

2013-14

28th ANNUAL REPORT



SHIVA CEMENT LTD.

ROURKELA, ODISHA

CSR Activities



Free Health Checkup Camp



Free Health Checkup Camp



Free Health Checkup Camp



Free Health Checkup Camp

BOARD OF DIRECTORS**Sri R. P. Gupta***Managing Director***Sri Akash Gupta***Executive Director***Sri B K Mangaraj***Director***Sri Vivek Chawla***Nominee-ACC Ltd.***Sri O P Goyal***Director***Sri D K Senapati***Nominee- IPICOL***Sri K P Jhunjhunwala***Director***Contents ...**

Director's Report & Management Discussion and Analysis	...	02
Corporate Governance	...	07
Auditors' Report	...	13
Balance Sheet	...	16
Profit & Loss Account	...	17
Cash flow statement	...	18
Significant Accounting Policies & Notes on Financial Statements	...	19

**AUDITORS****Tibreval Chand & Co.**

1st Floor, KK - 5, Civil Township,
Rourkela - 4

REGISTRAR & TRANSFER AGENT**Niche Technologies (P) Ltd.**

D/511, Bagree Market, 5th floor,

REGISTERED OFFICE

P-25, Civil Township,
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)

DIRECTORS REPORT
(Management Discussion and Analysis)



R. P. Gupta, M.D.

Dear Members,

It gives me immense pleasure to present the **28th Annual Report**. I extend my thanks to all associates, shareholders & employees in particular. Your company could complete successful 28 years with their support and commitment. With this, I am pleased to present annual report along with audited accounts and Auditor's report thereon for the financial year ended **31st March, 2014** as under :-

Financial/Operational Performance

(Rs. in Lakhs)

Particulars	31/03/2014	31/03/2013
Turnover	7211.46	6674.67
Operating Income	962.14	1047.31
Other Income	38.78	40.32
PBIDT	1000.92	1087.63
Less: Interest	339.70	341.04
Cash Profit (PBDT)	661.22	746.59
Less: Depreciation & Amortization	288.04	354.40
Profit before Taxation (PBT)	373.18	392.19

This was indeed a tough year due to sluggish demand and rising input cost. Despite this, we could register 8% growth in turnover but the operating margin declined to 13.9% as against 16.3% in previous year. However, the performance in Q-4 was far better that indicates part revival of economy in 2014-15. Despite all constraints, the profit before tax could be maintained almost at the same level with marginal dip of Rs.19.0 lakh.

Economic Scenario & Outlook

Growth of Indian economy has been sluggish after 2011. In the current year it has grown below 5% that was lowest in the decade. However, there are enough indications for revival of economy in the second half of 2014-15. But it will depend upon the regulatory easements, infrastructure spending and pro-growth policies which are still awaited. The major challenge before the Govt. is for controlling inflation and reducing the price of basic inputs like energy, mineral & transportation cost besides interest rates. Increasing land availability and sanction of more number of mineral leases will be crucial for bringing back the country on high growth track. The market expectations are positive.

Cement Industry Outlook & Opportunities

Demand growth has been sluggish in the previous two years mainly due to economy slow down and poor infrastructure spending. High interest rate has also affected growth of housing sector. But demand of house cannot be deferred for a long period. Govt. announcement for constructing cement roads at a rate of 20-25 Km/day is indeed encouraging. Despite slow down in economy, the silver lining was healthy demand growth in Rural area which was un-common in earlier years. Combining all these factors, there are fair chances of demand picking up in the second half of 2014-15 and gaining momentum in 2015-16.

Future Strategies

Long term benefits shall be derived only after completing Phase-1 expansion upto 1.0 MTPA. Your company has already acquired land, obtained environment approval and has incurred sizeable capex. But the project implementation was delayed beyond expectation due to delay in financial closure and other approvals. The cost of project has escalated due to these delays. Therefore it needs re-working and fresh approval from the lender.

However, your company has incurred sizeable capex for this project from its own resources. Therefore an interim business plan is being worked out for expanding the capacity upto 1.98 lakh TPA. This plan is envisaging augmentation of cement grinding capacity through balancing equipment. Company is having surplus capacity in the kiln which is lying idle at present. However, your company will not lose focus on the expansion plan of 1.0 MTPA for which parallel working will continue.

Risks and Concerns

Continuous hike in power rate and supply deficit of coal are the major areas of concern. Indian coal quality has deteriorated. Imported coal price is going up due to rupee weakening. Therefore company is undertaking its interim business plan and expansion plan along with modernization. This will reduce power & fuel consumption and provide competitive edge over others.

Logistic cost is on increasing trend due to general increase in petroleum & energy price. Vicinity of market & location in cement deficit region will mitigate such hike in logistic cost. Supply over hang is continuing on all India basis. It is likely to continue till CY 2014. But its impact is diluted due to plant location in eastern zone. This is supply deficit zone.

Awards & Recommendations

Your Managing Director wrote a book "Turn Around India" covering the topic on Indian economy revival. This book was launched in April 2013 by Sri Narendra Modi, currently Hon'ble Prime Minister of India. Several compliments have been received from VIPs including Hon'ble President of India in this regard. The compliments were received from Ministers, Bureaucrats of central & state govt., Dy. Governor-RBI, Bank Chairmans, leading corporates and Rating agencies.

Human Resource

Company is maintaining cordial and healthy relations with its employees. Employees at all levels are extending their full support. Company has strong faith in potential of human resources. It believes in the creative abilities of the people, who work for company. It believes in participatory management. Considering high inflation, your company has revised the pay structure of all the staff & officers which will be effective from April 2014.

Internal Control Systems

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

Environmental & Social Obligation

Environment clearance from ministry of environment & forest (MoEF) has been already obtained for it's proposed expansion upto 1.05 MTPA capacity. MoEF clearance has been also obtained for expanding the capacity of mines.

Your company opened a Tailoring centre at Guleipada Village. Provided Sewing machines & furnitures and trained 30 ladies for self employment. We constructed a Toilet room at Kandeimunda High School and two nos. of Bathing Ghat at Goleipada Pond. We also provided drinking water arrangement at Tehsil office, Kutra. The road from Panchora to Goleipada village was repaired.

We organized one Eye camp and eye operation of 23 persons was organized. A free health check up camp was organized at Telighana UP School. Besides this, Hockey tournament, celebration of Independence & Republic day was done at Kandeimunda village. Several other cultural & social programmes were undertaken surrounding plant area. All such activities have created a social harmony.

Dividend

In view of on going expansion and requirement of funds, we do not recommend any dividend for the year. Equity shares of the company continue to be listed on Bombay stock exchange and Calcutta stock exchange. We sincerely express our thanks to all shareholders for imposing their faith in the company despite delay in implementation of the expansion plan.

Finance

We are thankful to Punjab National Bank for sanctioning Rs.70 crore term loan in the capacity of lead bank for the proposed expansion project. IDBI Bank has also sanctioned a term loan of Rs.45 crore but the same has not accepted due to variation in terms from the Lead Bank. However, none of the loan is availed due to deferment of expansion plan. A fresh proposal will be re-submitted considering the project cost escalation.

CARE rating have also assigned "CARE BBB" for long term bank facilities & "CARE A3" for short term bank facilities amounting to Rs.186.5 crore. This includes existing and proposed loan.

Fixed Deposits

Company has accepted deposits from public including share holders and employees within the meaning of section 58A of the Companies Act, 1956 and rules made there under and have duly complied with the provisions of the Companies (Acceptance of Deposits) Rules 1975.

Directors' Responsibility Statement

In terms of provisions of section 217(2AA) of the Companies Act, 1956, we confirm that :-

- ❖ Applicable accounting standards have been followed along-with explanations relating to material departures, wherever applicable.
- ❖ Directors have selected consistent & appropriate accounting policies in general. They made judgments and estimates as per reasonable and prudent practice. This will give a true and fair view of the state of affairs of company.

- ❖ Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of company. This is for preventing and detecting fraud and other irregularities.
- ❖ Directors have prepared the annual accounts on a going concern basis.

Directors

Mr. K. P. Jhunjhunwala, O. P. Goyal, & Mr. B. K. Mangaraj directors of your company retire from the board by rotation and being eligible for re-appointment.

