

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

in the organization. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

The Internal Audit Department prepares a riskbased audit plan, which is approved by the Audit Committee. The frequency of the audit is decided by risk ratings of areas/functions. The audit plan is carried out by the internal team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend and the aggressive growth of the Company. In addition, the Audit Committee also places reliance on internal feedback and other external events for inclusion into the audit plan. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby 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, 2023, the Company had 141 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: 16.05.2023
Place: Kutra, Sundargarh

DIRECTOR'S REPORT

Dear Members,

We are pleased to present **37th Annual Report** for the financial year ended on 31st March, 2023. The operational performance during the year is as below.

1. Financial/Operational Performance

Particulars	₹ in lakhs	
	31.03.2023	31.03.2022
Turnover	-	346.55
Operating EBITDA	(1,310.30)	(801.72)
Other Income	347.38	380.49
Finance Cost	1285.30	879.26
Depreciation & Amortization	5898.63	705.55
Profit/(Loss) before exceptional item	(10,864.20)	(3,451.76)
Profit/(Loss) before Taxation	(10,864.20)	(3,451.76)
Tax Expense/benefits	(2817.17)	(899.84)
Profit/(Loss) after Taxation	(8,047.03)	(2,551.92)

Highlights of performance:

During the year, the Company has commissioned the new clinkerisation facility under ongoing expansion projects at kutra plant on 20.01.2023 and the plant is under trial run phase. In this trial run operation, the plant generated revenue of ₹ 4,763.94 lakhs with corresponding trial run expenses of ₹ 6,002.00 lakhs. The FY 2022-23 ended with net trial run expense of ₹ 1,238.06 lakhs.

Particulars	₹ in lakhs	
	31.03.2023	31.03.2022
Revenue from trial run operation	4,763.94	-
Total trial run expense	6,002.00	-
Net Trial run expense transfer to CWIP	1,238.06	-

Mines operation have been continued for production of Lime Stone to fulfill the requirement of expanded clinker production plant. During the year the company produced 2,37,453 MT of Lime Stones compare to 96,231 MT in FY 2021-22 resulting 147% increase in Limestone production..

During the year certain equipment's 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 ₹ 2,717.07 lakhs (previous year ₹ 1,340.72 Lakhs) has been charged to the statement of profit and loss during the financial year.

During the year Company has availed term loan amounting ₹ 30,132.23 lakhs (cumulative as on 31.03.2023: ₹ 60,940.43 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 the company received borrowed funds amounting ₹ 2,2769.00 lakhs (cumulative as on 31.03.2023 :

₹ 62,136.91 lakhs) from its holding company JSW Cement Limited and these funds have been used mostly in project expansion. On total cumulative borrowed fund for ₹ 1,23,077.34 lakhs, the company has incurred interest cost amounting ₹ 7,682.09 lakhs (FY 2021-22: ₹ 2,692.56 lakhs) which has been capitalized during the year. Further interest amount of ₹ 868.89 lakhs (FY 2021-22: ₹ 797.43 lakhs) charged to revenue profit & loss account. During the year the company has paid its interest due amount for ₹ 7,192.42 lakhs (FY 2021-22: ₹ 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

DIRECTOR'S REPORT

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.

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.
- The kiln firing for 4000 TPD clinker plant was successfully carried out on 20th Jan '2023. Alongwith the clinker plant, the infrastructure for 132 kVA incoming power has also been commissioned.
- CTO has been granted for 0.66 MTPA Clinker by OSPCB in Jan '23. Subsequently CTE has been applied for expansion of capacity from 0.66 MTPA to 1.50 MTPA. CTE is expected to be granted by May '23 which shall be followed by application for expansion of CTO to 1.5 MTPA. The CTO for expanded capacity is expected to be obtained by Sep '23.
- WHRS – Commissioning of AQC Boiler is expected by Jun'23 and commissioning of PH boiler is expected by Aug'23 which would complete the commissioning of entire WHRS plant
- Mobile crushers are presently being utilized for crushing of limestone. The construction and commissioning of stationary crusher of 850 tph is expected to be commenced and completed by Mar '24
- Railway Siding – DPR and ESP has been approved by the railway for the total railway siding project. However, keeping in view the time required for land acquisition and meanwhile to facilitate plant operations, a good shed at Sagra railway station (around 24 km by road from the plant) was proposed by Shiva Cement and approved by railway authorities. Accordingly, construction of the good shed is expected to be initiated by Q1 FY24 and completed by Dec '23.
- OLBC – IPCOL and IDCO both have approved 22.80-acre land for the proposed OLBC and forwarded the file to the District administration for preparation

of SIA report. Technical offers have been received from FLS, Beumer and Macmet for OLBC on EPC mode excluding civil jobs. 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, 2023 namely JSW Cement Limited. The net worth of JSW Cement Limited as on 31.03.2023 is ₹2,341.52 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 was CRISIL A-(CE)/Stable (reaffirmed) rating on the long term bank facilities of Shiva Cement Limited (SCL) by CRISIL.

10. Extract of Annual Return:

Pursuant to Section 92(3) read with section 134(3) (a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the website of the Company at www.shivacement.com.

11. Share Capital:

The Company's Authorised Share Capital during the financial year ended March 31, 2023, remained at ₹280,00,00,000 (Rupees Two Hundred Eighty crores only) comprising of ₹80,00,00,000 (Rupees Eighty crores only) equity share capital divided into 40,00,00,000 (Forty Crore) Equity Shares of ₹2/- (Rupee Two only) each; and ₹200,00,00,000 (Rupees Two Hundred crore only) preference share capital divided into 2,00,00,000 (Two crores) Preference Shares of ₹100/- (Rupees Hundred Only) each.

