

**Independent Auditors' Report on the audit of the annual financial results pursuant to Regulation 33 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended**

**To,**  
**The Board of Directors**  
**Shiva Cement Limited**

**Opinion**

We have audited the accompanying Statement of Annual Financial Results of Shiva Cement Limited (the "Company"), for the quarter and the year ended March 31, 2022 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to best of our information and according to explanations give to us, the Statement:

- i. is presented in accordance with requirements of Regulation 33 of Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, RBI guidelines and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended March 31, 2022.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under sub-section (10) of Section 143 of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

**Material uncertainty related to going concern**

We draw attention to note 3 to the Statement which indicates that during year ended March 31, 2022 the Company has incurred loss of Rs.1139.22 lakhs and as on March 31, 2022 the Company's accumulated loss is Rs.14,190.56 lakhs resulting in erosion of net worth of the Company. The financial statements of the Company have been prepared on a going concern basis for the reason stated in the note 3 to the Statement. The validity of the going concern assumption would depend upon the performance of the Company as per its future business plan. Our opinion is not qualified in respect of this matter.

**Management's Responsibilities for the Financial Results**

These annual financial results have been prepared on the basis of the audited annual financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting



Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Annual Financial Results**

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

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

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion.



Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Other Matter**

We report that the figures for the quarter ended March 31, 2022 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2022 and the published unaudited year-to-date figures up to December 31, 2021 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations. Our opinion is not modified in respect of above matter.

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



Vipul K Choksi  
Partner

M. No. 37606

Unique Document Identification Number (UDIN) for this document is : 22037606AHNDEE8187

Place: Mumbai

Date: 21.04.2022

SHIVA CEMENT LIMITED

Registered Office : Kutra, Sundergarn - 770018  
Corporate Identity Number (CIN) : L26942OR1985PLC001557

Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2022

Sr No.	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		(₹ in lakh)				
<b>1</b>	<b>Income</b>					
	a Revenue from operations	-	3.12	788.80	346.55	2,845.20
	b Other income	286.41	16.88	43.94	380.49	409.99
	<b>Total Income</b>	<b>286.41</b>	<b>20.00</b>	<b>832.74</b>	<b>727.04</b>	<b>3,255.19</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of materials consumed	20.29	7.81	215.03	100.87	834.87
	(b) Changes in inventories of finished goods,	(24.47)	116.06	118.33	166.77	15.33
	(c) Employee benefits expense	62.62	58.37	99.19	276.75	395.50
	(d) Finance costs	242.15	229.67	292.96	879.26	1,495.61
	(e) Depreciation and amortisation expense	97.84	207.10	201.62	705.55	781.89
	(f) Power and fuel	6.99	26.59	421.38	319.83	1,596.00
	(g) Legal and professional fees	4.88	26.40	23.54	165.83	159.50
	(h) Stores & spares consumed	4.93	11.60	65.30	56.62	242.59
	(i) Repairs and maintenance	15.30	10.41	47.60	85.51	156.86
	(j) Loss on asset sale/ write off	1,340.72	-	-	1,340.72	139.74
	(k) Provision for doubtful debts	(1.38)	(5.86)	0.19	5.03	4.85
	(l) Other expenses	53.75	57.74	102.63	275.32	384.16
	<b>Total Expenses</b>	<b>1,823.63</b>	<b>745.89</b>	<b>1,587.77</b>	<b>4,378.06</b>	<b>6,206.90</b>
	Less : Self consumption of goods ( refer note 4)	3.45	133.02	3.49	199.26	3.48
	<b>Total Expenses ( Net of self consumption)</b>	<b>1,820.18</b>	<b>612.87</b>	<b>1,584.28</b>	<b>4,178.80</b>	<b>6,203.42</b>
<b>3</b>	<b>Loss before exceptional items (1-2)</b>	<b>(1,533.77)</b>	<b>(592.87)</b>	<b>(751.54)</b>	<b>(3,451.76)</b>	<b>(2,948.23)</b>
<b>3</b>	<b>Loss from ordinary activities before tax (1-2)</b>	<b>(1,533.77)</b>	<b>(592.87)</b>	<b>(751.54)</b>	<b>(3,451.76)</b>	<b>(2,948.23)</b>
<b>4</b>	<b>Tax Expense</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	(401.61)	(153.72)	(179.96)	(899.84)	(751.40)
<b>5</b>	<b>Profit/(Loss) for the period / year (3-4)</b>	<b>(1,132.16)</b>	<b>(439.15)</b>	<b>(571.58)</b>	<b>(2,551.92)</b>	<b>(2,196.83)</b>
<b>6</b>	<b>Other comprehensive income (net of tax)</b>					
	(a) Items that will not be reclassified to profit and loss	(7.06)	10.12	4.36	6.74	8.26
<b>7</b>	<b>Total comprehensive income (5+6)</b>	<b>(1,139.22)</b>	<b>(429.03)</b>	<b>(567.22)</b>	<b>(2,545.18)</b>	<b>(2,188.57)</b>
<b>8</b>	<b>Paid-up equity share capital (Face Value ₹ 2/- Per Share)</b>	<b>3,900.00</b>	<b>3,900.00</b>	<b>3,900.00</b>	<b>3,900.00</b>	<b>3,900.00</b>
<b>9</b>	<b>Other equity</b>				(8,172.12)	(5,626.96)
<b>10</b>	<b>Earnings per share (of ₹ 2/- each, fully paid up):</b>					
	(a) Basic & Diluted in ₹	<b>(0.58)</b>	<b>(0.23)</b>	<b>(0.29)</b>	<b>(1.31)</b>	<b>(1.13)</b>

