

# DIRECTOR'S REPORT

Dear Members,

We are pleased to present **38<sup>th</sup> Annual Report** for the financial year ended on 31<sup>st</sup> March, 2024. The operational performance during the year is as below.

## 1. Financial/Operational Performance

Particulars	₹ Lakhs	
	As at 31 March, 2024	As at 31 March, 2023
<b>Turnover</b>	34,681.23	0.55
Operating EBITDA	3,899.27	(1,309.75)
Other Income	236.22	346.83
Finance Cost	10,149.21	1,285.30
Depreciation & Amortization	3,148.92	5,898.63
<b>Profit/(Loss) before exceptional item</b>	<b>(9,162.64)</b>	<b>(10,864.20)</b>
<b>Profit (Loss) before Taxation</b>	<b>(9,162.64)</b>	<b>(10,864.20)</b>
Tax Expense/benefits	(2330.16)	(2817.17)
<b>Profit (Loss) after Taxation</b>	<b>(6,832.49)</b>	<b>(8,047.03)</b>

### Highlights of performance:

The company declared its commercial operation of clinkerisation facility on 30 June, 2023 under on-going expansion project. The financials for the year ended 31 March, 2024 includes the operational performance of new clinkerisation facility. Till 30 June, 2023 the plant was under trial run and generated revenue of ₹ 10,811.65 lakhs ( previous year ₹ 4,763.94 lakhs) with corresponding trial run expenses of ₹ 11,354.68 ( previous year ₹ 6,002.00 lakhs). Net trial run expense of ₹ 534.89 lakhs ( previous year ₹ 1,238.06 lakhs) has been capitalized during the year.

Particulars	₹ Lakhs	
	As at 31 March, 2024	As at 31 March, 2023
Revenue from trial run operation	10,811.65	4,763.94
Total trial run expense	11,354.68	6,002.00
<b>Net Trial run expense transfer to CWIP</b>	<b>534.89</b>	<b>1,238.06</b>

During the year the Company has received sanction for long term loan of ₹ 85,000.00 lakhs from Axis Bank Limited for refinancing of the existing Term loan facilities of ₹ 106,600.00 lakhs. During the year the company has availed term loan amounting ₹ 5,344.86 lakhs (cumulative as on 31 March, 2024 : ₹ 66,602.29 lakhs). The entire fund have been used in project expansion. Further the company received borrowed funds amounting ₹ 7,622.18 lakhs (cumulative as on 31 March, 2024 : ₹ 69,759.09 lakhs) from its holding company JSW Cement Limited and these funds have been used mostly in project expansion. On total cumulative borrowed fund for ₹ 1,36,361.38 lakhs, the company has incurred interest cost amounting ₹ 3,179.33 lakhs (FY 2022-23 : ₹ 7,682.09 lakhs) which has been capitalized during the year. Further interest amount of ₹ 8,832.35 lakhs (FY 2022-23 : ₹ 868.89 lakhs) charged to revenue profit & loss account. During the year the company has paid its interest due amount for ₹ 10,552.11 lakhs

(FY 2022-23 : ₹ 7,192.42 lakhs) to bank as well as to its holding company.

## 2. Transfer to Reserves

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

## 3. Dividend

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

## 4. Financial Statement:

The Audited Financial Statements of the Company, which form a part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and

## DIRECTOR'S REPORT

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. Holding, Subsidiary & Associate Company:

Your Company does not have any subsidiary nor any associate company. The Company has a holding company as on 31<sup>st</sup> March, 2024 namely JSW Cement Limited. The net worth of JSW Cement Limited as on 31.03.2024 is ₹2,686.46 crores.

### 7. 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.

### 8. 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.

### 9. 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](http://www.shivacement.com).

### 10. Share Capital:

The Company's Authorised Share capital during the financial year ended March 31, 2024, 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 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).

### 11. 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.

### 12. 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 eight times on 16.05.2023, 27.07.2023, 14.09.2023, 14.10.2023, 31.10.2023, 21.12.2023, 24.01.2024 and 27.03.2024. 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.