Auditors/Cost Auditors

M/s. Tibrewal Chand & Co., chartered accountants, retire as auditors of the company at the conclusion of the ensuing Annual General Meeting. They have confirmed their eligibility and willingness to accept the office of the Auditors, if re-appointed.

In pursuance of section 233-B of the Companies Act, 1956, your directors had appointed M/s. Chatterjee & Co, Kolkata as the cost auditors to conduct cost audit of cement for the year 2013-14 with the approval of the Central Government.

Particulars of Employees

Particulars of employees as required u/s 217 (2A) of the Companies Act, 1956 are not given. None of the employees were in receipt of remuneration exceeding the limits specified therein.

Foreign Exchange Earnings and Outgo

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

Conservation of Energy, Technology Absorption

A statement containing necessary information, as required under the Companies (disclosure of particulars in report of board of directors) Rules, 1988 is annexed hereto in Annexure-"A".

Corporate Governance

Pursuant to Clause-49 of the listing agreement, report on Corporate Governance and the compliance certificate thereon from the auditors of the company is attached to this report.

Acknowledgements

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

Cautionary Statement

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

For and on behalf of the Board

Sd/-

R. P. Gupta

Managing Director

Rourkela-769 004

Dated : 30/05/2014

Annexure - A To The Directors' Report

FORM - A [See Rule - 2]

Form for Disclosure of Particulars with respect to Conservation of Energy

A. Power and Fuel Consumption

Particulars	31/03/2014	31/03/2013
1. Electricity		
a) Purchased		
Units (in Thousand)	6801.03	9459.52
Total amount (in Thousand)	44200.44	55815.60
Rate/Unit (including DPS)	6.50	5.90
b) Own Generation		
i) Through Diesel Generator		
Units (in Thousand)	13.62	68.47
Cost/Unit (Rs.)	44.75	32.64
ii) Through Steam Turbines Generator		
Units	N.A	N.A
Unit per Ltr. for Fuel oil Gas		
Cost/Unit.		
2. Coal		
Quantity (in Mt)	10873.13	14820.26
Total Cost (Rs. in Thousand)	40534.79	45963.55
Average Rate (Rs. Per Mt)	3727.98	3101.40
3. Diesel Oil		
Quantity (in K. Ltr)	122.00	140.61
Total Cost (Rs. in Thousand)	6620.53	5862.68
Average Rate (Rs. Per Litre)	54.27	41.69
4. Other/Internal Generation		
Quantity (in Mt)		
Total Cost (Rs. in Thousand)	N.A	N.A
Average Rate (Rs.)		

Consumption per unit of production (Cement & Surplus clinker)

Particulars	Standards if any	Current Year	Previous Year
Power Units Per Tonne		107.0	108.3
Coal Cons. (%)		17.08%	16.85%

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

- ❖ Power consumption has come down due to improved efficiency & benefit of capex.
- ❖ Coal consumption in quantitative terms is almost static. But the cost has gone up due to increase in cost of imported coal as reflected in value terms.

Annexure - A To The Directors' Report (contd..)

FORM - B [See Rule - 2]

Form for Disclosure of Particulars with respect to technology absorption
research and development (R&D) for the year ended 31/03/2014

A. Research & Development (R & D)	
❖ Specific areas in which R & D carried out by the Company	Use of low grade Limestone and General Improvement
❖ Benefits derived as a result of the above R & D	No specific Benefits
❖ Future Plan of action	Considering some major modifications in the plant in future expansion to reduce clinker consumption by 10% in terms of cement. To improve early strength of cement as per market demand
❖ Expenditure on R & D	No specific expenditure incurred on R & D
a) Capital	
b) Recurring	
c) Total	
d) Total R & D expenditure as a percentage of total turnover Technology absorption, adaptation and innovation	
B. Foreign Exchange Earnings Outgo	
	NIL
C. Technology Absorption, Adoption & Innovation	
The efforts towards technology absorption/adoption/innovation and corresponding benefits are summarized as under:-	
❖	Few balancing equipment were added for converting cement mill-1 to manufacture PPC cement in addition to PSC cement. Project is implemented in part.
❖	Raw mill & Coal mill capacity upgradation is almost completed.
❖	Raw mix blending system improvement is under progress.
❖	Pollution control equipment for crushing section were installed.
❖	Major repairs were undertaken on the existing Crusher (Primary).
❖	Liners and hammers of Secondary crusher were also replaced.
❖	Part replacement of Raw mill liner has been done.
❖	Cement mill-2 shell was repaired and hot liners were replaced.
❖	5 nos. of air slides were replaced with better efficiency.
❖	Road lighting arrangements were done afresh in plant & colony.
❖	Part development of mines was undertaken.
❖	Borehole work in the mines is continuing for assessment of Limestone deposit in the remaining area.
❖	Several concrete floors were built.
❖	New building for compressor room was built.
❖	Internal roads were constructed in part.
❖	Few colony quarters were renovated.
❖	Drainage system is partly improved.

Corporate Governance Disclosure

During the year ended 31/03/2014, in compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said Clause and practice followed by the Company.

❖ Company's Philosophy on Corporate Governance

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

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

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

❖ Board of Directors

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

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

The Composition of the Board of Directors is in conformity with the Corporate Governance Code. The composition as on 31st March, 2014 and brief resume of each Director is given below:-

Mr. Rajendra Prasad Gupta (Managing Director) :- He is an Industrialist and is one of the promoter of Shiva Cement Ltd, he is graduate engineer having **41** years business experience and more than **28** years in the cement Industry. He was present Vice Chairman of Western Zone of OASME (Orissa Assembly of Small & Medium Enterprises). He was Vice President of All India Mini Cement Plant Association, Hyderabad. He is an Executive advisor to OJC (Orissa, Chhatisgarh, Jharkhand) Chamber of Commerce. His inputs and guidance in the strategies for Company's growth ever since he was taken on the Board have been immense valuable.

Mr. Akash Gupta (Executive Director) :- He is a Commerce graduate (Gold Medallist) having business experience of over **17** years in marketing of cement. He is one of promoter of Shiva Cement Ltd.

Mr. B. K. Mangaraj :- He is a post Graduate Engineer having more than **31** years experience in the Mining of Limestone & other Minerals and more than **14** years experience in operation of Cement Plant. He was also awarded by the President of India in past. He has also worked with TISCO and BSL (SAIL subsidiary) in past.

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

Mr. K. P. Jhunjunwala :- He is a post Graduate Engineer having more than **44** years of experience in various business. He is one of the prominent industrialist in Orissa who has headed several large corporates.

Mr. O. P. Goyal :- He is a Chartered Accountant and has four decades of wide –ranging experience in paper and cement industry, heading various functional areas as Senior/ Executive/ Director of companies. He is on the Board of several large corporates including JK Papers Limited.

Sri Vivek Chawla is a B E Mining, He is having vast experience in cement industry. He is at present Chief Executive of ACC Ltd for East Zone. He is nominee director from ACC Ltd.

During the year the Board met 4 times (as against the minimum requirement of 4 meetings) on the following dates namely **31/05/2013, 13/08/2013, 11/11/2013 and 14/02/2014**.

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

Name	Category	Attendance Particulars		Number of other Directorship and Committee Member/ Chairmanships		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
R.P. Gupta	CMD	4	Yes	1	-	-
Akash Gupta	ED	4	Yes	1	-	-
B.K. Mangaraj	NED	3	Yes	-	-	-
Vivek Chawala	NED	-	No	3	-	-
D K Senapati	NED	-	No	-	-	-
K P Jhunjhunwala	NED	4	No	2	-	-
O P Goyal	NED	-	No	3	-	-

CMD : Chairman cum Managing Director, ED : Executive Director, NED : Non Executive Director.

Audit Committee

The Audit Committee constituted by the Board of Directors consist of 3 (Three) directors, namely Sri K P Jhunjhunwala, Chairman, Sri B.K. Mangaraj and Sri O.P Goyal as other members. The constitution of Audit committee also meets with the requirements of Section 292A of the Companies Act, 1956 as introduced by the Companies (Amendment) Act, 2000.