Note: Quarter ended earnings per share are not annualised as stated above

**Notes:**

- The above results for the quarter and year ended March 31, 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 21, 2022.
- The Company is primarily engaged in the business of manufacturing and sale of Cement and Cement related products. All other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) specified under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Other income includes sale of scrap amounting to Rs. 314.80 generated out of dismantling certain civil and mechanical structure
- During the quarter ended March 31, 2022, the Company has incurred a loss of Rs.1139.22 lakh and as on March 31, 2022, the Company's accumulated loss is Rs.14,190.57 lakh resulting in erosion of net-worth of the Company. The Management is hopeful of improving the performance of the company after expansion and commissioning of 4000 TPD clinkerisation unit. The management is confident that the Company will be able to operate as a "Going Concern" and meet its liabilities as they fall due for payment based on its future business plans as indicated in this note and continuous support being received from its shareholders/lenders. Accordingly, these financial statements continue to be presented on a going concern basis.
- During the quarter ended March 31, 2022, the plant operation remained suspended mainly due to ongoing project activity. The existing Clinker plant operation is suspended to ensure safe construction and operation practice as per safety norms.  
(During the quarter, certain equipments and machineries of the existing production line have been removed and relocated for integration into ongoing expansion projects, which has resulted in dismantling certain Civil and mechanical structures.)  
Accordingly, the written down value of such dismantled structure amounting to Rs.1340.72 lakhs has been charged to the statement of profit and loss during the quarter. Further, the Company has produced Cement from the available Clinker Stock for consumption in the Ongoing Project activity.
- The figures of quarter ended March 31, 2022 are the balancing figure between audited figures in respect of year ended March 31, 2022 and published figure upto December 31 2021 which was subjected to limited review by the statutory auditors.
- The figures for the previous periods have been regrouped / reclassified / restated wherever necessary in order to make them comparable with figures for the quarter and year ended March 31, 2022.

Place: Mumbai  
Date : 21.04.2022

For and on behalf of Board of Directors  
Shiva Cement Limited

Manoj Kumar Rustagi  
Whole time Director



Shiva Cement Limited

Statement of Assets & Liabilities

(₹ in lakh)

Particulars	As at	As at
	31.03.2022	31.03.2021
	(Audited)	(Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	9,875.96	11,794.32
(b) Capital work-in-progress	46,001.05	2,927.18
(c) Right of Use	138.44	140.41
(d) Intangible assets	1,202.47	886.38
(e) Intangible assets under development	357.79	187.96
(f) Financial assets		
(i) Other financial assets	3,467.32	10.80
(g) Deferred tax assets (net)	4,813.63	3,916.16
(h) Other non current assets	13,412.40	7,318.58
<b>Total non-current assets</b>	<b>79,269.06</b>	<b>27,181.79</b>
<b>2 Current assets</b>		
(a) Inventories	1,133.55	1,189.71
(b) Financial assets		
(i) Trade receivables	2.50	188.47
(ii) Cash and cash equivalents	434.33	72.43
(iii) Bank balances other than (ii) above	896.96	724.47
(iv) Other financial assets	85.38	35.46
(c) Other current assets	8,013.94	797.82
<b>Total current assets</b>	<b>10,566.66</b>	<b>3,008.36</b>
<b>TOTAL ASSETS</b>	<b>89,835.72</b>	<b>30,190.15</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	3,900.00	3,900.00
(b) Other equity	(8,172.12)	(5,626.96)
<b>Total equity</b>	<b>(4,272.12)</b>	<b>(1,726.96)</b>
<b>2 Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	66,001.03	24,175.08
(ii) Lease liabilities	4.61	4.61
(b) Provisions	1,015.76	594.24
<b>Total non-current liabilities</b>	<b>67,021.40</b>	<b>24,773.93</b>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	14,175.09	474.96
(ii) Lease Liabilities	0.50	0.50
(iii) Trade payables		
a) Total outstanding dues of micro and small enterprises	-	1.75
b) Total outstanding dues of creditors other than micro and small enterprises	509.69	759.17
(iv) Other financial liabilities	12,057.23	5,763.50
(b) Other current liabilities	321.03	107.41
(c) Provisions	22.90	35.89
<b>Total current liabilities</b>	<b>27,086.44</b>	<b>7,143.18</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>89,835.72</b>	<b>30,190.15</b>