### 13. Disclosure under Regulation 32 (7A) of the SEBI (LODR) Regulations, 2015

During the year under review company has filed Draft Letter of Offer with SEBI dated 16<sup>th</sup> October, 2023 and further the company has filed the Letter of Offer with the SEBI dated 28<sup>th</sup> March, 2024 for the purpose of raising funds through rights issue of equity shares.

Further other than above mentioned, no funds were raised by the Company through Preferential allotment or by way of a Qualified Institutions Placement during the F.Y 2023 -24.

### 14. 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.

## 15. Directors' Responsibility Statement

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

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 16. 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.

## 17. Auditors and Auditor's Report:

### A. Statutory Auditors and Auditor Report:

Members of the Company at the 36<sup>th</sup> AGM held on September 12, 2022, approved the re-appointment of, M/s. Shah Gupta & Co, Chartered Accountants (Firm 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 36<sup>th</sup> AGM until the conclusion of 41<sup>st</sup> 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., Practicing Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company for the financial year 2023 -24. 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 2023 -24 , 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.

## 18. Listing with Stock Exchanges

The Company is listed on Bombay Stock Exchange Limited (BSE), Mumbai. The annual listing fees for the year 2023 -24 have been paid to the Stock Exchange where the Company's share are listed.

## 19. Consolidated Financial Statements

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

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### **20. 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.

### **21. 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.

### **22. 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](http://www.shivacement.com).

During the year under review, all other contracts / arrangements / transactions entered into during the financial year 2023-24 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

### **23. Change in nature of business**

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

### **24. 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.

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

A statement containing necessary information, as required under the Companies Act, 2013 is annexed hereto in Annexure-C.

### **26. 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](http://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](http://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](http://www.shivacement.com).

### 27. Vigil Mechanism

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

### 28. Evaluation of Board, Committees and Board Members pursuant to provisions of the Companies Act, 2013

Good Governance requires Boards to have effective processes to evaluate their performance. The evaluation process is a constructive mechanism for improving effectiveness of Board, maximizing strengths and tackling weaknesses which leads to an immediate improvement in performance throughout the organization.

### Evaluation by Independent Director

In terms of the Code for Independent Directors (Schedule IV), the Independent Director(s) on the Board of the Company shall evaluate performance of the Non-Independent Director(s), Board as a whole and review performance of Chairperson. Broad parameters for reviewing performance are based on the structured questionnaires related to composition of Board, Function of Board, Meeting attended by Board Members, conflict of interest, participation in discussion, time contribution, Governance and ethical problem etc.

### 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.

### 29. 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.

### 30. Adequacy of Internal Financial Controls:

The Board of Directors in consultation with Internal Auditors have laid down the Internal Financial Controls

## DIRECTOR'S REPORT

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.

### 31. Cost Record:

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

### 32. Directors and Key Managerial Personnel:

#### Appointment/Resignation of Director

Mr. Manoj Kumar Rustagi (DIN: 07742914) has been re-appointed as a Whole-time director for a period of three (3) years with effect from June 26, 2023, to June 25, 2026.

Mr. Shouvik Chakraborty (DIN-10406430 ) has been appointed as a Non-Executive Director of the Company with effect from December 21, 2023.

Ms. Sudeshna Banerjee (DIN-01920464), has been re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from April 23, 2024.

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. Manoj Kumar Rustagi (DIN- 07742914), Whole-time Director & CEO 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.

### 33. 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.

### 34. 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.

### 35. 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.

### 36. 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.

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure D to this Report. The disclosure under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this Report. However, as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Report and Financial Statements are being sent to the Members of the Company excluding the said statement. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

### 37. 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.

### 38. 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.



### 39. 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.

### 40. 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.

### 41. Other Disclosures

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

- i. 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.
- ii. there was no public issue, rights issue, bonus issue or preferential issue, etc.
- iii. 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 through circular resolution dated on 03.05.2023, the Audit Committee comprises of three Non-Executive Independent Directors and one Non-Executive Director.

Mr. Jagdish Chandra Toshniwal is the Chairman of the Audit Committee. 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.

