add : MAT Credit entitlement availed during the year	-	-
Less: Reversal of MAT credit entitlement	-	-
<b>Balance at the end of the year Total</b>	<b>428.15</b>	<b>428.15</b>

### Note 10. Other Assets

₹ lakhs

Particulars	As at 31.03.2019		As at 31.03.2018	
	Non-Current	Current	Non-Current	Current
<b>Unsecured considered good</b>				
Capital advances	859.99	-	965.69	-
<b>Others</b>				
<b>Unsecured considered good</b>				
Leasehold land pre-payment	700.73	-	725.06	-
Pre-payments	6.46	13.22	0.53	10.15
Indirect tax recoverable	-	130.73	-	127.54
Advance to suppliers	-	99.50	-	62.91
Security Deposits	224.76	-	223.08	-
<b>Total</b>	<b>1,791.94</b>	<b>243.45</b>	<b>1,914.36</b>	<b>200.60</b>

## SHIVA CEMENT LIMITED

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

₹ in lakhs

Particulars	As at 31.03.2019	As at 01.04.2018
Raw materials (at Cost)	400.33	263.25
Work-in-progress (at Cost)	69.99	169.82
Finished goods (net realisable value)	65.52	75.02
Stock-in-trade (at Cost)	-	348.86
Fuel (at Cost)	226.85	240.09
Stores and spares (at Cost)	214.18	209.58
<b>Total</b>	<b>976.87</b>	<b>1,306.62</b>

### Note 11.1 Cost of Inventory recognised as an expense

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Cost of material consumed	720.26	651.16
Change in inventories of finished goods, work in progress and stock in trade	458.19	(128.25)
Stores and spares	102.32	185.10
Fuel	622.69	590.63
<b>Total</b>	<b>1,903.46</b>	<b>1,298.64</b>

### Note 12. Trade Receivables

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Trade receivable considered good- Unsecured	294.62	419.49
Trade receivable which have significant increase in credit risk	37.77	30.39
Trade Receivables-credit impaired	9.26	31.92
Less : Allowance for expected credit loss (*)	47.03	62.31
<b>Total</b>	<b>294.62</b>	<b>419.49</b>
The movement in allowance for expected credit loss is as follows:		
<b>Balance as at beginning of the year</b>	<b>62.31</b>	<b>-</b>
Change in allowance for credit impairment during the year	2.53	62.31
Trade receivables written off during the year	(17.81)	-
<b>Balance as at the end of the year</b>	<b>47.03</b>	<b>62.31</b>

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

### Note 13. Cash and cash equivalents

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Balance with banks in current account	41.69	46.36
Cash on hand	-	0.12
<b>Total</b>	<b>41.69</b>	<b>46.48</b>

### Note 14. Bank balances other than cash and cash equivalent

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Fixed Deposits With Banks		
Original maturity more than 3 months and upto 12 months (Refer note 14.1, 14.2)	<b>76.09</b>	71.64
Original maturity more than 12 months	<b>10.20</b>	60.20
Less: Fixed Deposits maturity more than 12 months disclosed under other Non-Current Financial Assets (Refer note 8)	<b>(10.20)</b>	(60.20)
<b>Total</b>	<b>76.09</b>	<b>71.64</b>

14.1. Includes deposits of ₹66.97 lakhs ( as at 31.03.2018 ₹63.05 lakhs ) are pledged with bank against cash credit facilities.

14.2. Includes deposits of ₹19.32 lakhs ( as at 31.03.2018 ₹68.79 lakhs ) given as security to Government department and others.

## Note 15. Share Capital

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
<b>(a) Authorised</b>				
Equity shares of the par value of ₹2/- each	22,87,50,000	4,575.00	22,87,50,000	4,575.00
<b>(b) Issued, Subscribed and fully paid up</b>				
Equity shares of ₹2/- each	19,50,00,000	3,900.00	19,50,00,000	3,900.00
<b>Total</b>	<b>19,50,00,000</b>	<b>3,900.00</b>	<b>19,50,00,000</b>	<b>3,900.00</b>
<b>G.Total</b>	<b>19,50,00,000</b>	<b>3,900.00</b>	<b>19,50,00,000</b>	<b>3,900.00</b>

Refer Notes (i) & (ii) below

**(i) Rights, preferences and restriction 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 31.03.2019		As at 31.03.2018	
	Number of Shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
JSW Cement Limited	10,43,66,750	53.52%	10,43,66,750	53.52%