The Company's paid-up equity share capital remained at ₹13,900 lakhs comprising of 1950 lakh Equity shares of ₹2/- (Rupee Two only) each amounting to ₹3900 crores and One crore 1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹100 (Rupee Hundred only) each amounting to ₹100 crores (Rupees Hundred crore only).

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 five times on 21.04.2022, 12.05.2022, 27.07.2022, 21.10.2022 and 20.01.2023. 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

No funds were raised by the Company through Preferential allotment or by way of a Qualified Institutions Placement during the FY 2022-23.

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 of Directors

The Company has received necessary declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. In terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have enrolled themselves on the Independent Directors' Databank as on the date of this Report and will undergo the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid Rules.

18. Auditors and Auditor's Report:

A. Statutory Auditors and Auditor Report:

Members of the Company at the 36th AGM held on September 12, 2022, approved the re-appointment of, M/s. Shah Gupta & Co, Chartered Accountants (Firm

DIRECTOR'S REPORT

Registration No. 109574W), as the statutory auditors of the Company for a term of five years to hold office commencing from the conclusion of the 36th AGM until the conclusion of 41st AGM of the Company to be held in the calendar year 2027.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report for the year under review does not contain any qualification, reservation, adverse remark, or disclaimer.

B. Secretarial Auditors and Secretarial Audit

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 had appointed M/s. Sunil Agarwal & Co., Practising Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Report of the Secretarial Audit Report in Form No. MR- 3 is appended as Annexure A. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

C. Reporting of Frauds by Auditors

During the FY 2022-23, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report.

19. Listing with Stock Exchanges

The Company is listed on Bombay Stock Exchange Limited (BSE), Mumbai. The annual listing fees for the year 2022-23 have been paid to the Stock Exchange where the Company's share are listed.

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 the link: www.shivacement.com.

During the year under review, all other contracts / arrangements / transactions entered into during the financial year 2022-23 by the Company with Related Parties were in the ordinary course of business and on an arm's length basis. 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 into 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. Change in nature of business

During the financial year under review, there has been no change in the nature of business of the Company.

25. Material changes and commitment 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.

26. 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.

27. Disclosure related to policy

A. Company's policy on Directors', KMP & other employees' appointment and remuneration

The Company has formulated, amongst other, the Policies on the Directors', KMP & other employees' appointment including criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under sub-section (3) of Section 178 of the Act. The salient features of the Remuneration Policy forms part of Corporate Governance Report and detailed policy has also been published on the website www.shivacement.com.

B. Risk Management Policy

Your Company in line with its business plan and risk appetite, has adopted a robust Risk Management Policy, to identify, assess, monitor and address the full spectrum of risks applicable and mitigate & manage such risks, including the combined impact of those risks. The policy has been drafted in line with the Company's business operations with an objective to develop a 'risk intelligent' culture that drives informed decision making and builds resilience to adverse developments while ensuring that opportunities are exploited to create value for all stakeholder. The Company has constituted a Risk Management Committee in accordance with the requirements of SEBI Listing Regulations to, inter alia, monitor the risks and their mitigating actions. Risks related to internal controls, compliances & systems are reviewed in detail by the Audit Committee. All risks including investment risks are reviewed in the meetings of the Board of Director.

C. Dividend Distribution Policy

In terms of the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 ('SEBI Listing Regulations'), your Company has formulated and adopted a Dividend Distribution Policy, which is available on the Company's website and can be accessed at www.shivacement.com.

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.

28. 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.

29. 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

DIRECTOR'S REPORT

of Board, Meeting attended by Board Members, conflict of interest, participation in discussion, time contribution, Governance and ethical problem etc.

Evaluation by Nomination and Remuneration (NRC) Committee

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

Evaluation by Board

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

30. 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.

31. 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.

32. Cost Record:

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

33. Directors and Key Managerial Personnel:

Appointment/Resignation of Director

Mr. Jagdish Toshniwal (DIN- 01539889) has been appointed as a Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years with effect from 21st April, 2022.

Mr. Sanjay Sharma (DIN-02692742), has been appointed as a Non-Executive Independent Director of the Company for a second term of 5 (five) consecutive years with effect from 21st October 2022.

Mr. Bimal Kumar Mangaraj (DIN- 01326783), Non-Executive Independent Director of the Company has completed the second term of office on 31st March, 2023 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, 2023.

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

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act, read with rules made there under and Articles of Association of the Company, Mr. Rajendra Prasad Gupta (DIN- 01325989), Non-Executive Director of your Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting of the Company.

Resignation of Independent Director

Mr. Sanjay Sharma, Non-Executive Independent Director of the Company resigned from the Company 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.

34. 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.

35. 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.

36. 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.

37. 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 ₹ 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.

38. 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.

39. 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.

40. 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.

41. 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.

42. Other Disclosures

In terms of applicable provisions of the Act and SEBI Listing Regulations, your Company discloses that during the financial year under review:

- there was no Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- there was no public issue, rights issue, bonus issue or preferential issue, etc.
- there was no transfer of unpaid or unclaimed amount to Investor Education and Protection Fund (IEPF).

iv. AUDIT COMMITTEE

Pursuant to the reconstitution of the Audit Committee by the Board in its meeting held on 21.10.2022, the Audit Committee comprises of four Non-Executive Independent Directors and one Executive Director.

Mr. Bimalkumar Mangaraj is the Chairman of the Audit Committee (upto 31st March 2023). The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. There are no recommendations of the Audit Committee that have not been accepted by the Board.