### 42. 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.

### 43. 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 & CEO  
DIN: 07742914

**Narinder Singh Kahlon**  
Director  
DIN: 03578016

Date: 25.04.2024  
Place: Kutra, Sundargarh

# DIRECTOR'S REPORT

## ANNEXURE- A

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31<sup>st</sup> March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 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 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 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;
- 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 company has declared commercial operation of clinkerisation facility.
2. Mr. Manoj Kumar Rustagi has been re-appointed Mr. Manoj Kumar Rustagi (DIN: 07742914), as Whole-time

Director of the Company, for a period of three (3) year with effect from 26<sup>th</sup> June, 2023, to 25<sup>th</sup> June, 2026 and the same has been approved by the shareholders through postal ballot on 04<sup>th</sup> August, 2023.

3. Mr. Rajendra Prasad Gupta, (DIN: 01325989) Non-Executive Director has resigned from the Board of the company effective from the closure of the Board Meeting held on 21<sup>st</sup> December 2023.
4. Mr. Shouvik Chakraborty (DIN: 10406430), as an Additional Director in the category of "Non-Executive, Non-Independent Director" on the Board of Directors w.e.f 21<sup>st</sup> December 2023 and the same has been approved by the shareholders through postal ballot on March 16, 2024.
5. Ms. Sudeshna Banerjee (DIN: 01920464) re-appointed as an Independent Director of the Company for second term of 5 years w.e.f April 23, 2024, as approved by the shareholders of the company through postal ballot on March 16, 2024.
6. During the period under review Board of Directors of the company in its meeting held on September 14, 2023 has approved Issuance of 10,00,00,000 fully-paid up Rights Equity Shares of face value of ₹2 each on rights basis at the price of ₹ 40 per Rights Equity Share (including a premium of ₹ 38 per Rights Equity Share) aggregating up to ₹ 400 crores, for the shareholders of the Company.
7. During the period under review the Company has Constituted/ Re-Constituted various committees of the company.

**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  
C.P. No. 3286

Place: Mumbai  
Date: 25.04.2024

UDIN number: F008706F000234791  
Peer review Unit No. 788/2020

# ANNEXURE TO THE DIRECTORS' REPORT

## ANNEX-A TO THE SECRETARIAL AUDIT REPORT

To  
The Members  
SHIVA CEMENT LIMITED,  
Telighana, PO: Birangatoli, Tehsil-Kutra,  
District-Sundargarh, 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 obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company and may be relied upon on the statutory report provided by the Statutory Auditors as well as Internal Auditor of the company for the financial year ending 31 March, 2024
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  
C.P. No. 3286

Place: Mumbai  
Date: 25.04.2024

UDIN number: F008706F000234791  
Peer review Unit No. 788/2020

## ANNEXURE- B

### Form No. AOC-2

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

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

- Details of contracts or arrangements or transactions not at arm's length basis-** Not Applicable
- Details of material contracts or arrangement or transactions at arm's length basis-** For details of transactions during the year refer note 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, Sale of assets & inventories etc.*	Approved by the shareholders vide	NIL
	Purchase of Goods/Services	Yearly	Purchase various goods: such as assets, stores and spares, fuel and availing or rendering of services*	Postal Ballot passed on 10 <sup>th</sup> April, 2023	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 <sup>th</sup> July 2022	NIL
Bhushan Power & Steel Limited (Other related party)	Purchase of Goods	Yearly	Purchase of raw materials such as Fly ash/ slag	Approved by the shareholders vide	NIL
	Sales of other service	Yearly	Freight subsidy on transportation of Fly ash	Postal Ballot passed on 10 <sup>th</sup> April, 2023	NIL
JSW International Tradecorp PTE Ltd	Purchase of Goods	Yearly	Purchase of Fuel	Approved by the shareholders vide Postal Ballot passed on 10 <sup>th</sup> April, 2023	NIL
JSW Steel Limited	Purchase of Goods	Yearly	Purchase of stores	Approved by the shareholders vide Postal Ballot passed on 10 <sup>th</sup> April, 2023	Yes ₹ 28.13 lakhs

\*Approved by the shareholders vide Postal Ballot passed on 10<sup>th</sup> April, 2023.