## Note 16. Other Equity

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
<b>(i) Capital reserve</b>	<b>812.31</b>	<b>812.31</b>
<b>(ii) Securities premium account</b>	<b>5,206.13</b>	<b>5,206.13</b>
<b>(iii) Retained Earnings</b>		
Opening balance	(4,835.69)	(1,726.24)
Add: Net Loss for the year	(2,125.89)	(3,109.45)
Closing balance	<b>(6,961.58)</b>	<b>(4,835.69)</b>
<b>(iv) Items of other comprehensive income</b>	<b>(5.87)</b>	<b>(4.38)</b>
Opening balance	(4.38)	(5.19)
Remeasurement of defined benefit	(1.49)	0.81
Closing balance	<b>(5.87)</b>	<b>(4.38)</b>
<b>Total</b>	<b>(949.01)</b>	<b>1,178.37</b>

**(i) Capital Reserve :**

Reserve primarily created out of share forfeiture amounting ₹214.50 lakhs and amalgamation reserve amounting ₹566.03 lakhs as per statutory requirement

**(ii) Securities premium account :**

Securities premium account balance is the extra money received by the company while issuing shares. This money is being utilised as specified in section 78 of the Companies Act 2013.

**(iii) Other comprehensive income :**

As per IND AS 19 employee benefits gain or loss on account of remeasurement of the defined benefit liabilities/ assets have been realised through other comprehensive income.

## SHIVA CEMENT LIMITED

### Note 17. Borrowings

₹ in lakhs

	As at 31.03.2019		As at 31.03.2018	
	Non-Current	Current	Non-Current	Current
<b>Unsecured :</b>				
From related party	1,477.00	12,278.98	12,403.00	573.00
<b>Total</b>	<b>1,477.00</b>	<b>12,278.98</b>	<b>12,403.00</b>	<b>573.00</b>

#### Notes :

The above unsecured loan has been taken from holding company, M/s. JSW Cement Limited. The tenure of the loan is 2 years from the date of disbursement or such extended time as may be agreed and repayable at the end of the tenure alongwith interest accrued on the same. The rate of interest is 10.75% per annum.

### Note 18. Other Financial liabilities ( Non Current)

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Accrued but not due	1,293.66	822.23
<b>Total</b>	<b>1,293.66</b>	<b>822.23</b>

### Note 19. Provisions

₹ in lakhs

	As at 31.03.2019		As at 31.03.2018	
	Non-Current	Current	Non-Current	Current
<b>Unsecured :</b>				
For employee benefits				
- Gratuity ( refer note 31f (ii))	110.81	16.23	105.55	13.54
- Leave Encashment ( refer note 31f (vi))	14.15	2.14	13.23	1.72
Others :				
For Mines Restoration Expenditure ( refer note 3(A)(ii))	370.66	-	327.61	-
<b>Total</b>	<b>495.62</b>	<b>18.37</b>	<b>446.39</b>	<b>15.26</b>

#### Note 19.1 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:

Particulars	As at 31.03.2019	As at 31.03.2018
Mines Restoration expenditure (to be settled at Mines closure)		
Opening Balance	327.61	287.38
Add: Unwinding of discount on mines restoration provision	43.05	40.23
<b>Closing Balance</b>	<b>370.66</b>	<b>327.61</b>

### Note 20. Trade Payables

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of micro enterprises and small enterprises ( refer note 31 (I))	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	579.00	802.82
<b>Total</b>	<b>579.00</b>	<b>802.82</b>

### Note 21. Other Financial Liabilities (Current)

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Current maturity of long-term debt ( refer note 17)	12,278.98	573.00
Interest accrued but not due on borrowings	823.63	1.40
Security deposits from customers, vendors & others	143.39	179.04
<b>Total</b>	<b>13,246.00</b>	<b>753.44</b>

## SHIVA CEMENT LIMITED

### Note 22. Other Current Liabilities

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Advance from customers	14.87	4.60
Statutory liabilities	92.15	111.11
<b>Total</b>	<b>107.02</b>	<b>115.71</b>

### Note 23. Revenue from operations

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Sale of products		
Finished Products	2,447.21	2,516.95
Traded product	490.32	87.00
<b>Total</b>	<b>2,937.53</b>	<b>2,603.95</b>

### Reconciliation of Revenue from sale of products with the contracted price

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Contracted Price	3,010.60	2,741.02
Less: Trade discounts, volume rebates, etc.	73.07	137.07
<b>Sale of Products</b>	<b>2,937.53</b>	<b>2,603.95</b>

### Note 24. Other income

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest income on financial assets that are not designated as FVTPL		
On bank deposits	10.92	9.08
On others	4.46	18.05
Miscellaneous income	19.26	0.88
<b>Total</b>	<b>34.64</b>	<b>28.01</b>

### Note 25A. Cost of materials consumed

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(i) Opening stock	236.19	70.59
(ii) Add: Purchases (Net)	851.31	816.76
	1,087.50	887.35
(iii) Less : Closing stock	367.24	236.19
<b>Cost of materials consumed</b>	<b>720.26</b>	<b>651.16</b>

