

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

strengthen the controls. Significant audit observations and corrective action(s) thereon are presented to the Audit Committee. Also, the Audit Committee at frequent intervals has independent sessions with the statutory auditor and the management to discuss the adequacy and effectiveness of internal financial controls.

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.

7. Material Developments in Human Resources

The role of Human Resources has evolved over a period of years. The Company is focused on having least manpower at its location and has been continuously

reducing the workforce through multitasking, automation etc. Our employees are imperative in undertaking all of our business operations and our human resource policies focus on attracting, developing and retaining talent. As on March 31, 2022, The Company had 146 permanent employees. In addition, the Company also engages with third party personnel companies for the supply of contract labourers to facilitate operations at the manufacturing facility. The Company provides training to all employees for manufacturing operations, including machine utilization, operations flow, quality management and work safety.

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.

This MDA should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's shares. The Company makes no representation or warranty, express or implied, as to and does not accept any responsibility or liability with respect to the fairness, accuracy, completeness or correctness of any information or opinions contained herein. Investors are advised to exercise due care and caution while interpreting these statements.

For and on behalf of the Board

Shiva Cement Limited

Manoj Kumar Rustagi

Whole-Time Director

DIN:07742914

Rajendra Prasad Gupta

Director

DIN: 01325989

Date: 21.04.2022

Place: Sundargarh



DIRECTOR'S REPORT

Dear Members,

We are pleased to present **36th Annual Report** for the financial year ended on 31st March, 2022. The operational performance during the year is as below.

1. Financial/Operational Performance

Particulars	₹ in lakh)	
	31.03.2022	31.03.2021
Turnover	346.55	2,845.20
Operating EBIDTA	(801.72)	(835.98)
Other Income	380.49	409.99
Finance Cost	879.26	1,495.61
Depreciation & Amortization	705.55	781.89
Profit/(Loss) before exceptional item	(3,451.75)	(2,948.22)
Profit (Loss) before Taxation	(3,451.75)	(2,948.22)
Tax Expense/benefits	(899.84)	(751.40)
Profit (Loss) after Taxation	(2,551.91)	(2,196.82)

Highlights of performance:

During the year, except in April, 2021 the plant operation has been scaled down and produced cement from the available clinker stock for consumption in ongoing project activity till December, 2021. Subsequently from January, 2022, the production remained suspended mainly due to ongoing project activity. The existing Clinker plant operation is suspended to ensure safe construction and operation practice as per safety norms. Due to this, FY 2021-22 ended with reduction in sales as well as production volume of cement by 86% to 89% over last year sales & production volumes.

However, mines operation have been continued for production of Lime Stone to fulfill the requirement of expanded clinker production plant to be operationalize in coming financial year. During the year the company produced 96,231 MT of Lime Stones compare to 72,712 MT in FY 2020-21 resulting 32% increase in Limestone production..

During the year certain equipments and machineries of the existing production line have been removed and relocated for integration into ongoing expansion projects, which has resulted in dismantling certain Civil and mechanical structures. Accordingly, the written down value of such dismantled structure amounting to ₹ 1340.72 lakhs has been charged to the statement of profit and loss during the financial year. Further, the Company has produced Cement from the available Clinker Stock for consumption in the Ongoing Project activity.

During the year term loan amounting to ₹ 1,06,600.00 lakhs have been sanctioned by consortium of Banks having Axis Bank Limited as a lead banker with other Banks like Bank of India, Bank of Maharashtra & Punjab National Bank. The applicable rate of interest is of 8.75% per annum during construction period (8.50% after date of schedule operation 30th September, 2023). and payable on monthly basis.

During the year the company has availed term loan amounting ₹ 30,808.20 lakhs out of sanctioned amount of ₹ 1,06,600.00 lakhs from different consortium of Banks having Axis Bank Limited as a lead banker, the entire fund have been used in project expansion. Further received borrowed funds amounting ₹ 25,192.83 lakhs from its holding company JSW Cement Limited and this funds have been used mostly in project expansion. On total cumulative borrowed fund for ₹ 70,176.12 lakhs, the company has incurred interest cost amounting ₹ 3,489.99 lakhs during the year. Out of the above interest amount, ₹ 2,692.56 lakhs have been capitalised with project cost and balance ₹ 797.43 lakhs charged to revenue in profit & loss account. During the year the company has repaid its cumulative interest due amount for ₹ 6,000 lakhs to bank as well as to its holding company.

2. Transfer to Reserves

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

3. Dividend

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

4. 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.

5. Prospects:

Management Discussions and Analysis, covering prospects is provided as a separate section in this Annual Report.

DIRECTOR'S REPORT

6. Capital Expenditure and new projects:

The details of capital expenditure undertaken by the Company is as under:

- 1.36 MTPA green field clinker project includes 4000 TPD clinker circuit, 8.9 MW WHRS, 132 KV incoming power, OLBC and Railway siding.
- EC & CTE has been granted for new auction Khatkurbahal block and expansion of existing mines.
- EC & CTE has been granted for Cement plant (Clinker expansion from 0.825 MTPA to 3.0 MTPA and cement expansion from 0.252 MTPA to 2 MTPA.
- All engineering activity for clinkerization & WHRS plant is completed and most of the equipment has been received at site. Major civil activity is completed and erection activity is at full-fledged. Kiln firing is expected to be completed by Aug'22 and WHRS after the stabilization of Kiln.
- 132 KV Incoming power – transmission tower erection is under progress. Switchyard at equipment erection work is completed and LILO substation work is under progress.
- Railway Siding – DPR is approved and ESP approval is under progress and expected to be obtained.
- OLBC – IPCOL has approved 22.8-acre land for proposed OLBC and submitted to IDCO. Technical offer has been received from FLS, Beumer and Macmet for OLBC on EPC mode excluding civil job. Technical evaluation is under progress.

7. Holding, Subsidiary & Associate Company:

Your Company does not have any subsidiary nor any associate company. The Company has a holding company as on 31st March, 2022 namely JSW Cement Limited. The net worth of JSW Cement Limited as on 31.03.2022 is ₹ 2049.25 crores.

8. 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.

9. Credit Rating

During the year, the Company's credit rating on the facilities availed from the Banks was CRISIL A+(CE)/Stable by CRISIL.

10. Extract of Annual Return:

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company is hosted on website of the Company at <https://www.shivacement.com>.

11. Share Capital:

During the year under review, the Company has increased its Authorised Share Capital from ₹ 260,00,00,000 (Rupees Two Hundred Sixty Crores) comprising of ₹ 60,00,00,000 (Rupees Sixty crores) equity share capital divided into 30,00,00,000 (Thirty Crore) Equity Shares of ₹ 2/- (Two) each; and ₹ 200,00,00,000 (Rupees Two Hundred crore) preference share capital divided into 2,00,00,000 (Two crores) Preference Shares of ₹ 100/- each, to ₹ 280,00,00,000 (Rupees Two Hundred Eighty crores) comprising of ₹ 80,00,00,000 (Rupees Eighty crores) equity share capital divided into 40,00,00,000 (Forty Crore) Equity Shares of ₹ 2/- (Two) each; and ₹ 200,00,00,000 (Rupees Two Hundred crore) preference share capital divided into 2,00,00,000 (Two crores) Preference Shares of ₹ 100/- each vide special resolution passed through EGM dated 21st June 2021.