\*\*Approved by the shareholders at Annual General Meeting held on 12<sup>th</sup> September 2022.

For and on behalf of the Board of Directors

**Shiva Cement Limited**

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

**Narinder Singh Kahlon**  
Director  
DIN: 03578016

Date: 25.04.2024  
Place: Kutra, Sundargarh

**Girish Menon**  
Chief Financial Officer

**Sneha Bindra**  
Company Secretary

# ANNEXURE TO THE DIRECTORS' REPORT

## 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 40,048 MT.

#### B. Technology Absorption

##### (a) Efforts made towards Technology Absorption:

1. Installation of high-level control to improve productivity of kiln
2. Completely Automated Robo lab along with 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'23 – Mar'24, as various projects were executed.

#### D. Foreign Exchange Earnings and Outgo

(₹ in Lakhs)

Foreign Exchange earned	-
Foreign exchange outgo	757.59

## ANNEXURE- D

Disclosure of Remuneration under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

No.	Requirement	Information	
(i)	<p>The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.</p> <p>In respect of Non-Executive Directors, the comparison is based on their respective actual remuneration during financial year 2023-24 in the capacity of Director</p>	<b>Director</b>	<b>Ratio</b>
		Mr. Manoj Kumar Rustagi, Whole-time Director & CEO	*
		Mr. Narinder Singh Kahlon, Non-Executive Non-Independent Director	**
		Mr. Shouvik Chakraborty, Non-Executive Non-Independent Director (Date of Appointment – 21 <sup>st</sup> December, 2023)	**
		Mr. Jagdish Toshniwal, Non-Executive Independent Director	***
		Ms. Sudeshna Banerjee, Non-Executive Independent Director	***
		Mr. Sanjay Sharma, Non-Executive Independent Director	***

\*The disclosure with respect to Ratio of remuneration is not given as the Whole-time Director of the Company gets a remuneration of Rs.1 per month. Mr. Manoj Kumar Rustagi is deputed by JSW Cement Limited, Holding Company.

\*\* Mr. Narinder Singh Kahlon & Mr. Shouvik Chakraborty does not get any remuneration from the Company.

\*\*\*Mr. Jagdish Toshniwal, Ms. Sudeshna Banerjee & Mr. Sanjay Sharma are entitled for only sitting fees and do not receive any other form of remuneration.

(ii)	<p>The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year</p> <p>In respect of Non-Executive Directors, the % change shown is based on their respective actual remuneration during FY 2022-23 &amp; FY 2023-24</p>	<b>Director, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% Change</b>
		Mr. Manoj Kumar Rustagi, Whole-time Director & CEO	*
		Mr. Narinder Singh Kahlon, Non-Executive Non-Independent Director	**
		Mr. Shouvik Chakraborty, Non-Executive Non-Independent Director (Date of Appointment – 21 <sup>st</sup> December, 2023)	**
		Mr. Jagdish Toshniwal, Non-Executive Independent Director	***
		Ms. Sudeshna Banerjee, Non-Executive Independent Director	***
		Mr. Sanjay Sharma, Non-Executive Independent Director	***
		Mr. Girish Menon, Chief Financial Officer	*
		Ms. Sneha Bindra, Company Secretary	*

\* Mr. Manoj Kumar Rustagi, Mr. Girish Menon, & Ms. Sneha Bindra does not get any remuneration from the Company as they are deputed by JSW Cement Limited, Holding Company.

\*\* Mr. Narinder Singh Kahlon & Mr. Shouvik Chakraborty are do not receive any remuneration from the Company.

\*\*\* Mr. Jagdish Toshniwal, Ms. Sudeshna Banerjee & Mr. Sanjay Sharma receive only sitting fees from the Company and there is no change in the sitting fees during the year under review.