DIRECTOR'S REPORT

43. 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.

44. 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 Directors
Shiva Cement Limited

Manoj Kumar Rustagi
Whole-Time Director
DIN: 07742914

Rajendra Prasad Gupta
Director
DIN: 01325989

Date: 16.05.2023
Place: Kutra, Sundargarh

ANNEXURE- A

Form No. MR-3
Secretarial Audit Report

For the Financial Year Ended 31st March 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.3 of the Companies (Appointment and Remuneration 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, 2023 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, 2023 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; not applicable during the period under review
- 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; not applicable during the period under review
- 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;

ANNEXURE TO THE DIRECTORS' REPORT

- 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

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 operation of the plant has been resumed on trial basis and the company has received consent to operate from state pollution control

Board, Odisha for production of 0.66 MTPA clinker and 9 MW WHR (Waste Heat Recovery)

2. Mr. Bimal K. Mangaraj Non-Executive Independent Director of the Company has completed the second term of office with effect from close of business hours of 31st March, 2023 and not eligible for re appointment in the company.
3. M/s. Shah Gupta & Co., Chartered Accountants, Mumbai, Firm Registration No. 109574W, as Statutory Auditors of the Company for a second term was re-appointed of 5 (five) consecutive years, to hold office from the conclusion of this 36th Annual General Meeting until the conclusion of the 41st Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors of the Company.
4. The Company has changed its Registrar and Share Transfer Agent from Niche Technologies Private Limited to KFin Technologies Limited wef 23rd November 2022.
5. Mr. Sanjay Sharma (DIN: 02692742) vide the letter dated 27th April 2022 has tendered his resignation as Non-Executive Independent Director of the Company with effect from 27th April 2022 along with his membership in various Committees, where he is a member. Mr. Sanjay Sharma was re-appointed as an Independent Director of the Company wef 21.10.2022.

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 UDIN number: F008706E000312812
Date: May 16, 2023 Peer review Unit No. 788/2020

ANNEX-A TO THE SECRETARIAL AUDIT REPORT

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

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

1. 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.
2. I have followed the audit practices and processes as were appropriate to obtained 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 are reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company and may be relied up on the statutory report provided by the Statutory Auditors as well as Internal Auditor of the company for the financial year ending 31 March, 2023
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the 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.
6. 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

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

Place: MUMBAI
Date: May 16, 2023

UDIN number: F008706E000312812
Peer review Unit No. 788/2020

ANNEXURE TO THE DIRECTORS' REPORT

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:

- 1. Details of contracts or arrangements or transactions not at arm's length basis - Not Applicable**
- 2. Details of material contracts or arrangement or transactions at arm's length basis -** For details of transactions during the year refer note 37(g) B. of the financial statements. The materials transactions are as under:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements 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 various goods such as : sale of clinker, assets & inventories etc.*		NIL
	Purchase of Goods/Services	Yearly	Purchase various goods: such as assets, stores and spares, fuel and availing or rendering of services**	28 th March 2022	NIL
	Loan Received	Long Term	The Company has taken unsecured loan from JSW Cement Limited for an aggregate value not exceeding INR 700 crores**	27 th July 2022	NIL

*Approved by the shareholders vide Postal Ballot passed on 6th May 2022.

**Approved by the shareholders at Annual General Meeting held on 12th September 2022.

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: 16.05.2023
Place: Kutra, Sundargarh

ANNEXURE- C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures required to be made under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is as follows:

A. Conservation of Energy
(a) The steps taken or impact on conservation of energy:

1. Installation of medium voltage variable frequency drives (MVVFD) & low voltage variable frequency drives (LVVFD) for process fans across the plant.
2. Installation of LVVFD in Plant compressors.
3. Installation of high efficiency (IE3) motors across the plant.
4. Installation of LED Lights at Plant and Colony at various location across all plants.
5. Optimization of energy consumption in kiln shell cooling fans in semi auto operation.
6. Reduction in energy saving through the optimization in air requirement of bag filter fans through the operation in DP mode.
7. Plant lighting operation through the DCS as per the day/seasonal/local sunrise and sunset timing.
8. Reduction in energy consumption through the reduction in idle running in plant process circuit.

(b) The capital investment energy conservation equipment: Capex -

1. Power saving in by installing VFD, LVFD & MVVFD
2. Installation made for increasing utilization of wet / conditioned fly ash
3. Fibre Reinforced Plastic (FRP) blade fan installed for WHRS

(c) Steps taken for alternate source of utilisation:

1. Utilization Wet Fly ash of 4079MT.

B. Technology Absorption
(a) Efforts made towards Technology Absorption:

1. Installation of high-level control to improve productivity of kiln
2. Completely Automated Robolab alongwith automated sample collection system installed and commissioned.

(b) Information regarding Technology Imported during period Apr'22 - Mar'23: NIL
(c) Benefits derived (Cost reduction, product improvement/improvement, Import substitution): NIL
C. There is no major Expenditure for R&D for the period of Apr'22 - Mar'23, as various projects were executed.
D. Foreign Exchange Earnings and Outgo

	₹ Lakhs
Foreign Exchange earned	-
Foreign exchange outgo	749.58

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23

(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 is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our philosophy on Corporate Governance is founded upon a strong culture and legacy of its value system. We are committed to continuously adopt and adhere to the best governance practices, ensuring we remain a value-driven organisation and develop a corporate culture that recognises and rewards adherence to ethical standards and good governance practices with appropriate disclosures and transparency. We consider our Corporate Governance philosophy as an essential element of business, which helps the Company to fulfil its responsibilities towards all its stakeholders. At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and the Board. We believe that the imperative for good Corporate Governance lies not merely in drafting codes for Corporate Governance but in practicing and implementing the same in spirit.