During the year under review there was no change in the paid-up share capital of the Company. The paid up equity share capital of the Company as at 31st March, 2022 ₹ 13,900.00 lakhs comprising of 1950 lakh Equity shares of ₹ 2/- each amounting to ₹ 3900.00 crores and One crore 1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹ 100each amounting to ₹ 100 crores.

12. Committees of Board

The Company has constituted various Committees of the Board as required under the Companies Act, 2013 and the Listing Regulations. For details like composition, number of meetings held, attendance of members, etc. of such Committees, please refer to the Corporate Governance Report which forms a part of this Annual Report.

13. 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 seven times on 23.04.2021, 24.05.2021, 06.07.2021, 22.07.2021, 26.10.2021, 24.01.2022 and 25.03.2022. 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.

**14. Disclosure Under Reg 32 (7A) of the SEBI(LODR) Regulations, 2015**

The proceeds from 1% Optionally Convertible Cumulative Redeemable Preference Shares have been utilised towards capital expenditure of the Company.

15. Compliance with Secretarial Standards

During the year under review, the Company has complied with Secretarial Standards 1 and 2, issued by the Institute of Company Secretaries of India.

16. Directors' Responsibility Statement

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, your Directors hereby state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors 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;
- 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;
- the directors have prepared the annual accounts on a going concern basis; and
- 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.
- 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.

17. 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.

18. 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.

M/s Shah Gupta & Co, Chartered Accountants will complete their first term of 5 consecutive years as the Statutory Auditor of the Company at the ensuing 36th Annual General Meeting. As recommended by the Audit Committee and the Board of Directors of the Company and in terms of Section 139 of the Companies Act, 2013, it is proposed to re-appoint M/s Shah Gupta & Co., Chartered Accountants, Mumbai as the Statutory Auditor of the Company, from the conclusion of the 36th Annual General Meeting (i.e ensuing Annual General Meeting) till the conclusion of the 41st 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. Sunil Agarwal & Co., Practicing Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Report of the Secretarial Audit Report in Form No. MR- 3 is appended as Annexure A.

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. Sunil Agarwal & Co., 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.

19. Listing with Stock Exchanges

During the year under review the Company got itself voluntarily delisted from the Calcutta Stock Exchange of India Limited ("CSE Limited") wef 24th November 2021.

However, the Company continuous to remain listed at Bombay Stock Exchange Limited (BSE), Mumbai. The annual listing fees for the year 2021-22 have been paid to the Stock Exchange where the Company's share are listed.

DIRECTOR'S REPORT

20. Consolidated Financial Statements

The Company does not have any subsidiaries so there is no need to prepare consolidated financial statement.

21. 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.

22. Report on Performance of Subsidiaries, Associates and Joint Venture Companies

As per the provision of first proviso of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the Company is required to attach along with its financial statements a separate statements containing the salient features of financial statements of its subsidiaries in Form AOC-1.

The Company does not have any Subsidiaries, Associates and Joint Venture Companies. Hence, the details of performance of Subsidiary/ Associate/ Joint venture and their contribution to overall performance on company is not applicable.

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

During the year under review, the Company revised its Policy on Materiality of Related Party Transactions as also Dealing with Related Party Transactions, in accordance with the amendments to applicable provisions of law / Listing Regulations.

The Company's Policy on Materiality of Related Party Transactions as also Dealing with Related Party Transactions, as approved by the Board, is available on the website of the Company at www.shivacement.com.

Related Party Transactions which are in the ordinary course of business and on an arm's length basis, of repetitive nature and proposed to be entered during the financial year are placed before the Audit Committee for prior omnibus approval. A statement giving details of all Related Party Transactions, as approved, is placed before the Audit Committee for review on a quarterly basis.

The Company has developed a framework for the purpose of identification and monitoring of such Related Party Transactions. The details of transactions / contracts / arrangements entered into by the Company with Related Parties during the financial year under review are set out in the Notes to the Financial Statement. The disclosure in Form AOC-2 is attached as Annexure B to this Report.

24. 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.

25. 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-C. There were no foreign exchange transactions during the year.

26. Disclosure related to policy

A. 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 D 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 for investor's information.

B. 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 for investor's information.

C. Dividend Distribution Policy

Pursuant to Regulation 43A of the Listing Regulations, the Board has approved and adopted a Dividend Distribution Policy.

The same is available on the website of the Company at the link: www.shivacement.com. The salient features of the policy are reviewed hereunder:

- the circumstances under which shareholders may or may not expect dividend;
- the financial parameters that shall be considered while declaring dividend;
- internal and external factors that shall be considered for declaration of dividend; and
- policy as to how the retained earnings shall be utilized.

During the year under review, the Dividend Distribution Policy was reviewed by the Board to ensure its continued relevance.



D. 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. The provisions of the Corporate Social Responsibility under section 135 of the Companies Act, 2013 are not applicable to the Company. However, the CSR activities are undertaken by the parent company i.e. JSW Cement Limited on behalf of the Company. Therefore, the details about the initiatives taken by the Company on Corporate Social Responsibility during the year under review have not been appended as Annexure to this Report.

Also, the Company has CSR policy and CSR Committee to review the activities undertaken by the parent company i.e. JSW Cement Limited on behalf of the Company.

The CSR Policy formulated is uploaded on the website of the Company at www.shivacement.com.

27. 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).

28. 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.

29. 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.

30. 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. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

31. 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.

32. 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.

DIRECTOR'S REPORT

33. Cost Record:

Maintenance of Cost records under the provisions of the Companies Act, 2013 is not applicable to the Company.

34. Directors and Key Managerial Personnel:

Mr. Narinder Singh Kahlon (DIN-03578016), 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.

Appointment / Resignation of Director

Mr. Mahendra Singh (DIN-02340913), Non-Executive Independent Director of the Company has completed the second term of office on 31st March, 2022 and consequently he also ceased to be on the Board upon completion of his term as an Independent Director of the Company with effect from close of business hours of 31st March, 2022.

Mr. Sanjay Sharma (DIN-02692742), Non-Executive Independent Director of the Company had stepped down with effect from 27th April 2022 due to personal reasons and the Board hereby confirm that there are no other material reasons for his resignation other than those mentioned in his resignation letter.

Mr. Jagdish Toshniwal (DIN-01539889), has been appointed as a Non-Executive Independent Director of the Company wef 21st April 2022.

There were no changes in Key Managerial Personnel during the year under review.

35. 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.

36. 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms part of this Annual Report.

37. 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.

38. 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.

39. Particulars of Employees

The provisions of Section 197(12) of the Act read with Rules 5 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.

Further in terms section 197 of the Companies act 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the period under review there is no increase in sitting fees paid to the Independent Directors of the Company, the Whole-time Director of the Company gets a remuneration of Re. 1 per month. The Chief Financial Officer & Company Secretary of the Company does not get any remuneration from the Company as they are deputed by JSW Cement Limited, Holding Company.