## ANNEXURE TO THE DIRECTORS' REPORT

No.	Requirement	Information
(iii)	The percentage increase in the median remuneration of employees in the financial year	10.6%
(iv)	The number of permanent employees on the rolls of company	227
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	-
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	Affirmed



# REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2023-24

(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, 2024, the Board comprises of 6 Directors with rich and varied experience in their respective fields:

Name of the Directors	Position
<b>Executive</b>	
Mr. Manoj Kumar Rustagi	Whole Time Director & CEO
<b>Non-Executive Non- Independent</b>	
Mr. Narinder Singh Kahlon	Director
Mr. Shouvik Chakraborty	Director
<b>Non-Executive Independent</b>	
Mr. Jagdish Toshniwal	Director
Ms. Sudeshna Banerjee	Director
Mr. Sanjay Sharma	Director

Notes:

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

### Resignation of Non-Executive Non-Independent Director:

Mr. Rajendra Prasad Gupta, Non-Executive Non-Independent Director of the Company resigned from the Company with effect from 21<sup>st</sup> December 2023 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 2023-24, Eight 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	16-05-2023	6 out of 6
2	27-07-2023	6 out of 6
3	14-09-2023	6 out of 6
4	14-10-2023	6 out of 6
5	31-10-2023	6 out of 6
6	21-12-2023	7 out of 7
7	24-01-2024	6 out of 6
8	27-03-2024	6 out of 6

## REPORT ON CORPORATE GOVERNANCE

Details of attendance of the Directors at the Board Meetings and the Annual General Meeting ('AGM') held during the year ended March 31, 2024, other Directorships and Committee Chairmanships and Memberships held by the Directors of the Company as at March 31, 2024 are as follows:

Name of Director	Category	No. of Equity Shares held	Attendance Details		No. of Directorships and Committee (#) Memberships / Chairmanships in Indian Public Limited Companies (excluding Shiva Cement Limited)		
			Board Meetings	37 <sup>th</sup> AGM held on 25 <sup>th</sup> September 2023 (Y/N)	Other Directorships	Other Committee Chairmanships	Other Committees Memberships
Mr. Manoj Kumar Rustagi***	Whole-Time Director & CEO	200	8	Yes	3	-	-
Mr. Rajendra .P. Gupta*	Non- Independent Non- Executive Director	13,447	6##	Yes	2	-	-
Mr. Narinder Singh Kahlon	Non- Independent Non- Executive Director	-	8	No	3	-	-
Mr. Jagdish Toshniwal	Independent Director	-	8	Yes	2	-	-
Mr. Shouvik Chakraborty**	Independent Director	-	3##	NA#	-	-	-
Ms. Sudeshna Banerjee	Independent Director	-	8	Yes	1	-	-
Mr. Sanjay Sharma	Independent Director	15,000	8	Yes	-	-	-

Notes:

- \*Mr. Rajendra Prasad Gupta, Non-Executive Non-Independent Director of the Company has resigned due to attaining the age of retirement with effect from 21<sup>st</sup> December, 2023 and confirmed that there are no other material reasons for his resignation other than those mentioned in his resignation letter.
- \*\*Mr. Shouvik Chakraborty has been appointed as a Non-Executive Non-Independent Director of the Company wef 21<sup>st</sup> December 2023.
- \*\*\*Mr. Manoj Kumar Rustagi, Whole-time Director & CEO of the Company has re-appointed with effect from 26<sup>th</sup> June 2023.
- #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 31<sup>st</sup> March 2024 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Jagdish Toshniwal	M/s. Star Cement Limited	Non-Executive Independent Director
Mr. Rajendra .P. Gupta	M/s. Bloom 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 19, 2024, without the presence / attendance of Non-Independent Directors and Members of the Management. All three 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.