During the year Four Audit Committee meetings were held on the following dates including before finalisation of accounts and adoption of quarterly financial results by the Board. 30/05/2013, 12/08/2013, 08/11/2013, & 13/02/2014.

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

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

Remuneration Committee

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

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

Remuneration to Directors

Sri R. P. Gupta	Managing Director	Rs.125000/- pm
Sri Akash Gupta	Executive Director	Rs.75000/- pm
Sri B. K. Mangaraj	Director	Rs.70000/- pm

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 be paid to Nominee & Independent directors.

The Company pays sitting fees only to Independent Directors at the rate of Rs.5000/- for each meeting attended. Sitting fee paid to them for the year ended 31st March, 2014 is as follows :-

Sri K P Jhunjhunwala	Rs. 20000/-
----------------------	-------------

❖ Shareholders'/Investors' Grievance Committee

The Committee comprises of Sri R P Gupta, Chairman, Sri B. K. Mangaraj and Sri Akash Gupta. The Committee inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the share transfers. The Committee also looks into redressing of shareholders'/investors' complaints like transfer of shares, non receipt of balance sheet, non receipt of dividends, etc.

The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement of the quality of investor services. The Board of Directors have delegated the power for approving transfer of shares to Share Transfer committee constituted of three members i.e. Sri R. P. Gupta, Managing Director, Sri B. K. Mangaraj, Director and Sri Akash Gupta, Executive Director.

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

Activity	Received	Replied	Pending
Transfers effected	8	8	---
Transmission effected	1	1	---
Demat requests confirmed-NSDL & CDSL	39	39	---

Queries/Complaints resolved :

Activity	Received	Replied	Pending
Non receipt of share certificates after transfer/sub-division, consolidation etc.	6	6	---
Change of Address	7	7	---

❖ General Body Meeting

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

Year	Location	Date	Time
31/03/2011	P-25, Civil Township, Rourkela-4	27.06.2011	11.00 AM
31/03/2012	P-25, Civil Township, Rourkela-4	30.06.2012	11.00 AM
31/03/2013	P-25, Civil Township, Rourkela-4	01.07.2013	11.00 A M

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

❖ Disclosure

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

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

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

❖ Means of Communication

The Company's financial results (Quarterly, half-yearly and annual) are communicated to shareholders through newspaper advertisements issued in Indian Express/Business Standard (English, Bhubaneswar) and Sambad/Samaja (Oriya, Rourkela) within 24 hours of adoption thereof by the Board. The same are also circulated to Stock Exchanges where the shares of the Company are listed within 15 minutes of adoption thereof.

❖ General Shareholder information

a) AGM programme :

AGM date and time	
Venue	P-25, Civil Township, Rourkela-4, Orissa
Book closure	
Equity shares listed at	Bombay Stock Exchange Ltd & Calcutta Stock Exchange

b) Financial Calendar 2014-15 (tentative)

Annual General Meeting : June, 2015

Board Meetings

Results for the quarter ending June 30, 2014	Second Week of Aug'14
Results for the quarter ending Sep 30, 2014	Second Week of Nov'14
Results for the quarter ending Dec 31, 2014	Second Week of Feb'15
Results for the quarter ending Mar 31, 2015	Second Week of May'15

c) i) Scrip Code : Calcutta Stock Exchange 10029983
Bombay Stock Exchange 532323

ii) Demat ISIN Numbers

in NSDL & CDSL Equity Shares INE555C01029

(Note: Annual listing fees for the year 2013-14 have been duly paid to all the above Stock Exchanges)

d) Stock Market Data :

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

Month	BSE				
	High	Low	Cl. price	No. of Shares Traded	Total Turnover (Rs. Lacs)
Apr'13	3.24	2.50	3.22	8569634	247.60
May'13	3.73	2.88	2.97	9425788	308.36
Jun'13	3.46	2.50	2.62	7147712	201.86
Jul'13	2.89	2.35	2.41	6709645	178.91
Aug'13	2.70	2.01	2.09	5136882	121.05
Sep'13	2.57	2.02	2.32	4985638	114.59
Oct'13	2.50	2.11	2.21	5616650	127.81
Nov'13	2.48	2.17	2.23	5234566	119.64
Dec'13	2.52	1.91	2.46	5223869	116.17
Jan'14	2.68	2.02	2.19	5839783	138.15
Feb'14	2.32	2.01	2.12	5065100	107.56
Mar'14	2.33	1.95	2.02	8129804	175.49

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

1. Share Transfer system :

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

2. Dematerialisation of shares :

The Company's equity shares are admitted as eligible securities on National Securities Depository Ltd. and Central Depository Services (I) Ltd. under ISIN No. INE555C01029. As on 31st March, 2014, 186125964 equity shares representing 99.53% of the total paid up share capital of the Company are held by shareholders in electronic form.

Distribution of Shareholding :

Category (No. of shares)	No. of Folios	%	No. of Shares	%
1-500	21567	58.54	2628533	1.40
501-1000	5638	15.30	3540310	1.89
1001-5000	7998	21.71	14360753	7.68
5001-10000	838	2.28	5534766	2.96
10001-50000	659	1.79	12278600	6.57
50001-100000	66	0.18	4446558	2.38
100001 & above	73	0.20	144210480	77.12
Total	36839	100.00	187000000	100.00

Shareholding Pattern

Category	No. of Shares	% of holdings
Promoters & Promoters Group	69467792	37.15
Financial Institutions & Banks	206083	0.11
NRI/OCB's	1414583	0.76
Bodies Corporate	69277799	37.05
Public	43844495	23.45
Others(Clearing Member/Trusts)	2789248	1.49
Total	187000000	100.00

Note : ACC Ltd is holding 236.50 lakh no. of shares which is being included in the Bodies Corporate category.

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

Declaration regarding Code of Conduct

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

Rourkela - 769 004
The 30th day of May 2014

For Shiva Cement Limited
Sd/-
(Managing Director)

CEO/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 2014 and that to the best of our knowledge and belief, we state that ;

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

For Shiva Cement Limited

Rourkela-769 004
The 30th day of May, 2014

Sd/-
(Managing Director)

Compliance Certificate on Corporate Governance

To

The Board of Directors of Shiva Cement Limited

We have examined the compliance of conditions of Corporate Governance by Shiva Cement Limited for the year ended 31st March, 2014 as stipulated in Clause- 49 of the Listing Agreement of the said company with Stock Exchanges in India.

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

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

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

Rourkela
Dated : 30th day of May, 2014

For Tibrewal Chand & Co.,
Chartered Accountants
FRN : 311047E
Sd/-
CA- R. Tibrewal
Membership No. 050127
Partner

Independent Auditor's Report

**To the Members of
Shiva Cement Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Shiva Cement Limited ("the Company"), which comprise the Balance sheet as at March 31, 2014 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principle generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014 ;
- b) In the case of the statement of Profit and Loss of the profit of the Company for the year ended on that date ; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report On Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For Tibrewal Chand & Co.,
Chartered Accountants
[FRN 311047E]
CA- R. Tibrewal
Partner
M. No. 050127

Place - Rourkela
Date : 30th day of May, 2014

Annexure to Auditors' Report referred to in Paragraph (1) of our Report of even date to the members of Shiva Cement Limited on the Accounts for the year ended 31st March, 2014.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. (a) The Inventories have been physically verified during the year by the Management, at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of Inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained proper records of inventories and the discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.
3. (a) The Company has not given any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, provision of Clause 3(b) to 3(d) are not applicable to the company for the year under the report.
- (b) The Company has taken Unsecured Loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956. The total number of parties involved is one. The maximum amount involved during the year was Rs. 329.00 Lakhs and the yearend balance was Rs. 329.00 Lakhs.
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from parties covered in the register maintained u/s 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the Company.
- (d) The repayment and receipt of the principal amounts and interest on the loans taken by the Company are regular as stipulated.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 :
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts/arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5.00 lakhs in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
6. The Company has accepted deposits within the meaning of Section 58A of the Companies Act, 1956. With regard to the deposits accepted, the company has duly complied with the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has an adequate internal audit system commensurate with its size & nature of its business.
8. The Central Government has prescribed maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956 in respect of cement manufacturing activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues :-
 - (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed Statutory dues including Investor Education & Protection fund, Wealth tax, Custom duty, Excise duty, Service tax, Cess and other material statutory dues as applicable with appropriate authorities.
 - (b) According to the Books and records as produced and examined by us and also based on management representations, we are of the opinion that no undisputed amounts payable in respect of Investor Education & Protection Fund, Income Tax, Sales Tax, Wealth Tax, Custom duty, Excise duty, Service Tax and Cess duty were in arrears as at 31st March, 2014 for a period of

more than Six months from the date they become payable.