40. Awards & Recommendations

During the year under review the Company has won award in "59th Annual Metalliferous Mines Safety Week Competition-2021" under the aegis of DGMS Chaibasa Region Hoisted by JINDAL STEEL & POWER TENSA.

41. Environmental & Social Obligation

Environment Clearance for Cement Plant: The Environment Clearance for plant capacity to produce 3.0 Million MT Clinker and 2.0 Million MT Cement, was granted by the Ministry of Environment and Forest (MoEF) & Climate Change (CC) vide their letter no J-11011/84/2008- IA II (I) dated: 23rd March 2022.

Consent to Establish to produce 3.0 million MT Clinker and 2.0 million MT Cement has been granted by Odisha State Pollution Control Board (OSPCB) on 7th May 2022 and is valid up to 6th May 2027. 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/REN/1/2021/6576 for ground water abstraction to M/s SHIVA CEMENT LIMITED has been granted. The NOC start date is 20th July 2020 and is valid upto 19-07-2023.

**42. 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.

43. 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.

44. 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.

45. Digital Platform for Tracking Insider Trading.

The Securities Exchange Board of India ("SEBI") has through amendment of SEBI (Prohibition of Insider Trading) Regulations, 2015 has directed the Companies to identify designated persons and maintain a structured digital database of all such designated persons for prevention of insider trading. Accordingly, the Company through Kfin Technologies Limited has established an Insider Trading Tracking Platform. The Company has insider trading policy viz. 'Shiva Cement Code of Conduct' and the Company ensures proper compliance, monitoring and regulate trading by Insiders and process of sharing UPSI from time to time.

46. Other Disclosures:

In terms of applicable provisions of the Act and listing Regulations, your Company discloses that during the financial year under review the Company has changed its registered office from Plot no. YY-5, Civil Township 7 & 8 Area, Rourkela, Odisha - 769004 to Shiva Cement Limited, Telighana, PO: Birangatoli, Tehsil-Kutra, District-Sundargarh, Odisha- 770018 outside the local limits city limits.

47. IBC Code and One-time Settlement

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of the Company with any bank or financial institution.

48. 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.

49. Cautionary Statement

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

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

Manoj Kumar Rustagi

Whole-Time Director

DIN:07742914

Rajendra Prasad Gupta

Director

DIN: 01325989

Date: 21.04.2022

Place: Sundargarh

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE- A

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended 31st March, 2022[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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHIVA CEMENT LIMITED** (hereinafter called "the Company"). **CIN NO. 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 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - b) 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 (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as the Company has not issued any debt instruments during the period of Audit;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 are not applicable as the Company has not bought back any shares during the period of Audit and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) All relevant laws applicable to the Company as provided by the management hereunder :
 - a. Cement Quality Control (Order), 2003
 - b. Mines Act, 1952 and the rules made thereunder
 - c. Mines and Minerals (Development and Regulation) Act, 1957 and the rules made thereunder
 - d. Air (Prevention and Control of Pollution) Act, 1981
 - e. The Water (Prevention and Control of Pollution) Act, 1974
 - f. The Environment (Protection) Act, 1986 and Rules made thereunder;
 - g. Hazardous waste Management Rules, 2016
 - h. The Factories Act 1948
 - i. Employees' Provident Fund Scheme, 1952 & Rules Made there under;
 - j. Odisha State Profession Tax Act 1975 & Rules made there under;
 - k. The Payment of Bonus Act, 1965;
 - l. The Payment of Gratuity Act, 1972;
 - m. The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013 and;



- n. GST Act and Rules made there under.

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

- (i) Secretarial Standards I & II issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with:
 - (a.) BSE Limited
 - (b.) The Calcutta stock exchange Ltd. (up to the date of delisting)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Directors and Independent Directors. Changes in composition of the Board of Directors took place during the period under review

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that

1. During the period under review the plant operation was shut in the month of May 2021 due to increased COVID-19 cases in nearby areas of the plant as most of villages have been declared as containment zone and full lock down has been imposed and the management has informed to both the stock exchanges vide Board meeting outcome dated 24th May 2021.
2. The plant operation remained suspended mainly due to ongoing project activity. Considering, ongoing project construction activity, the existing Clinker plant operation is suspended to ensure safe construction and operation practice as per safety norms. However, Company has produced Cement from the available Clinker Stock for consumption in the Ongoing Project activity and the management has informed to both the stock exchanges through outcome of the Board meeting dated 26.10.2021
3. During the year under review the company got itself delisted from The Calcutta stock exchange Ltd. w.e.f 23rd November 2022;

4. During the year under review the company has increase its authorized share capital approved by shareholders at Extra-Ordinary General Meeting held on 21st June 2021, from ₹ 260 Crores to ₹ 280 Crores comprising of;

- (a) ₹ 80,00,00,000 equity share capital divided into 40,00,00,000 equity share capital of ₹ 2/- each
- (b) ₹ 200,00,00,000 preference share capital divided in to 2,00,00,000 preference shares of ₹ 100/- each.

5. During the year under review the company has altered capital clause of Memorandum of Association to give effect of the increased share capital

6. During the year under review the company has shifted its Registered office from Plot no. YY-5, Civil Township 7 & 8 Area, Rourkela, Odisha - 769004 to Kutra Plant, Sundargarh District, Odisha- outside the local limits city limits but within the same state as approved by the Board of Directors in their meeting held on 23rd April 2021 and approved by the shareholders in the Extra-Ordinary General held on 21st June 2021

7. Second Term of one independent director Mr. Mahendra Singh expired on 31st March 2022 and not eligible for re appointment in the company.

8. The Shareholders of the Company at Extra-Ordinary General Meeting held on 21st June 2021 has approved the intercorporate loan from JSW Cement Limited.

9. The Shareholders of the Company through postal ballot dated 12.11.2021 have approved the following:

- i. Availing of Corporate Guarantee from JSW Cement Limited for Term Loan Facility
- ii. Availing of Corporate Guarantee from JSW Cement Limited in favour of Banks, non-banking financial companies or financial institutions for availing financial assistance in future.
- iii. Intercorporate Loan from JSW Cement Limited

I further report that in my opinion there are adequate systems and processes in the Company commensurate with the size and nature of its business to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **SUNIL AGARWAL & CO.**
Company Secretaries

SUNIL AGARWAL
(Proprietor)
FCS No. 8706
COP. No. 3286

Place: MUMBAI
Date: April 14, 2022

UDIN number F008706D000109840
Peer review Unit no. 788/2020

ANNEXURE TO THE DIRECTORS' REPORT

ANNEX-A TO THE SECRETARIAL AUDIT REPORT

To
The Members
SHIVA CEMENT LIMITED,
Telighana, PO: Birangatoli, Tehsil-Kutra,
District-Sundargarh Sundargarh
ODISHA-770018

Our report of even date is to be read along with this letter.

- Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 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, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- I have not verified the correctness and appropriateness of financial records and books of accounts of the Company and may be relied upon in the statutory report provided by the Statutory Auditors as well as Internal Auditor of the company for the financial year ending 31 March, 2022.
- Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provision and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The secretarial audit report is neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **SUNIL AGARWAL & CO.**

Company Secretaries

---SD---

SUNIL AGARWAL

(Proprietor)

FCS No. 8706

COP. No. 3286

UDIN number F008706D000109840

Peer review Unit no. 788/2020

Place: MUMBAI

Date: April 14, 2022



ANNEXURE- B

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:

- Details of contracts or arrangements or transactions not at arm's length basis-** Not Applicable
- Details of material contracts or arrangement or transactions at arm's length basis-** For details of transactions during the year refer note 34(g) B. of the financial statements. The material 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 or 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	Sale of Cement PPC & PSC (For details of transactions during the year Refer Note 34(g) B. of Standalone Financial Statement.)		NIL
	Availing of Services	Yearly	Project Management Services (Refer Note 34(g) B. of Standalone Financial Statement.)	23 rd April 2021	NIL
	Loan Received	36 months	The company has taken unsecured loan from JSW Cement Limited and repaid interest Refer Note 34(g) B. of Standalone Financial Statement.		NIL

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

Manoj Kumar Rustagi

Whole-Time Director

DIN:07742914

Rajendra Prasad Gupta

Director

DIN: 01325989

Date: 21.04.2022

Place: Sundargarh

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE- C

FORM - A [See Rule 2]

Form for Disclosure of Particulars with respect to Conservation of Energy

A. Power and Fuel Consumption

Particulars	31.03.2022	31.03.2021
1. Electricity		
a) Purchased		
Units (in Thousand)*	2,031.01	11,661.80
Total amount (in Thousand)	18,665.66	75,653.57
Rate/Unit (including DPS)	9.19	6.49
b) Own Generation		
i) Through Diesel Generator		
Units (in Thousands)	26.86	11.23
Cost/Unit (₹)	42.38	43.26
ii) Through Steam Turbines Generator		
Units		
Unit per Litter for Fuel oil/ Gas	N.A.	N.A.
Cost/Unit.		
2. Coal		
Quantity(in Mt)	2,079.00	14,269.00
Total Cost (₹ in Thousand)	12,178.66	83,215.60
Average Rate(₹ Per Mt)	5,857.94	5,831.92
3. Diesel Oil		
Quantity(in K. Ltr)	18.85	49.28
Total Cost (₹ in Thousand)	1,706.13	3,602.48
Average Rate(₹ Per Litre)	90.53	73.10
4. Other/Internal Generation		
Quantity(in Mt)		
Total Cost (₹ In Thousand)	N.A.	N.A.
Average Rate (₹)		

Consumption per unit of production (Cement & clinker)

Particulars Standards if any	Current Year	Previous Year
Power Units Per Ton	172.21	135.32
Coal Cons. (%)	17.40%	16.54%

*Power Consumption unit excludes power consumption in project activity.

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

- Power consumption units per ton has gone up due to process hindrances and frequent power failures from Grid .
- Coal consumption percentage has increased due to stoppage of Kiln and restart of kiln.

FORM - B [See Rule 2]

Form for disclosure of particulars with respect to technology absorption Research and development (R&D) for the year ended 31.03.2022

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



ANNEXURE- D

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:

- 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;
- setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 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;

- ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment, as required under the applicable law;
- assessing the independence of independent non-executive directors;
- 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
- 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.

ANNEXURE TO THE DIRECTORS' REPORT

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 2021-22

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

1. Company's Philosophy on Corporate Governance

Corporate Governance at Shiva Cement Limited has been a continuous journey and the business goals of the

Company are aimed at the overall well-being and welfare of all the constituents of the system. 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 essence of Corporate Governance lies in the maintenance of integrity, transparency and accountability in the management's higher ranks.

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 requirements specified in regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations"), the details of which are given below:

2. Board of Directors

i. Appointment and Tenure:

The Directors of the Company are appointed by the shareholders at General Meetings. All Executive Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company. The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

ii. Board Membership Criteria:

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When

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

- assesses 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;
- assesses the appointee on the basis of merit, related skills and competencies. No discrimination is made on the basis of religion, caste, creed or gender.

iii. Board Composition, Category of Directors, Meetings and attendance record of each Director:

The Company has a balanced mix of executive and non-executive Independent Directors. As of March 31, 2022, the Board of Directors comprises of 7 Directors, of which 6 are non-executive, including 1 woman director. The number of Independent Directors are 4 which is in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 (1) (b) of the SEBI (LODR) Regulations.

No Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013. None of the Directors on the Board are Directors/Independent Directors of more than seven listed entities and none of the Whole-time Directors are Independent Directors of any listed company.

None of the Directors on the Board are a member of more than 10 committees or Chairperson of more than 5 committees (as specified in Regulation 26 of SEBI (LODR) Regulations) across all the public Companies in which he/she is a Director. The necessary disclosures regarding committee positions in other public companies have been made by the Directors.

The information stipulated under Part A of Schedule II of SEBI (LODR) Regulations is being made available to the Board.



The details of composition of the Board as at March 31, 2022, the attendance record of the Directors at the Board Meetings held during financial year 2021-22 and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Public Companies, the names of other listed entities where they have Directorship and their category of directorship in such listed entities, the number of Board Meetings and dates on which held and the number of shares and convertible instruments held by non-executive directors are given here below:

Category	Name of Director	Position	Date of joining	Attendance at		No. of other Directorships			Directorship in other Listed entity
				Board Meetings	35rd AGM held on 28th September 2021 (Y/N)	Other Directorships in Indian Companies (inserted after declaration received by Directors)	No. of Chairmanship(s) of Committee in other Indian Public Limited Cos. *	No. of Membership(s) of Committees in other Indian Public Limited Cos. *	
Executive Director	Mr. Manoj Kumar Rustagi	Whole-Time Director	28-02-2017	7	Yes	3	-	-	None
Non-Executive	Mr. R.P. Gupta	Director	12-08-1985	5	Yes	2	-	-	M/s. Bloom Industries Limited Non-Executive Director
	Mr. Narinder Singh Kahlon	Director	28-02-2017	4	Yes	3	-	-	None
Independent Director	Mr. Mahendra Singh(1)	Director	31-03-2015	7	Yes	-	-	-	None
	Mr. B.K. Mangaraj	Director	26-12-2002	7	Yes	-	-	-	None
	Ms. Sudeshna Banerjee	Director	23-04-2019	7	Yes	1	-	-	None
	Mr. Sanjay Sharma(2)	Director	23-04-2019	7	Yes	-	-	-	None

Notes:

1. During the Financial Year 2021-22, Seven Board Meetings were held and the gap between two meetings did not exceed four months.

No. of	Date of Meeting	No. of Directors present
1	23-04-2021	6 out of 7
2	24-05-2021	6 out of 7
3	06-07-2021	7 out of 7
4	22-07-2021	5 out of 7
5	26-10-2021	7 out of 7
6	24-01-2022	6 out of 7
7	25-03-2022	7 out of 7

2. *Only two Committees, namely, Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(1) Mr. Mahendra Singh Non-Executive Independent Director of the Company has completed the second term of office on 31st March, 2022 and consequently he also ceased to be on the Board upon completion of his term as Independent Director of the Company with effect from close of business hours of 31st March, 2022.