The Company constantly endeavours to follow the Corporate Governance Guidelines/Policies and best practices sincerely and disclose the same transparently. We ensure that we evolve and follow not just the stated Corporate Governance Guidelines/Policies, but also global best practices. We are in compliance with Corporate Governance requirements as contained in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"), details of which are given below.

2. Board of Directors

i. Composition:

As on March 31, 2023, the Board comprises of 7 Directors with rich and varied experience in their respective fields:

Name of the Directors	Position
Executive	
Mr. Manoj Kumar Rustagi	Whole Time Director
Non-Executive Non-Independent	
Mr. Rajendra P. Gupta	Director
Mr. Narinder Singh Kahlon	Director
Non-Executive Independent	
Mr. Jagdish Toshniwal	Director
Mr. Bimal K. Mangaraj	Director
Ms. Sudeshna Banerjee	Director
Mr. Sanjay Sharma	Director

Notes:

- Independent Director means a Director as defined under Regulation 16(1)(c) of the SEBI (LODR) Regulations.

Resignation of Independent Director:

Mr. Sanjay Sharma, Non-Executive Independent Director of the Company resigned from the Company 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.

ii. Meetings and attendance record of each Director:

During the Financial Year 2022-23, Five 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	21-04-2022	5 out of 6
2	12-05-2022	5 out of 6
3	27-07-2022	6 out of 6
4	21-10-2022	6 out of 6
5	20-01-2023	6 out of 7

Corporate Overview	Statutory Reports	Financial Statements	Notice
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Details of attendance of the Directors at the Board Meetings and the Annual General Meeting ("AGM") held during the year ended March 31, 2023, other Directorships and Committee Chairmanships and Memberships held by the Directors of the Company as at March 31, 2023 are as follows:

Name of Director	Category	No. of Equity Shares held	Attendance Details		No. of Directorships and Committee (a) Memberships/Chairmanships in Indian Public Limited Companies (excluding Shiva Cement Limited)		
			Board Meetings	36 th AGM held on 12 th September 2022 (Y/N)	Other Directorships	Other Committee Chairmanships	Other Memberships
Mr. Manoj Kumar Rustagi	Whole-Time Director	100	5	Yes	3	-	-
Mr. Rajendra P. Gupta	Non-Independent Non-Executive Director	13,447	4	Yes	2	-	-
Mr. Narinder Singh Kahlon	Non-Independent Non-Executive Director	-	3	Yes	3	-	-
Mr. Jagdish Toshniwal	Independent Director	-	4	Yes	-	-	-
Mr. Bimal K. Mangaraj	Independent Director	-	5 **	Yes	-	-	-
Ms. Sudeshna Banerjee	Independent Director	-	5	Yes	1	-	-
Mr. Sanjay Sharma	Independent Director	15,000	2 **	NA#	-	-	-

Notes:

- Mr. Bimal K. Mangaraj Non-Executive Independent Director of the Company has completed the second term of office on 31st March, 2023 and consequently he 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, 2023.
- ** Mr. Jagdish Toshniwal has been appointed as a Non-Executive Independent Director of the Company wef 21st April 2022.
- ** 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. Further, Mr. Sharma was re-appointed as a Non-Executive Independent Director of the Company wef 21st October 2022.
- # not a Director at the time of the last AGM.
- Only 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.
- Excludes membership of committees of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- ** No. of Board Meetings indicated is with reference to date of joining/cessation of the Director.

Details of Other listed entities where the Directors of the Company are directors as on 31st March 2023 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Rajendra P. Gupta	M/s. Bloccm Industries Limited	Non-Executive Director

iii. Separate meeting of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25 of the SEBI (LODR) Regulations, the Independent Directors of the Company held one meeting during the year on March 16, 2023, without the presence / attendance

of Non-Independent Directors and Members of the Management. All four Independent Directors were present for the Meeting.

Opinion of the Board

The Board of Directors after due evaluation, have formed an opinion that the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations and are independent of the Management.

iv. 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.

REPORT ON CORPORATE GOVERNANCE

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	Area of Expertise			
	Leadership & Strategic Planning	Audit & Risk Management	Compliance and Legal & Regulatory Expertise	Technical Skill/ Experience-Project
Mr. Manoj Kumar Rustagi	✓	✓	✓	✓
Mr. R.P. Gupta	✓			✓
Mr. Naninder Singh Kahlon		✓	✓	
Mr. Jagdish Toshniwal	✓	✓		✓
Mr. B.K. Mangaraj		✓	✓	✓
Ms. Sudeshna Banerjee		✓		✓
Mr. Sanjay Sharma		✓		✓

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 Listing Regulations, majority of members being Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

Terms of reference of Audit Committee:

The terms of reference of the Audit Committee cover all applicable matters specified under Regulation 18(3) and Part C of Schedule II of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 which inter alia

include overseeing the Company's financial reporting process, recommending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any other services, reviewing with the management the financial statement before submission to the Board, to approve transactions of the Company with related parties and subsequent modifications of the transactions with related parties, reviewing adequacy of internal control systems, discussion with Internal Auditors of any significant findings and follow up there on, reviewing the findings of any internal investigations by the Internal Auditors, discussion with Statutory Auditors about the nature and scope of audit, etc. The Internal Auditor send internal audit reports directly to the Audit Committee.

Composition, Meetings and Attendance of the Audit Committee

During FY 2022-23, four meetings of the Audit Committee were held i.e. on April 21, 2022, July 27, 2022, October 21, 2022 and January 20, 2023. The intervening gap between two meetings did not exceed 120 (one hundred and twenty) days.