(c) Details of dues of Sales tax, Entry Tax & Income Tax which have not been deposited as on 31st March 2014 on account of disputes are given below :-

Name of the Statute	Nature of dues	Amt. under Dispute (Rs.Lacs)	Period to which Amt. Relates	Forum where the Dispute is pending
Orissa Sales Tax Act	Sales Tax	140.87	1992-93 to 2004-05	Appellate Authority upto Commissioner's level
Orissa Sales Tax Act	Sales Tax	47.25	1995-96	High Court
Central Sales Tax Act	CST	3.28	1998-99 to 2004-05	Appellate Authority upto Commissioner's level.
Central Sales Tax Act	CST	8.69	1995-96	High Court
Orissa Entry Tax Act	Entry Tax	9.12	1999-00 to 2004-05	Appellate Authority upto Commissioner's level.
Orissa Entry Tax Act	Entry Tax	2.94	2008 to 2011	Appellate Authority upto Commissioner's level.
Income Tax Act	Tax Deducted At Source	307.11	2008 to 2012	Commissioner of Income Tax (Appeals)
TOTAL		519.26		

10. The Company does not have any accumulated losses at the end of the financial year. The company has not incurred cash losses during the current and immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in the repayment of loans to any financial institution or bank. The Company does not have any debentures during the year.
12. In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The company is not dealt or traded in shares, securities, debentures and other investments, hence the provisions relating to maintenance of records are not applicable.
15. According to the explanations given to us and based on the information available, the company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
16. According to the information and explanations given to us and records examined by us, we are of the opinion that the company has applied the term loans for the purpose for which they were obtained.
17. According to the information and explanations given and on an overall examination of the Balance Sheet of the Company, we are of the opinion that funds raised on short term basis have not been used for long term investments by the company. No long term funds have been used to finance short term assets except core working capital.
18. The company has not made any preferential allotment of shares to parties covered in the register maintained under Section 301 of the Companies Act, 1956 during the year under report.
19. The company has not issued any debentures during the year under report.
20. The company has not raised any money by means of public issue during the year, hence the clause is not applicable.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

For Tibrewal Chand & Co.,
Chartered Accountants
FRN : 311047E
Sd/-
CA- R. Tibrewal
Partner
M. No. 050127

Rourkela-769004
Date : 30th day of May, 2014

BALANCE SHEET
(As at 31st March 2014)

[Rs. in Lakhs]

Particulars	Note No.	31/03/2014	31/03/2013
EQUITY AND LIABILITIES			
Shareholder's Fund			
Share Capital	[2]	3,968.94	3,968.94
Reserves & Surplus	[3]	5,741.33	5,491.20
		9,710.28	9460.14
Non-current Liabilities			
Long-term Borrowings	[4]	791.37	418.41
Deferred Tax Liabilities (net)	[26]	704.01	580.96
Other long-term liabilities	[5]	879.82	793.27
Long-term Provisions	[6]	77.78	59.38
		2,452.98	1,852.01
Current Liabilities			
Short-term Borrowings	[7]	1,695.73	1,493.78
Trade Payables	[8]	470.02	202.40
Other Current Liabilities	[9]	729.02	459.12
Short-term Provisions	[10]	117.59	119.28
		3,012.37	2,274.58
Total		15,175.62	13,586.74
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	[11]	6,612.15	6,851.91
Capital work-in-progress		3,688.29	2,863.33
Intangible assets under development		45.72	45.72
		10,346.16	9,760.96
Non-current Investments	[12]	0.07	0.07
Long term loans and advances	[13]	716.45	615.59
Others	[14]	91.07	124.52
		807.52	740.11
Current Assets			
Inventories	[15]	2,122.24	1368.29
Trade receivables	[16]	1,250.02	912.12
Cash & cash equivalents	[17]	130.93	140.49
Short-term loans and advances	[18]	518.68	664.71
		4,021.87	3,085.61
Total		15,175.62	13,586.74
Significant Accounting Policies and Notes on Financial Statements	[1 to 27]		

As per our report of even date

For **Tibrewal Chand & Co.**

Chartered Accountants

Firm Regn. No : 311047E

Sd/-

CA R. Tibrewal**Partner**

Membership No. 050127

For and on behalf of the Board of Directors

Sd/-

R P Gupta, **MD**Akash Gupta, **ED**B K Mangaraj, **Director**K K Giri, **Company Secretary****Rourkela - 769 004**The 30th day of May, 2014

STATEMENT OF PROFIT & LOSS
(For the year ended 31st March, 2014)

[Rs. in Lakhs]

Particulars	Note No.	31/03/2014	31/03/2013
INCOME			
Revenue from operations (gross)	[19]	7,211.46	6,674.67
Less: Excise Duty & Taxes	[19]	913.36	1,004.30
Revenue from operations (net)		6,298.10	5,670.37
Other Income	[20]	38.78	40.32
Total revenue		6,336.88	5,710.69
EXPENSES			
Cost of materials (net)	[21.a]	5,201.64	3,626.61
Changes in inventories	[21.b]	(932.25)	(197.17)
Employee Benefits Expense	[22]	270.72	268.90
Finance costs	[23]	339.70	341.04
Depreciation and amortisation expense	[11]	288.04	354.40
Other expenses	[24]	795.85	924.73
Total expenses		5,963.70	5,318.50
Profit before exceptional and extraordinary items and tax		373.18	392.19
Exceptional items		-	-
Profit before extraordinary items and tax		373.18	392.19
Extraordinary items		-	-
Profit Before Tax		373.18	392.19
Tax Expense			
Current tax expense for current year		74.67	78.47
Less MAT credit		(74.67)	(78.47)
Deffered tax		123.05	127.25
		123.05	127.25
Profit for the year		250.13	264.94
Earnings per equity share of face value of Rs.2/- each			
Basic (in Rs.)	[25]	0.13	0.14
Diluted (in Rs.)	[25]	0.13	0.14
Significant Accounting Policies and Notes on Financial Statements	[1 to 27]		

As per our report of even date

For **Tibrewal Chand & Co.**Chartered Accountants
Firm Regn. No : 311047E

Sd/-

CA R. Tibrewal
Partner

Membership No. 050127

Rourkela - 769 004The 30th day of May, 2014

For and on behalf of the Board of Directors

Sd/-

R P Gupta, **MD**Akash Gupta, **ED**B K Mangaraj, **Director**K K Giri, **Company Secretary**

CASH FLOW STATEMENT
(For the year ended 31st March, 2014)

[Rs. in Lakhs]