### Note 25B. Purchase of stock in trade

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Slag	-	87.00
<b>Total</b>	<b>-</b>	<b>87.00</b>

## SHIVA CEMENT LIMITED

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

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Closing inventories		
Finished goods/Stock-in-Trade	65.52	423.88
Work-in-progress	69.99	169.82
	<b>135.51</b>	<b>593.70</b>
Opening inventories		
Finished goods/Stock-in-Trade	423.88	424.95
Work-in-progress	169.82	40.50
	<b>593.70</b>	<b>465.45</b>
<b>(Increase) / Decrease in inventories</b>	<b>458.19</b>	<b>(128.25)</b>

### Note 25D. Power & Fuel

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Power procured	575.97	608.88
Coal	622.69	590.63
<b>Total</b>	<b>1,198.66</b>	<b>1,199.51</b>

### Note 25E. Freight and forwarding expense

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
On finished product	234.57	427.11
On others	-	1.70
<b>Total</b>	<b>234.57</b>	<b>428.81</b>

### Note 26. Employee benefits expense

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Salaries and wages	334.26	311.76
Contributions to provident and other funds ( refer note 31f(vii))	37.92	32.40
Gratuity ( Refer note 31 (f(ii))	17.07	18.04
Staff welfare expenses	4.45	10.82
<b>Total</b>	<b>393.70</b>	<b>373.02</b>

### Note 27. Finance costs

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest expense		
On borrowings	1,442.21	1,272.90
Unwinding of interest on mines restoration provision	43.05	40.24
Other Borrowing Cost	0.02	65.69
<b>Total</b>	<b>1,485.28</b>	<b>1,378.83</b>

## SHIVA CEMENT LIMITED

### Note 28. Depreciation and amortisation expense

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(i) Depreciation on property plant & equipment	715.59	726.86
(ii) Amortisation of intangible assets	47.37	67.25
<b>Total</b>	<b>762.96</b>	<b>794.11</b>

### Note 29. Other expenses

₹ in lakhs

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Store and spares consumed	102.32	185.10
Service charges	51.73	54.69
Repairs and maintenance		-
- Plant and equipment	57.09	82.72
- Building	44.33	48.11
- Vehicles	9.75	15.75
- Others	8.17	4.69
Rent (including lease rentals) (refer note -31(i))	29.86	31.77
Insurance	5.35	5.63
Rates & taxes	3.33	22.47
Travelling and conveyance	21.27	30.32
Loss on sale of property, plant and equipments	-	2.71
Directors sitting Fees	4.80	7.80
Provision for doubtful receivables ( Reversal of provision)	(15.28)	62.31
Bad Debt	17.81	-
Legal and Professional charges	56.46	42.84
Sales Promotion and Other Selling Expenses	13.19	8.48
Auditor Remuneration ( refer note 29.1)	7.30	5.08
Other Administrative expenses	206.45	137.48
<b>Total</b>	<b>623.93</b>	<b>747.95</b>
<b>Note 29.1 Auditors remuneration (excluding Tax)</b>		
As auditors	5.00	5.00
For taxation matters	2.00	-
Other services	0.30	0.08
<b>Total</b>	<b>7.30</b>	<b>5.08</b>



## SHIVA CEMENT LIMITED

### 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.

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Long term borrowings	1,477.00	12,403.00
Current maturities of long term debt	12,278.98	573.00
Short term borrowings	-	-
Less: Cash and cash equivalent	41.69	46.48
Less: Bank balances other than cash and cash equivalents	76.09	71.64
Less: Current investment	-	-
Net Debt	13,873.76	13,094.12
<b>Total Equity</b>	<b>2,950.99</b>	<b>5,078.37</b>
<b>Gearing ratio</b>	<b>4.70</b>	<b>2.58</b>

- (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

The accounting classification of each category of financial instruments and their carrying amounts are set out below :

₹ in lakhs

	As at 31.03.2019		As at 31.03.2018	
	Carrying Values	Fair Value	Carrying Values	Fair Value
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalents	41.69	41.69	46.48	46.48
Bank balances other than cash and cash equivalents	76.09	76.09	71.64	71.64
Trade receivables	294.62	294.62	419.49	419.49
Other financial assets	79.13	79.13	148.92	148.92
<b>Total financial assets at amortised cost (A)</b>	<b>491.53</b>	<b>491.53</b>	<b>686.53</b>	<b>686.53</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Long term borrowings(*)	13,755.98	13,755.98	12,976.00	12,976.00
Short term borrowings	-	-	-	-
Trade payable	579.00	579.00	802.82	802.82
Other financial liabilities	2,260.68	2,260.68	1,002.67	1,002.67
<b>Total financial liabilities at amortised cost</b>	<b>16,595.66</b>	<b>16,595.66</b>	<b>14,781.49</b>	<b>14,781.49</b>
(*) 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
- Commodity 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 risk management**

The company has taken unsecured loan from its holding company at fixed rate of interest . As per the loan agreement , the lender is entitled to increase or reduce the rate of interest. Considering the business interest of the group, the risk of interest rate is not significant.