(2) Mr. Sanjay Sharma Non-Executive Independent Director of the Company has stepped down with effect from 27th April 2022 and confirmed that there are no other material reasons for his resignation other than those mentioned in his resignation letter.

3. Mr. Jagdish Toshniwal has been appointed as a Non-Executive Independent Director of the Company wef 21st April 2022

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

REPORT ON CORPORATE GOVERNANCE

in the Company's dealing with its members and other stakeholders.

The Board has constituted Seven Committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholder's Relationship Committee, Finance Committee, Project Review Committee and Risk Management Committee (constituted on 21st April 2022) . 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 25th March, 2022. 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.

c. Directors Competence/Skills/ Expertise Chart

The Company's Board comprises of highly skilled & qualified members from varied field and diverse background. They possess required skill, expertise and competence which enables them to make effective contributions to the Board and its committee.

The Company has identified following skills sets, in the context of the Company's business, as a guide to identify appropriate skills, knowledge, experience, personal attributes and other criteria for the board



of the Company. This matrix is a useful tool to assist with professional development initiatives for directors and for the Board's succession planning.

The skills and attributes of the Company can be broadly categorised as follows:

a) Leadership & Strategic Planning -

Experience in driving business in global market and leading management teams to make decisions in uncertain environments based on practical understanding, appreciation and understanding of short-term and long-term trends, strategic choices and demonstrating strengths, developing talent, succession planning

b) Audit & Risk Management -

Experience in devising the appropriate risk policy underlying the business of the Company and other external factor, including suggesting appropriate changes considering the changing dynamics in this overly volatile economy. Leadership in controlling the same with appropriate audit trail and monitoring.

c) Compliance & Governance -

Experience in developing governance practices and observing the same, accountability and insight to the best interests of all stakeholders, driving corporate ethics and values

d) Financial -

Leadership in financial management, proficiency in complex financial planning and execution whilst understanding the short-term and long term objective of the Company and Group, capital allocation and maintaining cordial relationship with various Bankers.

e) Legal & Regulatory Expertise -

Understanding the complex web of law & regulations, for undertaking the best decision under the ambit of law, updation of such skills and monitoring of person performing such functions

In the table below, the specific areas of focus & expertise of individual Board members have been highlighted. However, the absence of mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of Directors	Leadership & Strategic Planning	Audit & Risk Management	Compliances and Legal & Regulatory Expertise	Technical Skill/ Experience-Project
Mr. Manoj Kumar Rustagi	✓	✓	✓	✓
Mr. R.P. Gupta	✓			✓
Mr. Narinder Singh Kahlon		✓	✓	
Mr. Mahendra Singh	✓	✓		
Mr. B.K. Mangaraj		✓		✓
Ms. Sudeshna Banerjee		✓		✓
Mr. Sanjay Sharma		✓		✓

d. Performance Evaluation for Directors:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR) Regulations, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Director individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with

the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence

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of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

3. Audit Committee

The constitution of Audit committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18(1) the SEBI (LODR Regulations). The Audit Committee as on 31st March 2022 comprises of 5 directors namely: Ms. Sudeshna Banerjee, Independent Director, Mr. B. K. Mangaraj, Independent Director, Mr. Mahendra Singh, Independent Director, Mr. Sanjay Sharma, 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
- Oversight financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- examination of the financial statements and the auditors' report thereon
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- review the quarterly financial statements before submission to the board for approval;
 - discussion with internal auditors of any significant findings and follow up there on;
 - performance of statutory and internal auditors, adequacy of the internal control systems;
 - reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter;
 - discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - to review the functioning of the whistle blower mechanism;
 - approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision



- grant omnibus approval for RPT
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- To do all acts deeds and things as may be empowered or allowed under the Companies Act 2013 and SEBI (LODR) Regulation, 2015, including any amendment thereto for the time being in force,

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 6 times during the year ended 31st March 2022

No. of	Date of Meeting	No. of committee members present
1	23-04-2021	5 out of 5
2	24-05-2021	5 out of 5
3	22-07-2021	5 out of 5
4	26-10-2021	5 out of 5
5	24-01-2022	5 out of 5
6	25-03-2022	5 out of 5

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 record of the members at the Audit Committee meetings held during the year ended 31st March 2022 is given below:

Name of Members	Category	No. of Meetings held	
		Held	Attended
Mr. B.K. Mangaraj- Chairman	Independent Director	6	6
Mr. Mahendra Singh- Member	Independent Director	6	6
Mr. Sanjay Sharma- Member	Independent Director	6	6
Ms. Sudeshna Banerjee	Independent Director	6	6
Mr. Manoj Kumar Rustagi - Member	Whole-time Director	6	6

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 three Directors, namely:

- Mr. Narinder Singh Kahlon, Non-Executive Director
- Mr. Mahendra Singh, Independent Director
- Mr. Bimal Kumar Mangaraj, Independent Director

The Company Secretary acts as the Secretary of the Committee. 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 and to recommend to the Board their appointment and removal.
- shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- to attend the General Meeting of the Company
- Devising a policy on diversity of board of directors
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;

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- To do all acts deeds and things as may be empowered or allowed under the Companies Act 2013 and SEBI (LODR) Regulation, 2015, including any amendment thereto for the time being in force

During the year under review, the Committee had met once times during the year ended 31st March 2022

No. of	Date of Meeting	No. of committee members present
1	23-04-2021	3 out of 3

The attendance record of the members at the Nomination and Remuneration Committee meetings held during the year ended 31st March 2022 is given below:

Name of Members	Category	No. of Meetings held	
		Held	Attended
Mr. Mahendra Singh- Chairman	Independent Director	1	1
Mr. B.K. Mangaraj- Members	Independent Director	1	1
Mr. Narinder Singh Kahlon- Member	Non-Executive Director	1	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 parent company i.e. JSW Cement Limited.

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

As per terms of appointment no remuneration is paid to Non-Executive Director & 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 ₹ 15,000/- for each committee meeting attended. Sitting fee paid to the Directors for the year ended 31st March, 2022 is as follows:-

S. No.	Name	Sitting Fees Paid (₹ In Lakhs)
1.	Mr. Mahendra Singh, Independent Director	2.95
2.	Mr. B.K. Mangaraj, Independent Director	2.80
3.	Ms. Sudeshna Banerjee, Independent Director	3.40
4.	Mr. Sanjay Sharma, Independent Director	3.40

Performance Evaluation Criteria for Independent Directors:

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

The Company adopted the following criteria to carry out the evaluation of Independent Directors, in terms of the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations:

- The Nomination and Remuneration Committee (NRC) shall carry out evaluation of every Director' Performance.
- In addition, the evaluation of the Independent Directors shall be done by the entire Board, excluding the director being evaluated, which shall include:
 - Performance of the directors; and
 - Fulfilment of the independence criteria as specified in 16(1) (b) of SEBI (LODR) Regulations and their independence from the management.