Particulars	31/03/2014	31/03/2013
A. Cash Flow from Operating Activities		
Net Profit before extraordinary items and tax	373.18	392.19
Adjustments for :		
Depreciation and amortisation	288.04	354.40
Finance costs	339.70	341.04
Interest income	(18.79)	(18.42)
Dividend income	(0.01)	(0.01)
Rental income from investment properties	(14.40)	(14.40)
Other Income	(5.59)	(7.49)
	588.96	655.11
Operating profit before changes in operating assets & liabilities	962.14	1,047.30
Adjustments for :		
Inventories	(753.95)	(270.65)
Trade & Other Receivables	(218.08)	(106.45)
Trade Payables	534.61	(249.35)
Bank Borrowings-short term	201.95	251.61
	(235.46)	(374.84)
Cash Generated from Operations	726.68	672.46
Direct tax paid	(78.47)	(60.74)
Net Cash Flow From operating activities (A)	648.21	611.72
B. Cash Flow From Investing Activities		
Capital expenditure on fixed assets, including capital advances	(835.79)	(949.65)
Deferred finance expenses	(4.00)	-
Interest received	18.79	18.42
Dividend received	0.01	0.01
Rental Income	14.40	14.40
Other Income	5.59	7.49
Net Cash Flow used in Investing activities (B)	(801.00)	(909.33)
C. Cash Flow From Financing Activities		
Proceeds from issue of equity shares (incl. premium)	-	516.30
Redemption of Preference Shares	-	(9.63)
Net Increase / (Decrease) in Public Deposits	(0.21)	25.06
Net Increase / (Decrease) in Share Warrants	-	(153.25)
Net Increase / (Decrease) in Long Term borrowings	396.60	248.20
Net Increase / (Decrease) in Long Term Liabilities	86.55	16.87
Finance costs	(339.70)	(341.04)
Net Cash flow from financing activities (C)	143.24	302.51
Net (Increase)/decrease in cash and cash equivalents (A+B+C)	(9.56)	4.90
Cash and Cash equivalents at the beginning of the year	140.49	135.58
Cash and cash equivalents at the end of the year *	130.93	140.49
* Comprises :-		
(a) Cash on hand	2.33	1.21
(b) Balances with banks		
(i) In current accounts	6.14	1.45
(ii) In earmarked accounts (Refer Note (ii) below)	122.46	137.83
Notes :		
(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.		
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.		

As per our report of even date
For **Tibrewal Chand & Co.**
Chartered Accountants
Firm Regn. No :311047E
Sd/-
CA- R.Tibrewal
Partner
Membership No.050127

For and on behalf of the Board of Directors

Sd/-
R P Gupta, **MD**
Akash Gupta, **ED**
B K Mangaraj, **Director**
K K Giri, **Company Secretary**

Rourkela - 769 004
The 30th day of May, 2014

Significant Accounting Policies & Notes on Financial Statements for the year ended 31st March 2014**Note - 1 [Significant Accounting Policies]****Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.

Use of Estimates

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

Fixed Assets

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

Intangible Assets

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

Depreciation & Amortization

Depreciation is provided on all depreciable assets on straight line method at the rates prescribed in schedule XIV of the Companies Act, 1956 as amended from time to time on prorata basis.

Deferred revenue expenses has been written off 1/10th during the year on prorata basis.

Impairment of Assets

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

Investments

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

Inventories

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

Revenue recognition

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

Interest

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

Dividends

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

Employee Benefits

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

Borrowing costs

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

Current and deferred tax

Provision for current tax is made after taking into consideration benefit admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from timing difference between taxable and accounting income is accounted for using the tax rate and loss that are enacted as on the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

Provisions, contingent liabilities & contingent assets

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

Segment Reporting

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

Note - 2 [Share Capital]

Particulars	[Rs. in Lakhs]			
	31/03/2014		31/03/2013	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity shares of Rs.2/- each	22,87,50,000	4,575.00	22,87,50,000	4,575.00
9% Non Cumulative Redeemable preference shares of Rs.2/- each	12,50,000	25.00	12,50,000	25.00
Issued, Subscribed and fully paid up				
Equity shares of Rs.2/- each	18,70,00,000	3,740.00	18,70,00,000	3,740.00
9% Non Cumulative Redeemable preference shares of Rs.2/- each, fully paid of which Re 0.80 per share redeemed (refer note.3(ii) (b))	12,03,665	14.44	12,03,665	14.44
		3,754.44		3,754.44
Share/Warrants Forfeiture Account	1,95,00,000	214.50	1,95,00,000	214.50
Total		3,968.94		3,968.94

Refers Notes (i) to (v) below

[Rs. in Lakhs]

Note-2 [Share Capital Cont'd..]

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

Particulars	Opening Balance	Redemption of Preference Shares	Bonus	Conv. of Eq. share warrants into Eq. shares	Closing Balance
Equity Shares					
Year ended 31 March, 2014					
Number of shares	18,70,00,000	-	-	-	18,70,00,000
Amount	3,740.00	-	-	-	3,740.00
Year ended 31 March, 2013					
Number of shares	18,15,00,000	-	5,00,000	50,00,000	18,70,00,000
Amount	3,630.00	-	10.00	100.00	3,740.00
Non Cumulative Redeemable Preference Shares					
Year ended 31 March, 2014					
Number of shares	12,03,665	-	-	-	12,03,665
Amount	14.44	-	-	-	14.44
Year ended 31 March, 2013					
Number of shares	12,03,665	-	-	-	12,03,665
Amount	24.07	9.63	-	-	14.44

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

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

The company has only one class of Preference Shares. These shares carry non cumulative dividend @ 9% These NCRP Shares are redeemable in four installments by 2014-15 (out of which 40% has been redeemed) with an option to the holders & the company to mutually alter and vary the terms of these NCRP's before and after their allotment.

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

Class of shares / Name of shareholder	31/03/2014		31/03/2013	
	No. of shares held	% holding in that class	No. of shares held	% holding in that class
Equity shares				
ACC Ltd.	2,36,50,000	12.65%	2,36,50,000	12.65%
Unicon Merchants (P) Ltd.	2,06,17,549	11.03%	2,06,17,549	11.03%
Akash Gupta	1,11,39,444	5.96%	1,11,39,444	5.96%
Non Cumulative Redeemable preference shares				
IPICOL Ltd.	8,62,777	71.68%	8,62,777	71.68%
Bank of Baroda	3,40,888	28.32%	3,40,888	28.32%

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

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

(v) Details of forfeited shares/warrants

Class of shares	31/03/2014		31/03/2013	
	No. of Shares	Amt. originally paid up	No. of Shares	Amt. originally paid up
Equity share warrants	1,95,00,000	214.50	1,95,00,000	214.50

Note-3 (Reserves and Surplus)

[Rs. in Lakhs]		
	31/03/2014	31/03/2013
Capital reserve		
Opening balance	597.81	597.81
Closing balance	597.81	597.81
Securities premium account		
Opening balance	4,920.68	4,514.38
Add: premium on equity shares issued during the year (upon conversion of ESW)	-	450.00
Less: Utilised during the year for Issuing bonus shares	-	10.00
Utilised during the year for Redemption of Preference Shares	-	33.70
Closing balance	4,920.68	4,920.68
Surplus in Statement of Profit and Loss		
Opening balance	(27.29)	(292.23)
Add: Net Profit for the year	250.13	264.94
Closing balance	222.84	(27.29)
G. Total	5,741.33	5,491.20

Note-4 (Long-term borrowings)

Particulars	31/03/2014		31/03/2013	
	Non-Current Portion	Current maturities	Non-Current Portion	Current maturities
(i) Secured				
(a) Term Loans				
From Banks				
Bank of Baroda, Main Branch, Rkl	1.82	2.68	4.26	2.36
ICICI Bank Ltd	6.46	14.14	-	-
From Financial Institutions				
IPICOL Ltd	-	-	-	11.55
Tata Capital Financial Services Ltd	183.63	81.61	265.24	61.21
	191.91	98.43	269.50	75.12
(ii) Unsecured				
Public Deposits*	175.46	101.05	148.91	127.81
Religare Finvest Ltd.	-	13.35	-	-
Tata Capital Financial Services Ltd.	-	13.52	-	-
Body Corporates	424.00	-	-	-
	599.46	127.91	148.91	127.81
G. Total	791.37	226.35	418.41	202.93

* Note - Public deposits includes Rs.7.82 Lakhs (Previous year Rs.7.64 Lakhs) from related parties.

(iii) Details of Security and Terms of repayment of Loans are as under :

- The Term loan from Bank of Baroda is secured by the hypothecation of car Scorpio and personal guarantee of Directors (Mr. R.P.Gupta and Mr. Akash Gupta) as specified in the loan agreement executed on 15-11-2011. The loan is repayable in 48 monthly installments of Rs.0.24 Lakhs each. It carries floating rate of interest @ 12.5%. The period of maturity as on Balance Sheet date is 1 years 8 months.
- The Term Loan from ICICI Bank Ltd carries interest @ 13.25% (floating) p.a. The loan is repayable in 23 EMI of Rs. 1.34 Lakh along with interest, from Oct, 2013. The loan is secured by first & exclusive charge on Vehicles, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 24/09/2013. The period of maturity as on Balance Sheet date is 17 months.
- The Term loan from Tata Capital Financial Services Ltd. are :
Term Loan-1 from Tata Capital Financial Services Ltd. carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 6.83 Lakhs and 1 installment of Rs 6.83 Lakhs) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is 3 years 15 days.