**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.

**(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 except sales to holding company. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

The movement in allowance for Expected Credit Loss is as follows :

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Balance at the beginning of the year</b>	<b>62.31</b>	-
Change in allowance for credit impairment during the year	2.53	62.31
Trade receivable written off during the year	(17.81)	-
<b>Balance as at the end of the year</b>	<b>47.03</b>	<b>62.31</b>

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

## SHIVA CEMENT LIMITED

As per policy, receivables are classified into different buckets based on the overdue period ranging from 6 months - one year - two year- three year - more than three year. There are different provisioning norms for each bucket which are ranging from 9% to 70%

#### iv. Commodity risk

Commodity price risk for the Company is mainly related to fluctuations in coal prices linked to various external factors, which can affect the production cost of the Company. Since the fuel costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company take steps to optimize the fuel mix and to pursue longer term and fixed contracts, where Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the procurement team.

#### v. 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 31st March 2019

₹ in lakhs

Contractual cash flows				
Particulars	< 1 year	1-5 year	> 5 years	Total
<b>Financial assets</b>				
Cash and cash equivalents	41.69	-	-	41.69
Bank balances other than cash and cash equivalents	76.09	-	-	76.09
Trade receivables	294.62	-	-	294.62
Other financial assets	68.93	10.20	-	79.13
<b>Total Financial assets</b>	<b>481.33</b>	<b>10.20</b>	<b>-</b>	<b>491.53</b>
<b>Financial liabilities</b>				
Long term borrowings	12,278.98	1,477.00	-	13,755.98
Trade payable	579.00	-	-	579.00
Other financial liabilities	2,260.68	-	-	2,260.68
<b>Total financial liabilities</b>	<b>15,118.66</b>	<b>1,477.00</b>	<b>-</b>	<b>16,595.66</b>

#### Liquidity exposure as at 31st March 2018

₹ in lakhs

Contractual cash flows				
Particulars	< 1 year	1-5 year	> 5 years	Total
<b>Financial assets</b>				
Cash and cash equivalents	46.48	-	-	46.48
Bank balances other than cash and cash equivalents	71.64	-	-	71.64
Trade receivables	419.49	-	-	419.49
Other financial assets	88.72	60.20	-	148.92
<b>Total Financial assets</b>	<b>626.33</b>	<b>60.20</b>	<b>-</b>	<b>686.53</b>
<b>Financial liabilities</b>				
Long term borrowings	573.00	12,403.00	-	12,976.00
Short term borrowings	-	-	-	-
Trade payable	802.82	-	-	802.82
Other financial liabilities	1,002.67	-	-	1,002.67
<b>Total financial liabilities</b>	<b>2,378.49</b>	<b>12,403.00</b>	<b>-</b>	<b>14,781.49</b>

#### 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

₹ in lakhs

Particulars	31.03.2019	31.03.2018	Fair value hierarchy	Valuation technique(s) and key input(s)
<b>Financial liabilities :</b>				
Borrowing	13,755.98	12,976.00	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 :

₹ in lakhs

Sr No	Particulars	As at 31.03.2019	As at 31.03.2018
1	Excise duty and Service Tax	9.61	13.23
2	Orissa Sales Tax, VAT, CST	177.25	177.25
3	Entry Tax	9.32	9.32
4	Income tax	466.32	466.32
<b>Total</b>		<b>662.50</b>	<b>666.12</b>

## b) Commitments

₹ in lakhs

Sr No	Particulars	As at 31.03.2019	As at 31.03.2018
1	Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advance)	140.83	3,459.75

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, 2019 amounting to ₹NIL.
- 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.

## f) Employee Benefits :

## i) Defined Contribution Plan :

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

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹26.37 Lakhs (Previous Year ₹21.92 Lakh) ( included in note 26)

## 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 liability.

## SHIVA CEMENT LIMITED

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 2019 by External agency. 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 :

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
<b>a. Changes in Present Value of obligations :</b>		
Opening Balance of present value of obligation	119.08	138.19
Acquisition adjustment		
Service Cost	7.85	7.68
Interest Cost	9.22	10.36
Actuarial (gain)/loss on obligation	1.49	(0.81)
Benefits paid	(10.60)	(36.34)
<b>b. Net Asset/(Liability) recognised in the Balance Sheet :</b>		
Present Value of obligations	127.04	119.08
Fair Value of plan asset	-	-
Net Asset/(Liability) recognised in the Balance Sheet	127.04	119.08
<b>c. Expenses during the Year :</b>		
Service cost	7.85	7.68
Interest cost	9.22	10.36
Component of defined benefit cost recognized in other comprehensive income	1.49	(0.81)
<b>Total</b>	<b>18.56</b>	<b>17.23</b>
<b>d. Principal actuarial assumptions :</b>		
Rate of Discounting	7.5% p.a.	7.75% 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