The details of the Audit Committee meetings attended by its members during the FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Bimal Kumar Mangaraj - Chairman (upto 31.03.2023)	Independent Director	4	4
2	Mr. Jagdish Toshniwal - Member*	Independent Director	3	3
3	Mr. Sanjay Sharma - Member**	Independent Director	2	2
4	Ms. Sudeshna Banerjee - Member	Independent Director	4	4
5	Mr. Manoj Kumar Rustagi - Member	Whole-time Director	4	4

* Mr. Jagdish Toshniwal was appointed as the member of the Audit Committee in the Board Meeting held on 21st April 2022

** Ceased to be the member of the Audit Committee wef 27.04.2022. Further, Mr. Sharma was re-appointed as the member of the Audit Committee in the Board Meeting held on 21st October 2022

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.

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, all the members of the Committee were Non-Executive Directors majority being Independent Director. The Company Secretary acts as the Secretary of the Committee.

The broad terms of reference of the Nomination and Remuneration Committee's, inter alia, include the following:

- to formulate the policy for determining qualifications, positive attributes, remuneration and independence of a director, KMP, senior management and other employees;

- to identify persons who are qualified to become directors, KMP and senior management and to recommend to the Board their appointment and removal;

- 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;

Composition, Meetings and Attendance of the Nomination & Remuneration Committee

During FY 2022-23, two meetings of the NRC were held i.e. on April 21, 2022 and October 21, 2022.

The details of the NRC meetings attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Sudeshna Banerjee - Chairman (wef 20.01.2023)	Independent Director	2	2
2	Mr. Jagdish Toshniwal - Member*	Independent Director	NA	NA
3	Mr. Bimal Kumar Mangaraj - Member (upto 31.03.2023)	Independent Director	2	2
4	Mr. Naninder Singh Kahlon - Member	Non-Executive Director	2	1

* Mr. Jagdish Toshniwal was appointed as the member of the Nomination and Remuneration Committee in the Board Meeting held on 20th January, 2023

Remuneration to Directors

Mr. Manoj Kumar Rustagi, Whole-Time Director of the Company has been paid remuneration of Rs.17/- 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

REPORT ON CORPORATE GOVERNANCE

Company pays sitting fees to Independent Director, Non-Executive Women 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, 2023 is as follows:-

S. No.	Name	Sitting Fees Paid (₹ In Lakhs)
1.	Mr. Jagdish Toshniwal, Independent Director	2.35
2.	Mr. Bimal K. Mangaraj, Independent Director	2.15
3.	Ms. Sudeshna Banerjee, Independent Director	3.05
4.	Mr. Sanjay Sharma, Independent Director	1.10

Performance Evaluation :

The Performance Evaluation of all the Directors was performed according to provisions of Section 178 of the Companies Act, 2013 and as per Part D of Schedule II of SEBI (LODR) Regulations in a systematic manner and there were no observations with respect to Board Evaluation carried out in previous year and also in the year under review.

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 Listing Regulations. The Stakeholder Relationship Committee comprises of four members as on 31st March 2023.

Terms of Reference:

The broad terms of reference of the Stakeholder/Investors' Grievance Committee, inter alia, include the following:

- 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.
- 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.

- 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.

Composition, Meetings and Attendance of the Stakeholders Relationship Committee

During FY 2022-23, the Committee met once i.e. on 20th January 2023.

The details of the Stakeholders Relationship Committee meeting attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Rajendra Prasad Gupta - Chairman	Non-Executive Director	1	1
2	Mr. Narinder Singh Kahlon - Member	Non-Executive Director	1	1
3	Mr. Manoj Kumar Rustagi - Member	Whole-Time Director	1	1
4	Mr. Jagdish Toshniwal - Member	Independent Director	1	1
5	Mr. Sanjay Sharma - Member (upto 27.04.2022)	Independent Director	NA	NA

* Mr. Jagdish Toshniwal was appointed as the member of the Stakeholder Relationship Committee in the Board Meeting held on 21st April 2022.

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 31.03.2023: NIL

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

No. of pending Complaints as on 31.03.2023: NIL

6. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee (CSR) comprises of the 3 members namely: Ms. Sudeshna Banerjee, Independent Director, Mr. Manoj Kumar Rustagi, Whole-Time Director and Mr. Narinder Singh Kahlon, Non-Executive Director.

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The purpose of the committee is to formulate and monitor the CSR policy of the Company. The broad terms of reference of the CSR Committee, inter alia, include the following:

- 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;
- 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;
- 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.

Composition, Meetings and Attendance of the Corporate Social Responsibility Committee

During FY 2022-23, the Committee met once i.e. on 21st April, 2022.

The details of the CSR meeting attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Ms. Sudeshna Banerjee - Chairperson (wef 13 th April, 2022)	Non-Executive Director	1	1
2	Mr. Narinder Singh Kahlon - Member	Non-Executive Director	1	-
3	Mr. Manoj Kumar Rustagi - Member	Whole-Time 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 broad terms of reference of the Finance Committee, inter alia, include the following:

- 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 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 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 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.

REPORT ON CORPORATE GOVERNANCE

The Committee met twice during the year on 22.06.2022 and 14.11.2022, in which all the Committee members attended the meeting.

8. Project Review Committee:

The broad terms of reference of the Project Review Committee, inter alia, include the following:

- 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 review new strategic initiatives.
- 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 authorize any person as authorized signatory to initial, sign, execute all documents, papers, instruments with relation to and during the bidding and tendering process.