Term Loan-2 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 6.76 Lakhs and 1 installment of Rs 6.77 Lakhs) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is 3 years 15 days.

Term Loan-3 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 3.04 Lakhs and 1 installment of Rs 3.04 Lakhs) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is 3 years 15 days.

Term Loan-4 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 3.77 Lakhs and 1 installment of Rs 3.77 Lakhs) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments purchased/to be purchased out of the funds of term loan sanctioned, personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is 3 years 15 days.

- (d) Term Loan from Religare Finvest Ltd carries interest @ 18 % p.a. The loan is repayable in 12 EMI of Rs 4.58 Lakhs along with interest, from 1st July, 2013 as per agreement dated 27/09/2013. The period of maturity as on Balance Sheet date is 3 months.
- (e) Term Loan from Tata Capital Financial Services Ltd carries interest @ 18% p.a. The loan is repayable in 12 EMI of Rs.2.37 Lakhs along with interest, from Oct, 2013. The period of maturity as on Balance Sheet date is 6 months.
- (f) Unsecured loans from bodies corporate carries interest @ 12% applicable from April 2014 and are repayable after 12 months.

(iv) Public deposits carries interest rate between 9.75% to 11.5% having maturity period of 6 months to 3 years. The maturity periods of deposits are as under

Financial Year	Rs. in Lakhs
2014-15	101.05
2015-16	99.78
2016-17	75.68
Total	276.51

Note-5 (Other long-term liabilities)

	[Rs. in Lakhs]	
	31/03/2014	31/03/2013
(i) Trade / security deposits received (refer note 5(iii))	851.55	765.52
(ii) Other Liabilities	28.27	27.74
Total	879.82	793.27
(iii) Private companies in which any director is a director or member (Refer Note 27.4)	210.00	-
Total	210.00	-

Note-6 (Long-term provisions)

	31/03/2014		31/03/2013	
	Non-Current Portion	Current Portion	Non-Current Portion	Current Portion
(i) Provision for employee benefits:				
(a) Provision for gratuity (net) (Refer Note 27.13)	77.78	17.30	59.38	29.26
Total	77.78	17.30	59.38	29.26

[Rs. in Lakhs]		
Note-7 (Short-term borrowings)		
	31/03/2014	31/03/2013
(i) Secured		
Working Capital Loan		
From Banks : IDBI Bank Cash credit A/c	1,695.73	1,493.78
Total	1,695.73	1,493.78
Notes:		
(ii) (a) The above working capital loan is secured against hypothecation of stocks and book debts of the company and second charge on entire movable and immovable fixed assets of the company, as per sanction letter dated 05th Feb, 2014. The loan is further secured by lien over fixed deposits of Rs. 55 lacs, pledge of 5 lacs equity shares by the promoters and personal guarantee of promoter directors of the company. The loan is repayable on demand and carries interest @ 15 % (BBR+4.75%) p.a.		
Note-8 (Trade payables)		
Trade payables:		
(i) Micro, Small & Medium Enterprises	55.83	16.30
(ii) Others	414.20	186.10
Total	470.02	202.40
Disclosure of Trade Payables under current liabilities is based on the information available with the company/firm regarding the status of suppliers as defined under the Micro, Small & Medium Enterprises Development Act, 2006. Amount overdue as on 31st March, 2014 to Micro & Small Enterprises on account of Principal Amount Rs. nil(Previous Year Rs.Nil) and interest Rs. Nil (Previous year Rs. Nil)		
Note-9 (Other current liabilities)		
(i) Current maturities of long-term debt (Refer Note 9 (iv) below)	226.35	202.93
(ii) Interest accrued but not due on borrowings	38.09	33.95
(iii) Other payable		
(a) Statutory remittances	166.79	97.21
(b) Interest accrued on others	23.33	10.85
(c) Advances from customers	50.77	22.07
(d) Creditors for expenses & Others	223.70	92.11
Total	729.02	459.12
Note-9 (iv): Current maturities of long term debt (Refer Notes (i) and (ii) in Note 4 - Long term borrowings for details of security and guarantee):		
Secured		
(a) Term loans		
From banks & Financial Institution	98.43	75.12
Unsecured		
(b) Public Deposits	101.05	127.81
(c) Financial Institutions & others	26.86	-
Total	226.35	202.93
Note-10 (Short-term provisions)		
(i) Provision for employee benefits:		
(a) Provision for bonus	29.59	15.24
(b) Provision for gratuity	17.30	29.26
	46.89	44.50
(ii) Provision - Others :		
(a) Provision for tax (Net of TDS & TCS Rs.3.96 Lakhs (As at 31 March, 2013 Rs.3.69 Lakhs)	70.71	74.78
	70.71	74.78
Total	117.59	119.28

Note-11 [Tangible Assets]

[Rs. in Lakhs]

Tangible Assets	Gross Block			Accumulated depreciation and impairment			Net Block	
	As at 01/04/2013	Additions	As at 31/03/2014	As at 01/04/2013	Depreciation for theyr.	As at 31/03/2014	As at 31/03/2014	As at 31/03/2013
Land & mines	761.84	-	761.84	-	-	-	761.84	761.84
Buildings own use	1,592.52	-	1,592.52	353.34	24.49	377.83	1,214.69	1,239.18
Internal Road	3.62	-	3.62	0.76	-	0.76	2.87	2.87
Plant and Equipment	6,570.85	-	6,570.85	2,447.86	177.36	2,625.21	3,945.64	4,122.99
Pollution Control Equip.	191.62	-	191.62	84.39	5.14	89.53	102.08	107.22
Truck/Loader/Tipper	111.39	-	111.39	92.32	12.60	104.92	6.47	19.06
Furniture and Fixtures	68.69	2.44	71.13	30.12	3.72	33.84	37.29	38.57
Vehicles	41.60	0.58	42.18	18.64	3.35	21.98	20.19	22.96
Computers	41.05	7.81	48.86	30.70	6.91	37.61	11.25	10.35
Elect.Instn./DG Set	699.62	-	699.62	172.75	17.02	189.77	509.85	526.86
Total	10,082.79	10.82	10,093.62	3,230.88	250.59	3,481.46	6,612.15	6,851.91
Prev. Year	10,017.79	65.00	10,082.79	2,914.23	316.64	3,230.88	6,851.91	7,103.55

Note :

- (i) Depreciation on Plant & Machinery, Elect. Instn./ DG Set and Pollution Control Equipment has not been provided for 218 days on clinker unit and 66 days on Cement plant on which respective units/items were not used due to operational shutdown of the respective units for maintenance/ other purposes.
- (ii) The land at Kalunga on which Factory has been built is taken on 90 years lease from Industrial Developments Corporation of Orissa. The land at Teleghana on which factory has been built is taken on 90 years lease from Orissa Industrial Infrastructure Development Corporation.
- (iii) The Kalunga plant of the company was closed since 27th September, 2002, hence no depreciation is charged over it.