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Defined Benefit Obligation	127.04	119.08	138.19	124.16	-
Plan Assets	-	-	-	-	-
Deficit	(127.04)	(119.08)	(138.19)	(124.16)	-
Experience Adjustments on Plan Liabilities—Loss/(Gain)	(0.25)	0.92	1.31	(6.59)	-
Experience Adjustments on Plan Assets—Loss/(Gain)	-	-	-	-	-

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for estimate term of the obligations.

### iv) Sensitivity Analysis

₹ in lakhs

Particulars	As at 31.03.2019		As at 31.03.2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	120.43	134.49	(112.68)	126.24
Future salary growth (1% movement)	134.53	120.28	126.29	(112.52)
Attrition rate (1% movement)	127.57	126.45	119.66	(118.43)
Mortality rate (1% movement)	127.07	127.02	119.05	119.05

v) Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cashflows) : 5 years

₹ in lakhs

Particulars	Less than a year	Between 1 to 5 year	Over 5 years	Total
As at 31 March 2019	16.23	84.71	119.23	220.17
As at 31 March 2018	13.54	75.41	121.70	210.65

vi) Compensated Absences

Assumptions used in accounting for compensated absences

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Present value of un-funded obligation	16.29	14.96
Expense recognized in Statement of Profit or loss	7.30	26.53
Discount rate (p.a)	7.50%	7.75%
Salary escalation (p.a)	6.00%	6.00%

vii) Contribution to Provident and other funds

Company's contribution to Provident Fund recognized in statement of Profit and Loss ₹26.37 Lakhs (Previous Year ₹21.92 Lakh).  
Company's contribution to ESIC recognized in statement of Profit and Loss ₹9.33 Lakhs (Previous Year ₹8.37 Lakh).

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

i) 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

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

Nature of Transaction

₹ in lakhs

Transaction during the year	As at 31.03.2019	As at 31.03.2018
<b>Purchase of Goods/Services</b>		
JSW Cement Limited	31.20	-
<b>Sale of Goods/ Other Income</b>		
JSW Cement Limited	1,100.15	344.00
<b>Lease rent received (incl. GST)</b>		
JSW Cement Limited	0.71	0.30
<b>Loan Repayment</b>		
Unicon Merchants Pvt Ltd	-	1,026.90
JSW Cement Limited	697.02	-
<b>Loan Received</b>		
JSW Cement Limited	1,477.00	12,403.00
<b>Interest cost</b>		
JSW Cement Limited	1,437.62	913.59
Unicon Merchants Pvt Ltd	-	21.37

## SHIVA CEMENT LIMITED

<b>Compensation to key management personnel</b>		
<b>Nature of Transaction</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Short-term employee benefits*	-	-
Post employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total compensation to key management personnel	-	-

\* Employee benefits of Chief Financial Officer and Company Secretary are paid by the holding company.

### Terms & Conditions

#### Sales :

The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price and agreement signed with related parties. For the year ended 31st March, 2019 the company has not recorded any loss allowances of trade receivable from related parties

#### Purchases :

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.

#### Loan from Related Party :

The company has availed loan from its holding company for general corporate purpose. The loan balance as on 31st March, 2019 was amounting ₹ 13,755.98 lakhs . The loan is unsecured and carry an interest 10.75% per annum and repayable after the end of the tenure.

### C. Closing balance of related parties

₹ in lakhs

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b>Trade Receivable</b>		
JSW Cement Limited	7.05	-
<b>Loan Received</b>		
JSW Cement Limited	13,755.98	12,976.00
<b>Interest Payable on loan</b>		
JSW Cement Limited	2,117.29	823.63

#### i. Operating Lease

The company as a lessee

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

₹ in lakhs

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Office premise and Guest House	9.00	7.52
Total	9.00	7.52

The company as a lessee do not have any agreement with the lessor covering a period more than 12 months.

#### The company as a lessor

₹ in lakhs

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Office premise	0.60	0.25
Total	0.60	0.25

The company as a lessor do not have any agreement with lessee covering a period more than 12 months.