Composition, Meetings and Attendance of the Project Review Committee:

During FY 2022-23, five meetings of Project Review Committee were held i.e. on April 21, 2022, May 12, 2022, July 27, 2022, October 21, 2022 and January 20, 2023.

The details of the Project Review Committee meeting attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Rajesh Prasad Gupta - Chairman	Non-Executive Director	5	4
2	Ms. Sudeshna Banerjee - Member	Independent Director	5	5
3	Mr. Manoj Kumar Rustagi - Member	Non-Executive Director	5	5
4	Mr. Sanjay Sharma - Member*	Independent Director	2	2
5	Mr. Jagdish Toshniwal - Member**	Independent Director	4	4

* Ceased to be the member of the Project Review Committee w.e.f. 27.04.2022. Further, Mr. Sharma was re-appointed as the member of the Project Review Committee in the Board Meeting held on 21st October 2022

**Mr. Jagdish Toshniwal was appointed as the member of the Project Review Committee in the Board Meeting held on 21st April 2022

9. Risk Management Committee:

The Risk Management Committee constituted on 21st April 2022 comprises of the four members as on 31st March 2023. The broad terms of reference of the Risk Management Committee, inter alia, include the following:

- ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- periodically review 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;

Composition, Meetings and Attendance of the Risk Management Committee:

During FY 2022-23, two meetings of Risk Management Committee were held i.e. on April 21, 2022, and March 16, 2023.

The details of the Risk Management Committee meeting attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Jagdish Toshniwal - Chairman (wef 20.01.2023)	Non-Executive Director	2	2
2	Mr. Narinder Singh Kahlon - Member	Independent Director	2	1
3	Mr. Manoj Kumar Rustagi - Member	Non-Executive Director	2	2
4	Mr. Sanjay Sharma - Member (wef 20.01.2023)	Independent Director	1	1

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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
36 th	September 12, 2022	12:00 PM	Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)	No Special Resolutions were passed
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 Vangaraj and Mr. Mahendra Singh as an Independent Director.

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	i. Approval for Increase in Borrowing Powers of the Company in terms of provisions of 180(1)(c) of the Companies Act. ii. 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

Special Resolutions passed through Postal Ballot during 2022-23:

During the year, the following special resolutions were passed through Postal Ballot:

- The following special resolution was passed through postal ballot process vide Postal Ballot notice dated 10th June 2022

Appointment of Mr. Jagdish Chandra Toshniwal (DIN-01539889) as an Independent Director of the Company

Votes in favour of the resolutions		Votes against the resolutions	
No. of Votes	% of total votes	No. of Votes	% of total votes
708,505	96.54%	25,986	3.46%

In accordance with General Circular Nos. 14/2020 dated 8.04.2020 and 17/2020 dated 13.04.2020 read with other relevant circulars, including General Circular No. 10/2021 dated 23.06.2021, issued by the Ministry of Corporate Affairs ("MCA Circulars"), resolution was proposed to be

passed by means of Postal Ballot, only by way of remote e-voting process ("e-voting"). The Company had engaged the services of National Securities Depository Limited ("NSDL") as the agency to provide e-voting facility.

Mr. Sunil Agarwal & Co., Practicing Company Secretary, (Membership No. FCS 8706, CP No. 3286) acted as the 'Scrutiniser' to conduct the postal Ballot /e-voting process in a fair and transparent manner.

In accordance with the MCA Circulars, the Company has dispatched the Postal Ballot Notice, electronically to all the members whose e-mail addresses were registered with the Company or with the depositories/depository participants or with the Company's Registrar and Transfer Agent i.e. Niche Technologies Pvt Ltd and whose names appear in the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited and Central Depository Services (India) Limited on Friday, June 3, 2022, being the cut-off date, considered for the purposes of remote e-voting.

REPORT ON CORPORATE GOVERNANCE

Instructions for voting by (i) individual shareholders holding shares of the Company in demat mode, (ii) Shareholders other than individuals holding shares of the Company in demat mode, (iii) Shareholders holding shares of the Company in physical mode, and (iv) Shareholders who have not registered their e-mail address, were explained in the Postal Ballot Notice.

Members exercised their vote(s) by e-voting during the period from Sunday, June 12, 2022, at 9:00 a.m. IST and end on Monday, July 11, 2022, at 5:00 p.m. IST. The Scrutiniser submitted his report on 12.07.2022, after the completion of scrutiny and result of the e-voting was announced on the same day. The said resolutions were passed with requisite majority. Voting result of postal ballot is available on the website of the Stock Exchange and website of the Company.

- ii. The following special resolution was passed through postal ballot process vide Postal Ballot notice dated 21st October 2022

Appointment of Mr. Sanjay Sharma (DIN: 02692742) as an Independent Director of the Company

Votes in favour of the resolutions		Votes against the resolutions	
No. of Votes	% of total votes	No. of Votes	% of total votes
11,60,34,678	99.9958%	4,812	0.0042%

In accordance with General Circular Nos. 14/2020 dated 8.04.2020 and 17/2020 dated 13.04.2020 read with other relevant circulars, including General Circular No. 10/2021 dated 23.06.2021, issued by the Ministry of Corporate Affairs ("MCA Circulars"), resolution was proposed to be passed by means of Postal Ballot, only by way of remote e-voting process ("e-voting"). The Company had engaged the services of National Securities Depository Limited ("NSDL") as the agency to provide e-voting facility.

Mr. Sunil Agarwal & Co., Practicing Company Secretary, (Membership No. FCS 8706, CP No. 3286) acted as the 'Scrutiniser' to conduct the postal Ballot /e-voting process in a fair and transparent manner.