Statement of Cash Flow  
for the year ended 31 March, 2022

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>A. Cash flows from operating activities:</b>				
Net Loss before tax		(3,451.76)		(2,948.21)
<i>Adjustments for:</i>				
Depreciation and amortisation expenses	705.55		781.89	
Interest expense	879.26		1,495.61	
Impairment loss for doubtful debt	5.03		4.85	
Interest income	(41.44)		(51.77)	
Loss/(Profit) on sale/discard of property, plant and equipments	1,340.72		139.74	
Write off/write back of balances	(23.49)		57.88	
Rental income from investment properties	(0.75)		(1.00)	
Other Income	(41.44)		(356.85)	
		2,823.44		2,070.35
<b>Operating loss before changes in operating assets &amp; liabilities</b>		(628.32)		(877.86)
<i>Adjustments for:</i>				
(Increase)/decrease in Non-Current assets	(3,284.61)		(5,120.63)	
(Increase)/decrease in Current Assets	443.86		5,351.25	
(Increase)/decrease in Inventories	56.17		2.75	
Increase/(decrease) in Non-Current Liabilities	421.52		29.07	
Increase/(decrease) in Current Liabilities	(303.46)		169.52	
		(2,666.53)		431.96
<b>Cash used from operations</b>		(3,294.85)		(445.90)
Tax (paid)/refund		-		-
<b>Net cash used from operating activities (A)</b>		(3,294.85)		(445.90)
<b>B. Cash flow from investing activities:</b>				
Payment for purchase of Property, plant & equipment/Intangible asset/CWIP, including capital advances and Liabilities	(44,218.20)		(7,922.47)	
Interest received	58.58		51.77	
Rental income	0.75		1.00	
Other Income	(41.44)		356.85	
<b>Net cash used in Investing activities (B)</b>		(44,200.31)		(7,512.85)
<b>C. Cash flow from financing activities:</b>				
Proceeds from Preference Shares ( OCCRPS)	-		10,000.00	
Proceeds from/(payment) for Shares Issue	-		(160.50)	
Proceeds from/(repayment) of current borrowings	-		(12,061.20)	
Proceeds from/(repayment) of non-current borrowings	55,038.31		11,202.10	
Payment for Lease liabilities	-		(0.50)	
Interest paid on borrowings	(7,008.76)		(335.97)	
<b>Net cash flow from financing activities (C)</b>		48,029.55		8,643.93
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>		534.39		685.18
Cash and cash equivalents at the beginning of the year		796.90		111.72
<b>Cash and cash equivalents at the end of the year</b>		1,331.29		796.90
<b>Cash and cash equivalents at the end of the year *</b>		1,331.29		796.90
* Comprises:				
(a) Cash on hand		-		-
(b) Balances with banks				
(i) In current accounts		434.33		72.43
(ii) In earmarked accounts **		896.96		724.47
<b>Notes:</b>				
** These earmarked account balances with banks can be utilised only for the specific identified purposes.				
Place : Mumbai				
Date : 21.04.2022				







**SHIVA CEMENT LIMITED**

Village Telighana,  
PO: Birangatoli, Tehsil-Kutra,  
District-Sundargarh,  
Odisha- 770018.

CIN L26942OR1985PLC001557

Date: 21<sup>st</sup> April, 2022

**BSE Ltd.**

Corporate Relationship Department,  
1st Floor, New Trading Ring,  
Rotunda Building, P /Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
**corp.relations@bseindia.com**  
Scrip Code - 532323

Dear Sir / Madam

**Sub: Declaration of audit report with unmodified opinion for the year ended 31<sup>st</sup> March, 2022, pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 26, 2016 and Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), we hereby declare that the Statutory Auditors of the Company i.e. M/s Shah Gupta & Co., Chartered Accountants, Mumbai (Firm Registration No. 109574W) have issued Audit Reports with unmodified opinion on the standalone financial statement of the Company for the year ended 31<sup>st</sup> March, 2022

We request you to kindly take note of the aforesaid.

Yours faithfully,

**For Shiva Cement Limited**

**Girish Menon**  
**Chief Financial Officer**