This is to be done on an annual basis for determining whether to extend or continue the term of appointment of the independent director.

The Evaluation process of Independent Directors and the Board will consist of two parts:

- Board Member Self Evaluation ; and
- Overall Board and Committee Evaluation.

In the Board Member Self Evaluation, each Board member is encouraged to be introspective about his/ her personal contribution, performance, conduct as director with reference to a questionnaire provided to them. Copies of the evaluation forms as applicable will be distributed to each Board Member. Board members shall complete the forms and return them to the Company Secretary or Board nominee or the consultant, as may be informed.

The Company Secretary or Board nominee or the consultant will tabulate the Forms. The Tabulated Report would be sent to all Board Members for evaluation and if any director disagrees with the self-evaluated results, he/she will suitably intimate the Chairman of the Board, else the same will be deemed to have been accepted.

The individually completed forms will be preserved by the Company Secretary and the Tabulated Report would be presented to the Board and NRC for evaluation.



5. Stakeholder/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 four members as follows:

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

The roles and responsibilities of the Committee are as follows:

- Relating to 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 (Prohibition 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

- To do all acts deeds and things as may be empowered or allowed under the Companies Act 2013 and SEBI (LODR) Regulation, 2015, including any amendment thereto for the time being in force.

The Committee met once during the year ended 31st March 2022:

No. of	Date of Meeting	No. of committee members present
1	24-01-2022	3 out of 4

The attendance record of the members at the Stakeholder Relationship Committee meetings held during the year ended 31st March 2022 is given below:

Name of Members	Category	No. of Meetings held	
		Held	Attended
Mr. Rajendra Prasad Gupta- Chairman	Non-Executive Director	1	NIL
Mr. Narinder Singh Kahlon - Member	Non-Executive Director	1	1
Mr. Manoj Kumar Rustagi- Member	Whole-Time Director	1	1
Mr. Sanjay Sharma, Independent Director	Independent Director	1	1

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 31.03.2022: 05

No. of Complaints resolved to the satisfaction of the Shareholders: 05

No. of pending Complaints as on 31.03.2022: NIL

6. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee (CSR) comprises of the 4 members namely: Mr. Mahendra Singh, Independent Director, Mr. Manoj Kumar Rustagi, Whole-Time Director, Ms. Sudeshna Banerjee, Independent 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 roles and responsibilities of the Committee are as follows:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy
- undertake CSR activities through a registered Trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act.

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- trust, society or company which is not established by the company or its holding or subsidiary or its associate company, shall have an established track record of three years in undertaking similar programs or projects;
- collaborate with another company for undertaking projects or programs or CSR in a manner that respective companies will report separately on such projects or programs.
- the policy shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- recommend the amount of expenditure to be incurred on the activities
- monitoring and reporting mechanism for utilization of funds on such projects and programs
- institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.

The Committee met once during the year ended 31st March 2022:

No. of	Date of Meeting	No. of committee members present
1	23-04-2021	4 out of 4

The attendance record of the members at the CSR Committee meetings held during the year ended 31st March 2022 is given below:

Name of Members	Category	No. of Meetings held	
		Held	Attended
Mr. Mahendra Singh- Chairman	Independent Director	1	1
Mr. Narinder Singh Kahlon - Member	Non-Executive Director	1	1
Mr. Manoj Kumar Rustagi- Member	Whole-Time Director	1	1
Ms. Sudeshna Banerjee, Independent Director	Independent Director	1	1

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 ₹ 400 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.
- 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.
- 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.
- To avail guarantees/letter of credits/enter into bill purchase schemes with any of the banks/ institutions.
- To appoint / replace Credit Rating Agencies and to apply, review and accept Credit Ratings.
- To authorize 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.
- To authorize 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.



- 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.
- 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
- 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.
- To authorize 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.
- 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.
- 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.
- 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.

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

The Committee met once during the year on 23.04.2021, in which all the Committee members attended the meeting.

8. Project Review Committee:

The Project Review Committee was constituted on 4th February 2021 and comprises of the 4 members namely: Mr. R.P. Gupta, Non-Executive Director, Mr. Manoj Kumar Rustagi, Whole-Time Director, Mr. Sanjay Sharma, Independent Director, Ms. Sudeshna Banerjee, Independent Director. The Company Secretary acts as the Secretary of the Committee.

During the year under review, the Committee had met four times during the year ended on 31.03.2022.

No. of	Date of Meeting	No. of committee members present
1	23-04-2021	4 out of 4
2	22-07-2021	3 out of 4
3	26-10-2021	4 out of 4
4	24-01-2022	3 out of 4

The attendance record of the members at the Project Review Committee meetings held during the year ended 31st March 2022 is given below:

Name of Members	Category	No. of Meetings held	
		Held	Attended
Mr. Rajendra Prasad Gupta- Member	Non-Executive Director	4	2
Mr. Manoj Kumar Rustagi- Member	Whole-Time Director	4	4
Ms. Sudeshna Banerjee- Member	Independent Director	4	4
Mr. Sanjay Sharma, Independent Director	Independent Director	4	4

The roles and responsibilities approved by the Board, for the functioning of Project Review Committee, inter alia include:

- To review discuss and approve various projects of the Company with a project cost not exceeding ₹ 500 (Five Hundred crore).
- To recommend the projects which are having project cost of more than ₹ 500 (Five Hundred crore) for the approval of the Board.

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- To closely monitor the progress of projects, cost of projects and implementation schedule with the objectives of timely project completion within the budgeted project outlay.
- To consider deviations, if any, with a comprehensive note detailing the reasons for such deviation and its impact on viability parameters.
- To ensure the project will be completed on time and within the budget allocated by the Board.
- To approve necessary deviation in sub-project cost subject to total cost of project should not increase the cost of project approved by the Board.
- To review new strategic initiatives.
- To authorize officers or any other persons to initial, sign and execute on behalf of the Company various project contracts viz. appointment of project consultants, supply of plant and machinery, civil works, supervision etc.
- To authorize officers or any other persons to initial, sign and execute applications, letters, papers and deeds and documents with Central Government Authorities, State Government Authorities and various Statutory Bodies under various acts applicable for setting up projects including incentive applications.
- To participate in Bidding and tendering process of Coal, Limestone, Brackish water and other Mining Blocks.
- To authorize any person as authorized signatory to initial, sign, execute all documents, papers, instruments with relation to and during the bidding and tendering process.
- To issue Bank Guarantee, Power of Attorney or any other documents and instruments whatsoever in nature as required by Tender Document issued by Government of India.
- To authorize any employee not below the AGM level to sign the document under the Common Seal of the Company as authorized signatory along with Directors of the Company in case Company Secretary and CFO of the Company is not available in the city where document is required to be signed.
- To do all such acts deeds as specified in Tender Documents.
- To exercise such powers as may be delegated by the Board of Directors from time to time.