In accordance with the MCA Circulars, the Company has dispatched the Postal Ballot Notice, electronically to all the members whose e-mail addresses were registered with the Company or with the depositories/depository participants or with the Company's Registrar and Transfer Agent i.e. KFin Technologies Limited ("KFin") and whose names appear in the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited and Central Depository Services (India) Limited on Friday, December 9, 2022, being the cut-off date, considered for the purposes of remote e-voting.

Instructions for voting by (i) individual shareholders holding shares of the Company in demat mode, (ii)

Shareholders other than individuals holding shares of the Company in demat mode, (iii) Shareholders holding shares of the Company in physical mode, and (iv) Shareholders who have not registered their e-mail address, were explained in the Postal Ballot Notice.

Members exercised their vote(s) by e-voting during the period from Saturday, December 17, 2022 (9:00 a.m. IST) to Monday, January 16, 2023 (6:00 p.m. IST). The Scrutiniser submitted his report on 17.01.2023, after the completion of scrutiny and result of the e-voting was announced on the same day. The said resolutions were passed with requisite majority. Voting result of postal ballot is available on the website of the Stock Exchange and website of the Company.

Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot. If required special resolutions shall be passed by Postal Ballot during the year 2023-24.

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.
- Details of information on appointment/reappointment of Directors: A brief resume, nature of expertise in specific functional areas, names of companies in which the person already holds directorship and membership of Committees of the Board of Directors appears in the Notice of the Annual General Meeting, which forms part of this Annual Report. The Company has laid down procedures to inform Board members about the risk assessment and minimisation process which are periodically reviewed.

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

e. **Related Party Transactions Policy:** As required under Regulation 23 of the SEBI (LODR) Regulations, the Company has formulated a Policy on dealing with Related Party Transactions which has been disclosed on the website of the Company at <http://www.shivacement.com>

f. **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>

- 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.

The Board of Directors of the Company have laid down a "Code of Conduct" applicable to the Board Members and Senior Management Executives. The Code has been posted on the Company's website (www.shivacement.com). A declaration by the Whole Time Director & CFO affirming the compliance of the Code of Conduct for Board Members and Senior Management Executives forms part of the Annual Report.

- h. As per the requirement of Schedule V of the SEBI (LODR) Regulations, the Whole Time Director & CFO of the Company has furnished the requisite declaration to the Board of Directors of the Company.

- i. The Company has adopted a risk management framework to identify risks and exposures to the organization, to recommend risk mitigation and to

set up a system to apprise the Board of Directors of the Company about the risk assessment and minimization procedure and their periodic review.

- j. There were no instances of non-compliance with Stock Exchanges or SEBI regulations nor any penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

- k. 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:

- No. of Complaints filed during the year ended 31.03.2023: NIL
- No. of Complaints disposed of during the financial year: NIL
- No. of pending Complaints as on 31.03.2023: NIL

- l. Structured Digital Database for tracking of Insider Trading: PIT Regulations require 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'.

REPORT ON CORPORATE GOVERNANCE

m. Credit Rating

During the year, the Company's credit rating was CRISIL A+(CE)/Stable (reaffirmed) rating on the long term bank facilities of Shiva Cement Limited (SCL) by CRISIL.

n. 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

Quarterly Results	The quarterly, half-yearly and yearly financial results of the Company are sent to stock exchanges on which the Company's shares are listed and also posted on the Company's website after they are approved by the Board of Directors. These are also published in the newspapers as per the provisions of the SEBI (LODR) Regulations.
Newspapers wherein results are normally published	The Financial Express (English language) Surya Prabha (Local language)
Website of the Company	www.shivacement.com
Whether it also displays official news releases	Yes, wherever applicable
The Presentations made to Institutional Investors or to the analysts	Will be compiled with whenever applicable/made.

14. Management Discussion & Analysis Report

The Management Discussion and Analysis Report (MDA) covering various matters specified under Schedule V of the SEBI (LODR) Regulations forms part of the Annual Report.

15. General Shareholder information:

a) AGM programme:

AGM date and time	23 rd September 2023 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 2023-24 (tentative)

Annual General Meeting:

Board Meeting		
Results for the quarter ending June 30, 2023	Last Week of July '23	
Results for the quarter ending Sep 30, 2023	Last Week of Oct '23	
Results for the quarter ending Dec 31, 2023	Third Week of Jan '24	
Results for the quarter ending Mar 31, 2024	Second Week of May'24	

c) Dates of Book Closure:

Tuesday, 19th day of September, 2023 to Monday, 25th day of September, 2023.

d) Dividend Payment Date:

No dividend has been recommended for the financial year ended on 31st March 2023

e) Listing of Securities

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

(Note: Annual listing fees for the year 2022-23 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-22	67.00	38.00
May-22	54.50	39.55
Jun-22	53.20	39.15
Jul-22	51.70	44.85
Aug-22	50.50	43.55
Sep-22	62.80	45.95
Oct-22	61.50	52.00
Nov-22	56.95	52.60
Dec-22	61.40	47.20
Jan-23	59.90	52.20
Feb-23	55.95	46.90
Mar-23	54.45	41.00

17. Registrar and Transfer Agents:

KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District: Nanakramguda,
Hyderabad - 500 032
Tel. No. 040 67161500
Fax No. 040 23001153
E-mail: einward.ris@kfinfintech.com
Website: www.kfinfintech.com

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18. Share Transfer/Transmission System:

Share Transfer system:

Transfer of securities held in physical mode has been discontinued w.e.f. 01.04.2019. However, SEBI vide its various circulars / notifications granted relaxation for re-lodgement cases till 31.03.2021. In compliance with the circular, Re-lodgement of transfer requests was carried out till the validity period of Circular. Further, effective from 01.04.2021, Company / RTA is not accepting any requests for the physical transfer of shares from the shareholders.