Note-12 (Non-current investments)

	31/03/2014	31/03/2013
Non Trade investment (Quoted)		
(i) Investment in mutual funds		
UTI Master Gain (500)	0.07	0.07
Total	0.07	0.07
Aggregate market value of listed and quoted investments	0.06	0.30

Note-13 (Long-term loans and advances)

	31/03/2014	31/03/2013
Unsecured, considered good		
(i) Capital advances	347.21	320.77
(ii) Security deposits (Refer Note 13(iv))	8.51	8.76
(iii) MAT credit entitlement	360.73	286.06
G. Total	716.45	615.59
Note: Security Deposits include amounts paid to		
(v) Director (Refer Note 27.4)	1.00	1.00
Total	1.00	1.00

Note-14 (Other non-current assets)

(i) Unamortised expenses : Deferred revenue expenditure	91.07	124.52
Total	91.07	124.52

Note-15 (Inventories) (At lower of cost and net realisable value)		
[Rs. in Lakhs]		
	31/03/2014	31/03/2013
(i) Raw materials	274.00	471.76
(ii) Work-in-progress	97.59	233.65
(iii) Finished goods / Stock-in-Trade	1,205.94	137.63
(iv) Stores and spares (at weighted average cost)	544.71	525.25
Total	2,122.24	1,368.29
Note: Details of inventory of work-in-progress		
Clinker	53.24	204.95
Raw Mix	34.45	22.93
Crushed Lime Stone	9.90	5.76
	97.59	233.65
Note-16 (Trade receivables)		
(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	59.14	28.97
Doubtful	41.40	41.40
	100.53	70.37
(ii) Other Trade receivables (Unsecured, considered good)	1,149.49	841.75
G. Total	1,250.02	912.12
Note-17 (Cash and cash equivalents)		
(i) Cash on hand	2.33	1.21
(ii) Balances with banks		
(a) In current accounts	6.14	1.45
(b) In earmarked accounts*		
- Balances in fixed deposit a/c held as margin money or security against borrowings, guarantees and other commitments	122.46	137.83
Total	130.93	140.49
(iii) Fixed deposits with banks includes deposits of Rs.68.43 Lakhs (Previous year Rs. 96.19 Lakhs) with maturity of more than 12 months as on the balance sheet date.		
(iv) Fixed Deposit with bank includes accrued interest Rs. 18.05 Lacs (Previous Year Rs. 13.71 Lakhs)		
Note-18 (Short-term loans and advances) :Unsecured, Considered good		
(i) Loans and advances to related parties [Refer Note 18 (vii)]	15.00	15.00
(ii) Security Deposits (others)	72.46	118.79
(iii) Loans and advances to employees	4.45	2.10
(iv) Prepaid expenses	7.38	8.43
(v) Balances with government authorities	104.98	99.74
(vi) Others *	314.41	420.64
Total	518.68	664.71
* Other Advances including cash earmarked for FDR of Rs. 9.00 Lakhs in terms of Companies (Acceptance of Deposits) Rule 1975.		
Note : Short-term loans and advances include security deposit given to:		
(vii) Private companies in which any director is a director or member.(Refer Note 27.4)	15.00	15.00
Note-19 (Revenue from operations)		
(i) Sale of products (Refer Note 19(iii) below)	7,211.46	6,674.67
(ii) Less:Excise duty & Sales Tax	913.36	1,004.30
Total	6,298.10	5,670.37
19 (iii) Sale of products comprises		
Cement	2,810.60	3,397.09
Clinker	41.07	123.57
Self Consumption	15.41	43.32
Others	4,344.38	3,110.69
Total-Sale of products	7,211.46	6,674.67

	[Rs. in Lakhs]	
	31/03/2014	31/03/2013
Note-20 (Other income)		
(i) Interest income (Refer Note 20 (iv) below)	18.79	18.42
(ii) Dividend income : from long-term investments	0.01	0.01
(iii) Other non-operating income (Refer Note 20 (v) below)	19.99	21.89
Total	38.78	40.32
20 (iv) Interest income comprises:		
Interest from bank on deposits	18.79	18.42
Total-interest income	18.79	18.42
(v) Other non-operating income comprises:		
Tipper Rent	12.00	12.00
Rental income	2.40	2.40
Misc. income	5.59	7.49
Total-Other non-operating income	19.99	21.89
Note 21.a (Cost of materials)		
Opening stock	449.03	591.25
Add: Purchases (Net)	5,017.42	3,484.40
	5,466.45	4,075.64
Less: Closing stock	264.81	449.03
Cost of material	5,201.64	3,626.61
Material comprises:		
Limestone	175.08	233.35
Clay	1.27	0.79
Additives	1.79	1.69
Gypsum / Fly Ash	105.29	80.19
Slag	167.44	470.82
Packing Materials	122.68	135.04
Coal	405.35	517.65
Clinker	1,552.71	96.24
Others	2,670.02	2,090.83
Total	5,201.64	3,626.61
Note.21.b. (Changes in inventories of finished goods, work-in-progress & stock in trade)		
Inventories at the end of the year:		
Finished goods / Stock-in-Trade	1,205.94	137.63
Work-in-progress	97.59	233.65
	1,303.53	371.28
Inventories at the beginning of the year:		
Finished goods / Stock-in-Trade	137.63	42.72
Work-in-progress	233.65	131.39
	371.28	174.11
Net (increase)/decrease	(932.25)	(197.17)
Note-22 (Employee benefits expense)		
Salaries and wages	229.75	236.27
Gratuity	12.50	7.58
Contributions to provident and other funds	25.94	24.13
Staff welfare expenses	2.53	0.92
Total	270.72	268.90
Note-23 (Finance costs)		
Interest paid to Bank	235.36	208.66
Interest on Term Loan	18.80	32.58
Interest to Others	85.54	99.80
Total	339.70	341.04

	[Rs. in Lakhs]	
	31/03/2014	31/03/2013
Note-24 (Other expenses)		
24 (i) MANUFACTURING & OTHER DIRECT EXPENSES		
Power and fuel	448.10	580.50
Stores & Spares Consumed	54.50	75.35
Labour Charges	65.40	63.66
Repairs & Maintenance	30.52	24.53
24 (ii) ADMINISTRATIVE & OTHER EXPENSES		
Rent including lease rentals	2.64	2.64
Repairs and maintenance - Vehicle	16.74	15.45
Insurance	3.77	3.36
Travelling and conveyance	18.17	10.45
Freight Forwarding and Distributions	50.83	2.06
Sales commission & Discount	29.17	27.35
Cost/Stock Audit Fees & Expenses	0.42	0.41
Other Administrative Expenses	73.11	116.32
Payments to auditors (Refer Note 24 (i) below)	2.49	2.65
Total	795.85	924.73
24 (iii) Payments to the auditors comprises		
As auditors - statutory audit	1.40	1.40
Tax Audit Fees	0.30	0.30
Income Tax Returns	0.25	0.25
Certification Work & Others	0.54	0.70
Total	2.49	2.65
Note-25 (Disclosures under Accounting Standards)		
Earnings per share		
Basic		
Net profit/(loss) for the year from continuing operations	250.13	264.94
Less: Preference dividend and tax thereon	-	-
Net profit for the year attributable to the equity shareholders	250.13	264.94
Weighted average number of equity shares	18,70,00,000	18,60,95,890
Face value per share	2.00	2.00
Earnings per share from continuing operations - Basic	0.13	0.14
Diluted		
Net profit/(loss) for the year from continuing operations	250.13	264.94
Less: Preference dividend and tax thereon	-	-
Net Profit/(loss) for the year attributable to equity shareholders from continuing operation	250.13	264.94
Weighted average number of equity shares for Basic EPS	18,70,00,000	18,60,95,890
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	18,70,00,000	18,60,95,890
Face value per share	2.00	2.00
Earnings per share, from continuing operations - Diluted	0.13	0.14

Note-26 (Disclosures under Accounting Standards)

			[Rs. in Lakhs]	
			31/03/2014	31/03/2013
27	Deferred tax (liability) / asset			
	Tax effect of items constituting deferred tax liability			
	On difference between book balance and tax balance of fixed assets		(1,107.40)	(1,069.43)
	Tax effect of items constituting deferred tax liability		(1,107.40)	(1,069.43)
	Tax effect of items constituting deferred tax assets			
	Provision for compensated absences, gratuity and other employee benefits		30.84	28.76
	Unabsorbed depreciation carried forward		372.54	459.72
	Tax effect of items constituting deferred tax assets		403.39	488.48
	Net deferred tax (liability) / asset		(704.01)	(580.96)

Note-27 (Additional information to the financial statements)