9. Risk Management Committee:

The Risk Management Committee constituted on 21st April 2022 comprises of the 3 members namely: Mr. Narinder Singh Kahlon, Non-Executive Director, Mr. Manoj Kumar Rustagi, Whole-Time Director, Mr. Jagdish Toshniwal, Independent Director. The roles and responsibilities approved by the Board, for the functioning of Risk Management Committee, inter alia include:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- To do all acts deeds and things as may be empowered or allowed SEBI (LODR) Regulation, 2015, including any amendment thereto for the time being in force.

**10. 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 Resolutions
35 th	September 23, 2021	11:00 AM	Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)	No Special Resolutions were passed
34 th	September 24, 2020	11:00 AM	Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)	i. Re-appointment of Mr. Manoj Rustagi as a Whole-time Director ii. Re-appointment of Mr. Bimal Kumar Mangaraj and Mr. Mahendra Singh as an Independent Director.
33 rd	September 24, 2019	11:00 AM	Hotel Mantra Palace, Rourkela-4	No Special Resolutions were passed

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 21, 2021	11:30 A.M	Through Video Conference	i. Shifting of Registered office of the Company
	March 10, 2021	11:30 A.M	Through Video Conference	ii. Approval for Increase in Borrowing Powers of the Company in terms of provisions of 180(1)(c) of the Companies Act. iii. Approval for creation of Security(ies) in terms of provisions of 180(1)(a) of the Companies Act, 2013.
	January 21, 2021	11:30 A.M	Hotel Mantra Palace, Rourkela-4	i. Increase the Authorized Share Capital of the Company and consequential amendment of the Capital Clause in the Memorandum of Association of the Company. ii. Issue, offer and allot 1% Optionally Convertible Cumulative Redeemable Preference Shares to JSW Cement Limited, on a preferential basis

During the year under review, no Special Resolution was passed through Postal Ballot. If required, Special Resolutions shall be passed by Postal Ballot during FY 2022-23, in accordance with prescribed procedure.

11. Loans and Advances in which Directors are interested.

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

12. Disclosures:

- 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.
- 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.

- The Company has laid down procedures to inform Board members about the risk assessment and minimisation process which are periodically reviewed.
- There are no Inter-se relationships between Directors of the Company.
- The Board approved policy for related party transactions is available on the Company's at <http://www.shivacement.com>
- Familiarisation Programme: The Company has conducted the Familiarisation Program for Independent Directors. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes and business of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at <http://www.shivacement.com>

REPORT ON CORPORATE GOVERNANCE

- g. **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.
- h. The Equity shares of the Company are listed with BSE Limited and the Company has complied with all the applicable regulations of capital markets. The Company got delisted from CSE Limited wef 24th November, 2021. There were no instances of penalties, structure imposed on the Company by BSE Limited or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- i. **Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
The Company follows an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The main objective of the Act is to provide:
- Protection against and Prevention of sexual harassment of women at workplace
 - Redressal of complaints of sexual harassment
- The Company as an equal employment opportunity provides and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company have the right to be treated with dignity. Sexual harassment at the work place or other than work place, if involving employees, is a grave offence and is, therefore, punishable.
- Number of complaints received and resolved in relation to Sexual Harassment of Women at Workplace (Prevention, Protection, and Redressal) Act, 2013 during the year under review and their breakup is as under:
- (a) No. of Complaints filed during the year ended 31.03.2022: NIL
- (b) No. of Complaints disposed of during the financial year: NIL
- (c) No. of pending Complaints as on 31.03.2022: NIL

- j. **Digital Platform for Tracking Insider Trading:**
The Securities Exchange Board of India ("SEBI") has through amendment of SEBI (Prohibition of Insider Trading) Regulations, 2015 has directed the Companies to identify designated persons and maintain a structured digital database of all such designated persons for prevention of insider trading. Accordingly, the Company through KFin Technologies Limited has established an Insider Trading Tracking Platform by the name 'FINTRAKS'.
- k. **Credit Rating**
The Company's credit rating on the facilities availed from the Banks was CRISIL A+(CE)/ Stable by CRISIL.
- l. **Reconciliation of Share Capital Audit**
Reconciliation of Share Capital Audit Report in terms of SEBI circular CIR/MRD/DP/30/2010 dated 6th September, 2010 and Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, confirming that the total issued capital of the Company is in agreement with the total number of equity shares in physical form and the total number of shares in demat form held with National Securities Depository Limited and Central Depository Services (India) Limited, is submitted on a quarterly basis to the Stock Exchanges where the equity shares of the Company are listed.

13. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance towards this end:

- a) **Quarterly/Half Yearly/Nine Monthly/ Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are intimated to the Stock Exchanges immediately after they are approved by the Board.
- b) **Publication of Quarterly/ Half Yearly/Nine Monthly/Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole or substantially the whole of India and in one Vernacular newspaper of the State of Odisha where the Registered Office of the Company is situated. The quarterly financial results during the financial year 2021-22 were published in The Financial Express and Surya Prabha Newspapers.
- c) **Website:** The Company's website www.shivacement.com contains a separate dedicated section "Investors Relations" where information for shareholders is available. The Quarterly/ Annual Financial Results, annual reports, stock exchange information, shareholding pattern, policies,



investors' contact details, etc., are posted on the website in addition to the information stipulated under Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- d) **Filing with BSE "Listing Centre":** Pursuant to Regulation 10 (1) of the SEBI (LODR) Regulations, BSE has mandated the Listing Centre as the "Electronic Platform" for filing all mandatory filings and any other information to be filed with the Stock Exchanges by Listed Entities. BSE also mandated XBRL submissions for Financial Results, Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit Report & Voting Results etc. All the data relating to financial results, various quarterly/half yearly / annual submissions/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on the "Listing Centre" (<http://listing.bseindia.com>).
- e) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report along with relevant annexures, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

14. E-VOTING:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of the SEBI (LODR) Regulation, 2015, members have been provided the facility to exercise their right to vote at General Meetings by electronic means, through e-Voting Services provided by NSDL

15. General Shareholder information:**a) AGM programme:**

AGM date and time	12 th September 2022 at 12:00 noon
Venue	The meeting will be held through video conferencing (VC) / Other Audio Visual Means (OAVM)
Equity shares listed at	Bombay Stock Exchange

b) Financial Calendar 2022-23 (tentative)**Annual General Meeting: 12th September 2022****Board Meeting**

Results for the quarter ending June 30, 2022	Last Week of July '22
Results for the quarter ending Sep 30, 2022	Last Week of Oct '22
Results for the quarter ending Dec 31, 2022	Third Week of Jan '23
Results for the quarter ending Mar 31, 2023	Second Week of May '23

c) Dates of Book Closure:

Tuesday, 6th day of September, 2022 to Monday, 12th day of September, 2022.

d) Dividend Payment Date:

No dividend has been recommended for the financial year ended on 31st March 2022

- e) i) Scrip Code:
ii) Demat ISIN Numbers Bombay Stock Exchange 532323
In NSDL & CDSL Equity Shares INE555C01029

(Note: Annual listing fees for the year 2021-22 have been duly paid to Stock Exchanges)

16. 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
Apr-21	23.50	19.60
May-21	30.25	20.05
Jun-21	33.90	26.70
Jul-21	40.45	34.50
Aug-21	42.00	33.55
Sep-21	37.65	33.00
Oct-21	45.60	32.25
Nov-21	40.95	33.60
Dec-21	39.95	33.60
Jan-22	45.25	34.85
Feb-22	41.00	31.00
Mar-22	39.40	33.25

17. Registrar and Transfer Agents : Niche Technologies (P) Ltd.

3A, Auckland place,
7th Floor, Room No.
7 A & 7B, Kolkata-
700 017

18. 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.