Transmission System:

Requests for Transmission of Shares held in physical form can be lodged with KFin Technologies Limited "RTA" at the above mentioned address with all the documents along with duly filled ISR-4. The requests are normally processed within 15 days of receipt of the documents, provided that documents are in order. Shares under objection are returned within two weeks from the date of its receipt.

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, 2023, 19,41,45,875 equity shares representing 99.56% of the total paid up share capital of the Company are held by shareholders in electronic form.

DISTRIBUTION OF EQUITY SHARES (AS ON: 31/03/2023)

Distribution of Holding (NO. OF SHARES)

Sl No.	Category (Shares)	Distribution of Shareholding as on 31/03/2023 (TOTAL)			
		No. of Holders	% To Holders	No. of Shares	% To Equity
1	1-500	33961	70.84	4304123	2.21
2	501-1000	5287	11.03	4123255	2.11
3	1001-2000	3717	7.75	5355849	2.75
4	2001-3000	1486	3.10	3746634	1.92
5	3001-4000	646	1.35	2312385	1.19
6	4001-5000	612	1.28	2917983	1.50
7	5001-10000	1084	2.26	8068387	4.14
8	10001-20000	588	1.23	8414643	4.32
9	20001 and above	561	1.17	155766841	79.88
	TOTAL:	47942	100.00	195000000	100.00

20. Shareholding Pattern

Category	No. of Shares	% of holdings
Equity Shares		
Promoters & Promoters Group	116191750	59.59
Financial Institutions & Banks	206083	0.11
NRI	2722951	1.40
Bodies Corporate	5474901	2.81
Public	67470014	34.60
Others (Clearing Member/Trusts)	2934301	1.50
Total	195000000	100.00
1% OPTIONALLY CONVERTIBLE CUMULATIVE REDEEMABLE PREFERENCE SHARES		
Promoters	1,00,00,000	100%

Pursuant to SEBI circular No. SEBI/HO/MIRSD/ MIRSD-RTAMB/P/CIR/2022/8 dated 25.01.2022, SEBI has directed that listed companies shall henceforth issue securities in dematerialized form only while processing the Transmission request as may be received from the securities holder / claimant.

Accordingly, RTA to verify and process the service request and thereafter issue a "Letter of Confirmation" in lieu of physical securities certificate(s), to the securities holder / claimant within 30 days of its receipt of such request after removing objections, if any.

The letter of confirmation shall be valid for a period of 120 days from the date of its issuance, within which the securities holder / claimant shall make a request to the Depository Participants for dematerializing the said securities.

The RTA / Issuer Companies shall issue a reminder after the end of 45 days and 90 days from the date of issuance of Letter of Confirmation, informing the securities holder and / claimant to submit the demat request as above in case no such request has been received by the RTA till the time.

REPORT ON CORPORATE GOVERNANCE

i) Plant Location	Village: Telighana, Post: Biringatoli, Via - Kutra Dist: Sundargarh (Odisha)
ii) Correspondence Address	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)	₹ 11,00,000
Tax Audit Fees	₹ 1,00,000
Out of Pocket Expenses	₹ 65,000
Total	₹ 12,65,000

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

23. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion dates and likely impact on equity

There are no GDRs / ADRs / Warrants or any other convertible instruments which are pending for conversion into equity shares.

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

No funds have been raised through any public issue of equity or debt in the form of public or rights or nor

through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of SEBI (LODR) Regulations during the year under review.

25. Shares in the Suspense Account: NIL**26. Adoption of Discretionary Requirements:**

The status of adoption of discretionary requirements of Regulation 27(i) 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 2022-23 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, 2023.

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(B) 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 Shiva Cement Limited

Manoj Kumar Rustagi
Whole-Time Director
DIN: 07742914

Rajendra Prasad Gupta
Director
DIN: 01325989

Date: 16.05.2023
Place: Kutra, Sundargarh

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 2023 and that to the best of our knowledge and belief, we state that;
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - these statements present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- We have indicated to the Auditors and the Audit Committee;
 - significant changes, if any, in the internal control over financial reporting during the year.
 - Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Shiva Cement Limited

Date: 16.05.2023
Place: Kutra, Sundargarh

Girish Menon
Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE

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, 2023 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, 2023.

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

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

Place: MUMBAI
Date: May 16, 2023

UDIN number: F008706E000312889
Peer Review Unit No.: 788/2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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 L26942OR1985PLCO01557 and having registered office at Telighana, PO: Birangatal, Tehsil-Kutra, District-Sundargarh 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, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment in Company
01	RAJENDRA PRASAD GUPTA	01325989	12/08/1985
02	JAGDISH CHANDRA TOSHNIWAL	01539889	21/04/2022
03	SUDESHNA BANERJEE	01920464	23/04/2019
04	SANJAY SHARMA	02692742	21/10/2022
05	NARINDER SINGH KAHLON	03578016	28/02/2017
06	MANOJ KUMAR RUSTAGI	07742914	28/02/2017
07	*BIMAL KUMAR MANGARAJ	01326783	26/12/2002

*The tenure of Mr. Bimal Kumar Mangaraj, Independent Director ended at the close of the business hours of 31st March, 2023.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My 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

SUNIL AGARWAL
Proprietor
FCS NO. 8706
COP NO. 3286

PLACE: MUMBAI
DATE: 16/05/2023

UDIN number F008706E000312845
Peer review Unit No. 788/2020