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	Compliances and Legal & Regulatory Expertise	Technical Skill/ Experience-Project
Mr. Manoj Kumar Rustagi	✓	✓	✓	✓
Mr. Narinder Singh Kahlon		✓	✓	
Mr. Jagdish Toshniwal	✓	✓		✓
Ms. Sudeshna Banerjee		✓		✓
Mr. Sanjay Sharma		✓		✓
Mr. Shouvik Chakraborty	✓			✓

**v. Senior Management:**

The details of senior management including changes therein since the close of the previous financial year is as under:

Name	Designation
Mr. Anil Kumar Mishra	Plant Head
Mr. Anil Singh	Operations Head
Mr. Prashant Pradhan	General Manager - F & A
Mr. Kaushik Sengupta	Head HR
Mr. Girish Menon	Chief Financial Officer
Ms. Sneha Bindra	Company Secretary

**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

# REPORT ON CORPORATE GOVERNANCE

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 2023-24, four meetings of the Audit Committee were held i.e. on May 16, 2023, July 27, 2023, October 14, 2023, October 31, 2023 and January 24, 2024. 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 2023-24 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*	Independent Director	5	5
2	Mr. Narinder Singh Kahlon - Member	Non-Executive Director	5	5
3	Mr. Sanjay Sharma- Member	Independent Director	5	5
4	Ms. Sudeshna Banerjee- Member	Independent Director	5	5

\*Mr. Jagdish Toshniwal was appointed as the Chairperson of the Audit Committee w.e.f. 03<sup>rd</sup> May, 2023 through the circular resolution passed by the Board of Directors dated 03<sup>rd</sup> May, 2023.

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 2023-24, four meetings of the NRC were held i.e. on May 16, 2023, September 14, 2023, December 21, 2023 and January 24, 2024.

The details of the NRC meetings attended by its members during FY 2023-24 are given below:

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Sudeshna Banerjee- Chairperson	Independent Director	4	4
2	Mr. Jagdish Toshniwal- Member	Independent Director	4	4
3	Mr. Narinder Singh Kahlon - Member	Non-Executive Director	4	4

## Remuneration to Directors

Mr. Manoj Kumar Rustagi, Whole-Time Director & CEO of the Company has been paid remuneration of Re.1/- per month in consonance of the agreement executed between him and the Company. He has been

deputed and nominated by the parent company i.e. JSW Cement Limited and receives remuneration from the parent company.

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

As per terms of appointment no remuneration is paid to Non-Executive Director & Independent Directors. The Company pays sitting fees to Independent Director 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 31<sup>st</sup> March, 2024 is as follows: -

Sr. No.	Name	Sitting Fees Paid (₹ In Lakhs)
1	Mr. Jagdish Toshniwal, Independent Director	4.55
2	Ms. Sudeshna Banerjee, Independent Director	4.10
3	Mr. Sanjay Sharma, Independent Director	3.10

#### 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.

#### 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.
- Review the process and mechanism of redressal of Shareholders /Investors grievance and to suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- Non-receipt of share certificate(s), dividends, interest, annual report and any other grievance/complaints.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved by them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 1992 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
- To do all acts deeds and things as may be empowered or allowed under the Companies Act 2013 and SEBI (LODR) Regulation, 2015, including any amendment thereto for the time being in force.

#### Composition, Meetings and Attendance of the Stakeholders Relationship Committee

During FY 2023-24, the Committee met Twice i.e. on October 31, 2023 and January 24, 2024.

The details of the Stakeholders Relationship Committee meeting attended by its members during FY 2023-24 are given below:

# REPORT ON CORPORATE GOVERNANCE

Sr. No.	Name and Designation	Category	Number of meetings	
			Held during the tenure of the Director	Attended
1	Mr. Narinder Singh Kahlon - Chairman*	Non-Executive Director	2	2
2	Mr. Rajendra Prasad Gupta - Chairman**	Non-Executive Director	1	1
3	Mr. Manoj Kumar Rustagi - Member	Whole-Time Director & CEO	2	2
4	Mr. Jagdish Toshniwal - Member	Independent Director	2	2

\*Mr. Narinder Singh Kahlon, Non-Executive Director was appointed as the Chairman of the Stakeholder Relationship Committee in the Board Meeting held on 21<sup>st</sup> December 2023.

\*\*Mr. Rajendra Prasad Gupta, Non-Executive Director, resigned from the Company with effect from 21<sup>st</sup> December, 2023 consequently he ceased to be the Chairman of the Stakeholder Relationship Committee.