Particulars		Period	31/03/2014		31/03/2013	
			Demand	Paid under Protest	Demand	Paid under Protest
27.1	Contingent liabilities not provided for					
(i)	Orissa Sales Tax					
		1995-96	47.25	8.00	47.25	8.00
		1992-93 to 1995-96	9.99	4.35	9.99	4.35
		1998-99	1.89	1.00	1.89	1.00
		2003-04	57.84	27.50	57.84	27.50
		2004-05	69.71	8.00	69.71	8.00
		June'03 to Sept'03	1.44	-	1.44	-
	Central Sales Tax					
		1995-96	8.69	-	8.69	-
		1998-99	0.27	0.08	0.27	0.08
		2003-04	3.01	1.30	3.01	1.30
	Entry Tax					
		1999-2000	0.58	0.20	0.58	0.20
		2001-02	4.20	2.60	4.20	2.60
		2002-03	1.48	0.40	1.48	0.40
		2003-04	1.60	1.20	1.60	1.20
		2004-05	1.27	0.35	1.27	0.35
		2008-11	2.95	0.23	2.95	0.23
	Income Tax (TDS)					
		2008-12	307.11	5.25	-	-
		Total	519.26	60.46	212.15	55.21
					31/03/2014	31/03/2013
(ii)	Bank guarantees issued by the bank on behalf of the company				40.19	46.82
(iii)	Commitments :				31/03/2014	31/03/2013
	Estimated amount of contracts remaining to be executed on capital account and not provided for					
	Tangible Assets				147.50	145.00
	Intangible Assets				-	-
27.2	Disclosure required in terms of Clause 13.5A of chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000					
	Particulars				31/03/2014	31/03/2013
	Total Amount received from issue of warrants				-	396.75
	Purpose for which the money received has been utilized :					
	Capital Expenditure				-	145.00
	Working Capital				-	251.75
	Total				-	396.75
27.3	Expenditure in foreign currency					
	Other Matters				-	2.05

27.4 Related party transaction				
Details of related parties:				
Description of relationship	Names of related parties			
Associates	Shivom Minerals Ltd.			
Key Management Personnel (KMP)	Mr. R. P. Gupta			
	Mr. Akash Gupta			
	Mr. B. K. Mangaraj			
Relatives of KMP	Smt Anubha Bhoir (Daughter of Managing Director)			
	Master Raghav Gupta (Son of Executive Director)			
	Smt Shilpi Agarwal (Daughter of Managing Director)			
Company in which KMP / Relatives of KMP can exercise significant influence	Unicon Merchants (P) Ltd. In which Mr. R. P. Gupta and Mr. Akash Gupta are Directors.			
Note: Related parties have been identified by the Management.				
Details of related party transactions during the year and balances outstanding as at 31 March, 2014:				
[Rs. in Lakhs]				
Item	Associates	KMP	Relatives of KMP	Total
Sale of goods	2,571.13 (1,393.19)	- -	- -	2,571.13 (1,393.19)
Rendering of services	14.40 (1.44)	- -	- -	14.40 (1.44)
Receiving of services	82.48 (8.16)	0.24 (0.24)	- -	82.72 (8.40)
Net loans & advances / deposits received	539.00 (-)	- (-)	- -	539.00 -
Interest Paid	- (-)	- (-)	0.88 (0.70)	0.88 (0.70)
Payment made to key management personal	- (-)	31.59 (30.97)	- -	31.59 (30.97)
Balances outstanding at the end of the year				
Security Deposits Paid	15.00 (15.00)	1.00 (1.00)	- -	16.00 (16.00)
Unsecured loans (Cr)	329.00 (-)	- (-)	- (-)	329.00 (-)
Security Deposits received	210.00 (-)	- (-)	- (-)	210.00 (-)
Others Payables	3.32 (-)	0.02 (0.30)	1.35 (0.70)	4.69 (1.00)
Borrowings (public deposits)	- (-)	- -	7.82 (7.64)	7.82 (7.64)
Note: Figures in bracket relates to the previous year				

- 27.5. Balances of parties are subject confirmation & reconciliation and consequential adjustment, if any.
- 27.6. Self consumption of cement by the company for its expansion project and testing work has been provided at estimated cost as determined by the management.
- 27.7. Sales of products (Note No. 19) includes raw materials Like slag, coal etc.
- 27.8. Value of imports on C.I.F basis is Nil (P.Y Import of Capital goods Rs. Nil)
- 27.9. Number of Employees who were in receipt of or entitled to receive emoluments including benefits aggregating to Rs.60.00 lacs or more per annum if employed for full year or Rs.5.00 lacs per month or more if employed for part of the year - NONE. (Previous year - None)
- 27.10. Sales of products includes traded goods in raw materials Like slag, coal etc.
- 27.11. MAT credit entitlement of Rs. 360.73 lacs (Previous year Rs. 286.06 lacs is treated as an asset which shall be adjusted against future income tax liability in coming years).

27.12. Remuneration to Directors

[Rs. in Lakhs]

	31/03/2014	31/03/2013
Salary, bonus & allowances	31.59	30.97
Contribution to provident Fund	2.64	2.17

27.13. Gratuity Liability

	Gratuity (unfunded)	Gratuity (unfunded)
a. Reconciliation of opening and closing balances of defined benefit obligation :		
Defined benefit obligation at beginning of the year	88.64	96.12
Current service cost	6.44	7.58
Interest cost	--	--
Actuarial (gain)/Loss	--	--
Benefits (paid)	--	15.06
Defined benefit obligation at year end	95.08	88.64
b. Expenses recognized during the year		
Current service cost	6.44	7.58
Interest cost	--	--
Actuarial (gain)/loss	NIL	NIL
Net cost	6.44	7.58

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

As per our report of even date	
For Tibrewal Chand & Co. Chartered Accountants FRN : 311047E Sd/- CA- R.Tibrewal Partner Membership No.050127 Rourkela - 769 004 The 30th day of May, 2014	For and on behalf of the Board of Directors Sd/- R P Gupta, MD Akash Gupta, ED B K Mangaraj, Director Sd/- K K Giri Company Secretary

CSR Activities



Golaipara Village Road



Toilet At Khandaimunda Village

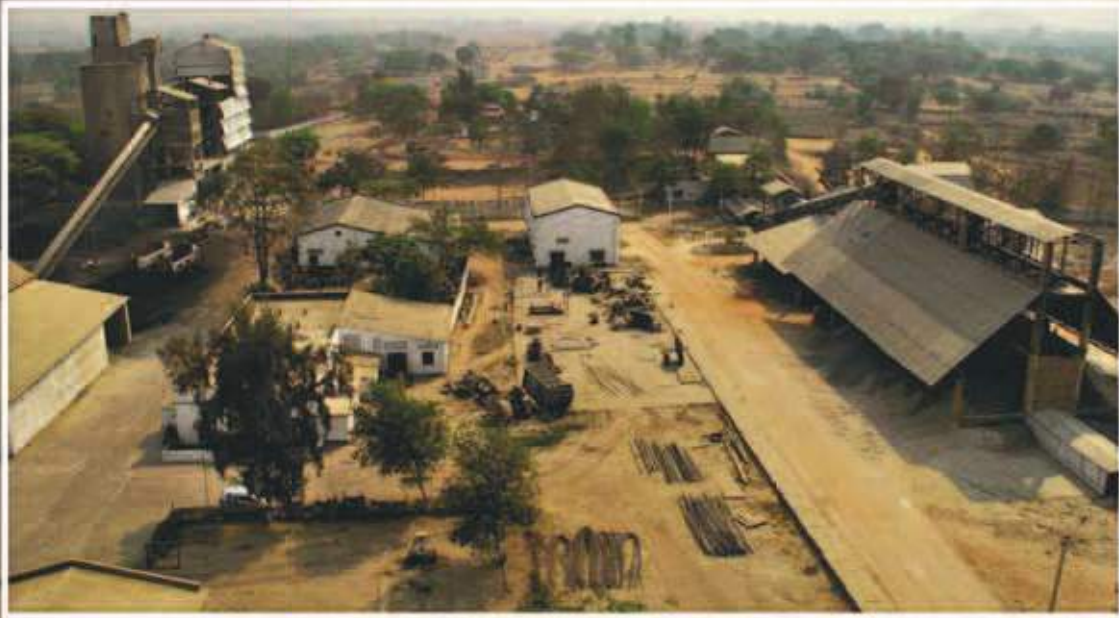


Bath Place At Golaipara Village



Hockey Tournament

*Serving Nation
since 1986*



SHIVA CEMENT LIMITED

P-25, Civil Township, Rourkela-769 004