#### j. Earnings per share (EPS)

₹ in lakhs

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
(Loss) attributable to Equity shareholders (₹ in lakhs)( A)	(2,125.88)	(3,109.45)
<b>Weighted average number of Equity shares for basic EPS (B)</b>	19,50,00,000	19,50,00,000
Effect of Dilution :	-	-
<b>Weighted average number of Equity shares adjusted for the effect of dilution ( C )</b>	19,50,00,000	19,50,00,000
Basic EPS (Amount in ₹) (A/B)	(1.09)	(1.59)
Diluted EPS(Amount in ₹) (A/C)	(1.09)	(1.59)

**k. Advance received from Customer (Contract Liability)**

₹ in lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Opening Balance as on 1st April</b>	<b>4.59</b>	<b>142.42</b>
Revenue recognised in the reporting period with respect to contract liability	(4.55)	(140.21)
Advance received from Customer during the year	14.83	2.39
<b>Closing Balance of Contract Liability as on 31st March</b>	<b>14.87</b>	<b>4.59</b>

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

Sr. No.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Principal amount due outstanding as at 31st March	-	-
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	-	-

m. During the year, the Company has incurred a loss of ₹2127.37 lakh and as on 31st March 2019, the Company's accumulated loss is ₹6961.58 lakh resulting in erosion of networth of the Company. The Management is hopeful of improving the performance of the company by exploring various avenues of enhancing revenue. The said measures are expected to improve the performance of the Company and accordingly the financial statements continue to be presented on a going concern basis.

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

As per our report of even date For <b>Shah Gupta &amp; Co.</b> Chartered Accountants FRN No : 109574W  <b>Vipul K. Choksi</b> Partner Membership No. 37606  Place : Rourkela Date : 23rd April, 2019	<b>For and on behalf of the Board of Directors</b>  <table style="width: 100%;"> <tr> <td style="text-align: center;"> <b>R. P. Gupta</b>                      Director                      DIN No. : 01325989                 </td> <td style="text-align: center;"> <b>Manoj Kumar Rustagi</b>                      Whole Time Director                      DIN No:07742914                 </td> </tr> <tr> <td style="text-align: center;"> <b>Sneha Bindra</b>                      Company Secretary                 </td> <td style="text-align: center;"> <b>Girish Menon</b>                      Chief Financial Officer                 </td> </tr> </table>	<b>R. P. Gupta</b> Director DIN No. : 01325989	<b>Manoj Kumar Rustagi</b> Whole Time Director DIN No:07742914	<b>Sneha Bindra</b> Company Secretary	<b>Girish Menon</b> Chief Financial Officer
<b>R. P. Gupta</b> Director DIN No. : 01325989	<b>Manoj Kumar Rustagi</b> Whole Time Director DIN No:07742914				
<b>Sneha Bindra</b> Company Secretary	<b>Girish Menon</b> Chief Financial Officer				



# SHIVA CEMENT LIMITED

---

## SHIVA CEMENT LIMITED

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

### NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of **SHIVA CEMENT LIMITED** (CIN: L26942OR1985PLC001557) ("the Company") will be held on Tuesday, 24th day of September, 2019 at 11:30 A.M. at the Hotel Mantra Palace, Panposh Road, next to Reliance Digital, Rourkela, Odisha- 769004 to transact the following business: -

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint director in place of Mr. Rajendra Prasad Gupta (DIN: 01325989) , who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

3. **Appointment of Ms. Sudeshna Banerjee as an Independent Director of the Company:**

To consider, and if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules') including any statutory modification(s) or re-enactment thereof, Ms. Sudeshna Banerjee (DIN: 01920464) who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 23, 2019 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act and Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules read with Schedule IV to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') including any statutory modification(s) or re-enactment thereof, Ms. Sudeshna Banerjee, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and the Listing Regulations and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years with effect from April 23, 2019 to April 22, 2024."

4. **Appointment of Mr. Sanjay Sharma as an Independent Director of the Company:**

To consider, and if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules') including any statutory modification(s) or re-enactment thereof, Mr. Sanjay Sharma (DIN:02692742) who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 23, 2019 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act and Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules read with Schedule IV to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') including any statutory modification(s) or re-enactment thereof, Mr. Sanjay Sharma, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and the Listing Regulations and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years with effect from April 23, 2019 to April 22, 2024."

By the order of the Board  
For **Shiva Cement Limited**

Date: 31st August, 2019  
Place: Rourkela

**Sneha Bindra**  
Company Secretary

### 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 18/09/2019 to 24/09/2019 (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](http://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. **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

## SHIVA CEMENT LIMITED

Details on Step 1 is mentioned below:

### How to Log-in to NSDL e-Voting website?

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Your password details are given below:

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

Now, you will have to click on "Login" button.

After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

### How to cast your vote electronically on NSDL e-Voting system?

After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

Select "EVEN" of company for which you wish to cast your vote.

Now you are ready for e-Voting as the Voting page opens.

Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

Upon confirmation, the message "Vote cast successfully" will be displayed.