REPORT ON CORPORATE GOVERNANCE

19. 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, 2022, 19,41,42,189 equity shares representing 99.55% of the total paid up share capital of the Company are held by shareholders in electronic form.

Distribution of Equity Shares (as on: 31/03/2022)**Distribution of Holding (No. of Shares)**

Sr/	No. of Shares	No. of Holders	% to Total	Total Shares	% to Total	
1.	1 -	500	31,948	69.3060	41,82,264	2.1448
2.	501 -	1,000	5,446	11.8142	42,67,732	2.1886
3.	1,001 -	5,000	6,482	14.0617	1,43,57,710	7.3629
4.	5,001 -	10,000	1,085	2.3537	80,66,624	4.1367
5.	10,001 -	50,000	918	1.9915	1,93,55,179	9.9257
6.	50,001 -	1,00,000	133	0.2885	97,09,241	4.9791
7.	1,00,001 -	And Above	85	0.1844	13,50,61,250	69.2622
Totals		46,097	100.0000	19,50,00,000	100.0000	

20. Shareholding Pattern

Category	No. of Shares	% of holdings
Equity Shares		
Promoters & Promoters Group	11,61,91,750	59.59
Financial Institutions & Banks	2,06,083	0.11
Foreign Portfolio Investors	5,30,000	0.27
NRI	19,14,167	0.98
Bodies Corporate	43,83,774	2.25
Public	7,12,14,361	36.52
Others(Clearing Member/Trusts)	5,59,865	0.28
Total	19,50,00,000	100.00
1% OPTIONALLY CONVERTIBLE CUMULATIVE REDEEMABLE PREFERENCE SHARES		
Promoters	1,00,00,000	100%

i) Plant Location	Village: Telighana, Post : Biringatoli, Via - Kutra Dist.Sundargarh (Odisha)
ii) Correspondence Address	M/s. Niche Technologies (P) Ltd. Unit - SCL D/511, Bagree Market, 5 th floor, 71, BRBB Road, Calcutta - 1. Shiva Cement Limited Telighana Biringatoli Tehsil, Kutra District, Sundargarh Orissa-770018
iii) Any query on Annual Report	The Share Department Shiva Cement Limited, Telighana Biringatoli Tehsil, Kutra District, Sundargarh Orissa-770018

21. 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.

**22. Fees Paid to Auditors total fees for all services paid by the Company, on a consolidated basis, to the M/s. Shah Gupta & Co., Chartered Accountants Statutory Auditors of the Company are as follows:**

Particulars	Amount- Rupees in Lakhs (Exclusive of taxes)
Audit fees (Standalone)	11.00
Tax Audit Fees	1.00
Out of Pocket Expenses	0.35
Total	12.35

Note: The Company has not paid any fees to any network firm/network entity of which the statutory auditors is part of.

23. Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under regulation 32(7A).

The proceeds of preferential issue of 1% Optionally Convertible Cumulative Redeemable Preference Shares has been utilised towards capital expenditure of the Company.

24. 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 2021- 22 does not contain any modified audit opinion.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

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.

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, 2022.

Certificates

- CFO of the Company has provided certification on financial reporting and internal controls of the Company to the Board of Directors as required under Regulation 17(8) of the Listing Regulations which is annexed herewith.
- The Company has obtained a Certificate from a Company Secretary in Practice pertaining to Directors as required under Schedule V of the Listing Regulations which is annexed herewith.
- The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as required under Schedule V of the Listing Regulations which is annexed herewith.

For and on behalf of the Board
Shiva Cement Limited

Date: 21.04.2022
Place: Sundargarh

Manoj Kumar Rustagi
Whole-Time Director
DIN:07742914

Rajendra Prasad Gupta
Director
DIN: 01325989

REPORT ON CORPORATE GOVERNANCE

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 2022 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

Girish Menon
Chief Financial Officer

Date: 21.04.2022
Place: Sundargarh



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, 2022 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. My 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 my opinion and to the best of my information and according to the explanations given to me 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, 2022.

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 **SUNIL AGARWAL & CO.**

Company Secretaries

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SUNIL AGARWAL

(Proprietor)

FCS No. 8706

COP. No. 3286

UDIN number F008706D000362268

Peer Review Unit No.788/2020

Place: MUMBAI

Date: APRIL 14, 2022

REPORT ON CORPORATE GOVERNANCE

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)

The Members of Shiva Cement Limited

I 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 Telighana, PO: Birangatoli, Tehsil-Kutra, District-Sundargarh, Odisha- 770018 (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) 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, 2022 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.

Sr. no.	Name of the Director	DIN	Date of Appointment
01	Rajendra Prasad Gupta	01325989	12/08/1985
02	Bimalkumar Mangaraj	01326783	26/12/2002
03	Sanjay Sharma	02692742	23/04/2019
04	Narinder Singh Kahlon	03578016	28/02/2017
05	Manoj Kumar Rustagi	07742914	28/02/2017
06	Sudeshna Banerjee	01920464	23/04/2019
07	*Mahendra Singh	02340913	31/03/2015

*The tenure of Mr. Mahendra Singh, Independent Director ended at the close of business hours of 31st March 2022.

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 **SUNIL AGARWAL & CO.**
Company Secretaries

-----SD-----

SUNIL AGARWAL
(Proprietor)

FCS No. 8706

COP. No. 3286

UDIN number F008706D000111545

Peer Review Unit no. 788/2020

Place: MUMBAI

Date: - 14/04/2022



INDEPENDENT AUDITORS' REPORT

To the Members of Shiva Cement Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Shiva Cement Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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, as amended ("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, 2022, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards 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 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 Code of Ethics. We believe that the audit evidence we

have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Material Uncertainty related to going concern

We draw attention to note no 34(j) to the financial statements which indicates that during the year ended March 31, 2022, the Company has incurred loss of ₹ 2,545.17 lakhs and as on March 31, 2022, the Company's accumulates loss is ₹ 14,190.57 lakhs 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 said note. 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 judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2022. 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.

We have determined the matter described below to be the Key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

The Key Audit Matter	How our audit addressed the key audit matter
Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 & 5 of the financial statements)	Our audit procedures included the following: <ul style="list-style-type: none"> We obtained an understanding of the Company's capitalisation policy and assessed for compliance with the relevant accounting standards. We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised. In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.
The Company has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 & 5 of the financial statements.	
The Company is in the process of executing projects for expansion of existing capacity. These projects take a substantial period of time to get ready for intended use.	
We considered Capital expenditure as a Key audit matter due to: <ul style="list-style-type: none"> Significance of amount incurred on such items during the year ended March 31, 2022. Judgement and estimate required by management in assessing assets meeting the /capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment. 	