You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### V. General Guidelines for shareholders

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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [tripathyandco@hotmail.co.uk](mailto:tripathyandco@hotmail.co.uk) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

The remote e-voting period commences on 21st September 2019 (9:00 am) and ends on 23rd September 2019 (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 17th September 2019, 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.

- (i) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (ii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- A. 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 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](http://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 17th September 2019.
- 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. 17th September 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto: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](http://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.**

## SHIVA CEMENT LIMITED

---

**Explanatory Statement in respect of Special Business pursuant to Section 102(1) of the Companies Act, 2013, Secretarial Standard -2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015. This Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.**

**Item No. 3:**

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors through a Resolution passed on April 23, 2019, appointed Ms. Sudeshna Banerjee (DIN : 01920464) as an Additional Director of the Company with effect from April 23, 2019 and she holds office upto the date of this Annual General Meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company. The Board of Directors also appointed Ms. Banerjee as an Independent Director for a term of 5 consecutive years from April 23, 2019 to April 22, 2024, subject to the approval of the Members of the Company.

Ms. Sudeshna has done her Executive MBA in Entrepreneurship Management from Indian Business School, Hyderabad and Post Graduate Diploma in Computer Applications from Vidyasagar Academy, Kolkata. She is the Founder of DIGITECH-HR in 2007 and led as Head of Business Development from its inception till date. Starting from May,2011 company status has changed from proprietorship firm to private limited company and started playing the role of Managing Director and the Head of Business Development.

As required under Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed to, and forms part of this Notice. The Company has received a notice in writing under Section 160 of the Act from a Member proposing the candidature of Ms. Banerjee for the office of Director. Ms. Banerjee has conveyed her consent to act as a Director of the Company and has given a declaration that she meets the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16 of the Listing Regulations. In the opinion of the Board of Directors, Ms. Banerjee fulfils the conditions for her appointment as an Independent Director as specified in the Act and Listing Regulations. Ms. Banerjee is independent of the Management. Pursuant to the provisions of Section 149(13) of the Act, Ms. Banerjee will not be liable to retire by rotation.

A copy of the draft letter of appointment as an Independent Director stating the terms and conditions, is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company and the same is also available on the website of the Company at the link [www.shivacement.com](http://www.shivacement.com). As per Sections 149 and 152 of the Act and the Rules thereunder, a Director can be appointed with the approval of the Members in the General Meeting. Accordingly, the approval of the Members is sought for the appointment of Ms. Sudeshna Banerjee as a Director and an Independent Director. The Board considers that the appointment of Ms. Sudeshna Banerjee as an Independent Director, given her vast experience, will be in the best interest of the Company and will provide relevant skill-set focus to the composition of the Board.

Your Directors recommend the Resolution at Item No. 3 for approval of the Members. Except Ms. Sudeshna Banerjee and her relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

**Item No. 4:**

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors through a Resolution passed on April 23, 2019, appointed Mr. Sanjay Sharma (DIN : 02692742) as an Additional Director of the Company with effect from April 23, 2019 and she holds office upto the date of this Annual General Meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company. The Board of Directors also appointed Mr. Sharma as an Independent Director for a term of 5 consecutive years from April 23, 2019 to April 22, 2024, subject to the approval of the Members of the Company.

Mr. Sanjay holds a B.E. Degree in Metallurgy from REC, Rourkela (NIT). He has nearly 4 decades of a successful career with diverse roles distinguished by commended performance in Plant Management, Consultancy Services in Steel Plant.He has contributed as Chairman of TPM (Total Predictive Maintenance), Head of Jury for QIPs (Quality Improvement Projects like SMILE, KAIZEN). Mr. Sanjay has a Unique blend of plant management, managerial & operational expertise with advanced skills in strategic planning, international process implementations, commissioning, derivatives turnarounds, new set-ups and resource allocation.

As required under Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed to, and forms part of this Notice. The Company has received a notice in writing under Section 160 of the Act from a Member proposing the candidature of Mr. Sharma for the office of Director. Mr. Sharma has conveyed his consent to act as a Director of the Company and has given a declaration that she meets the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16 of the Listing Regulations. In the opinion of the Board of Directors, Mr. Sharma fulfils the conditions for his appointment as an Independent Director as specified in the Act and Listing Regulations. Mr. Sharma is independent of the Management. Pursuant to the provisions of Section 149(13) of the Act, Mr. Sharma will not be liable to retire by rotation.

A copy of the draft letter of appointment as an Independent Director stating the terms and conditions, is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company and the same is also available on the website of the Company at the link [www.shivacement.com](http://www.shivacement.com). As per Sections 149 and 152 of the Act and the Rules thereunder, a Director can be appointed with the approval of the Members in the General Meeting. Accordingly, the approval of the Members is sought for the appointment of Mr. Sanjay Sharma as a Director and an Independent Director. The Board considers that the appointment of Mr. Sanjay Sharma as an Independent Director, given his vast experience, will be in the best interest of the Company and will provide relevant skill-set focus to the composition of the Board.

Your Directors recommend the Resolution at Item No. 4 for approval of the Members. Except Mr. Sanjay Sharma and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

By the order of the Board  
For **Shiva Cement Limited**

Date: 31st August, 2019  
Place: Rourkela

**Sneha Bindra**  
Company Secretary

Pursuant to Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard - 2, the details of the Directors proposed to be re-appointed / appointed at the ensuing Annual General Meeting are given below:

<b>Name Of Director</b>	<b>Ms. Sudeshna Banerjee</b>
DIN	01920464
Age	51 years
Date of Birth	06-10-1968
Original Date of Appointment	23rd April, 2019
Qualifications	Executive MBA Post Graduate Diploma in Computer Applications
Directorship in other Companies	1. PS Digitech-HR (India)Pvt. Ltd.
Chairmanship/Membership of Committees in other Companies	Nil
No. of Equity Shares held in the Company	Nil
Relationship with other Directors Interse	None
Terms and conditions of appointment or re-appointment	To be appointed as an Independent Director not liable to retire by rotation for 5 years with effect from 23rd April, 2019.
Remuneration proposed to be paid	Sitting Fees in accordance with the provisions of Companies Act, 2013
Number of Meetings of the Board attended during the year	Not Applicable

**Serial No.2**

<b>Name Of Director</b>	<b>Mr. Sanjay Sharma</b>
DIN	02692742
Age	63 years
Date of Birth	30th June, 1956
Original Date of Appointment	23rd April, 2019
Qualifications	B.E (Metallurgy)
Directorship in other Companies	Nil
Chairmanship/Membership of Committees in other Companies	Nil
No. of Equity Shares held in the Company	Nil
Relationship with other Directors Interse	None
Terms and conditions of appointment or re-appointment	To be appointed as an Independent Director not liable to retire by rotation for 5 years with effect from 23rd April, 2019.
Remuneration proposed to be paid	Sitting Fees in accordance with the provisions of Companies Act, 2013
Number of Meetings of the Board attended during the year.	Not Applicable



**SHIVA CEMENT LIMITED**

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

**ATTENDANCE SLIP**  
**33<sup>rd</sup> ANNUAL GENERAL MEETING**  
**Tuesday, September 24, 2019**

Registered Folio/  
 DP ID and Client ID

Name and Address of the  
 Sole/First Shareholder

Joint Holder 1

Joint Holder 2

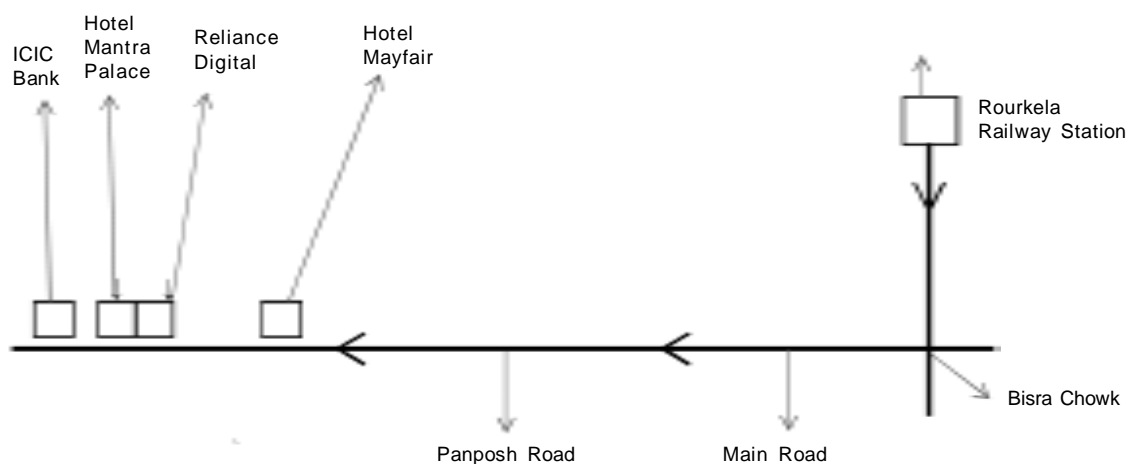
I/We hereby record my/our presence at the 33rd ANNUAL GENERAL MEETING of the Company at YY-5, Civil Township, 7/8 Area, Rourkela-769 004 (Odisha), on Tuesday, the 24th September, 2019 at 11:30 A.M.

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

NOTES :

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

**AGM Location Map**





# **SHIVA CEMENT LTD.**

YY-5 Civil Township, Rourkela-769 004