Ms. Sneha Bindra, 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 31.03.2024: NIL

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

No. of pending Complaints as on 31.03.2024: 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 & CEO and Mr. Narinder Singh Kahlon, Non-Executive Director.

The purpose of the committee is to formulate and monitor the CSR policy of the Company. The 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 2023-24, the Committee met once i.e. on May 16, 2023.

The details of the CSR meeting attended by its members during FY 2023-24 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	Independent Director	1	1
2	Mr. Narinder Singh Kahlon - Member	Non-Executive Director	1	1
3	Mr. Manoj Kumar Rustagi - Member	Whole-Time Director & CEO	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 & CEO 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 ₹ 1500 crores.
- To alter/vary terms, conditions, repayment schedules including premature payments of the credit/ financial facilities availed from Lenders, with or without premium on such payments.



- c) To hypothecate/pledge/ create charge on movable and immovable properties/ assets of the Company and to sign, execute necessary deeds, documents, agreements, writings etc. to avail the said facilities/services,
- d) To avail of from any Bank, services including supplier payment services, vendor payment services, cash management services, factoring transactions, etc., (“Services”) on the terms, conditions and mentioned/to be mentioned in the respective Services agreement.
- e) 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.
- f) 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.
- g) To avail guarantees/letter of credits/enter into bill purchase schemes with any of the banks/institutions.
- h) To appoint / replace Credit Rating Agencies and to apply, review and accept Credit Ratings.
- i) To authorise officers or any other persons to enter into / sign on behalf of the Company various project contracts viz. appointment of project consultants, supply of plant and machinery, civil works, supervision etc.
- j) To authorise officers or any other persons to sign and execute Letter of Indemnity (LOI) on behalf of the Company, for all export & import documentation purpose, including for releasing cargo without original Bills of Lading, for clean Bills of Lading, any changes required to be made in Bills of Lading and any changes required to be made in discharge port as against what is declared in Bills of Lading.
- k) To allot and transfer shares of the Company to promoter(s) and / or non-promoter(s) and / or any individuals, body corporate, any other incorporated or un-incorporated entities whether resident or non-resident within the maximum limits laid down by the Shareholders from time to time.
- l) To allot / redeem Non-Convertible Debentures (NCDs), to change/modify/alter the terms of issued NCDs/ to create security/additional securities/ modification in security created for allotment of debentures, to delegate power for creation of security viz signing of Debenture Trust Deed, other Documents and relevant papers, to appoint R & T agents, to appoint Depository(s) and to delegate powers for signing agreements in relation to the Depository, to issue debenture certificates or allotment of debentures in demat mode and to do all other acts and deeds incidental thereto allot/ redeem debentures, to change/modify/alter the terms of issues.
- m) 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.
- n) To authorise officers or any other persons to issue, sign and give indemnities, bonds, guarantees or documents of similar nature having financial exposure to the State and Central Government Authorities and also to accept, enter into and sign any compromise in relation to the direct or indirect tax matters.
- o) To hedge the foreign currency exposure of the Company within the limit as specified in clause (a) by way of any derivative instrument but not limiting to FX trade, Forward rate agreement, plain vanilla interest rate caps and floor, plain vanilla call options and put options, interest rate swaps, currency swaps including cross currency swaps or any combination of two or more products as mentioned above.
- p) To issue power of attorneys, open/ close branch offices, authorize persons for signing Vakalatnama, authorize persons to attend meeting pursuant to

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section 113 of the Companies Act, 2013, affixation of Common seal.

- q) 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.
- r) To authorize persons to initial, sign and execute various forms, applications, deeds and documents and all other necessary papers under various acts applicable to the Company and its factories/ mines located at various locations within the territory of the India.
- s) To do all acts, deeds and things as the Committee deem fit and consider necessary by exercising the powers of the Board which the Committee may lawfully exercise by virtue of the powers hereinabove conferred.
- t) To delegate any of the aforesaid powers to any of the officers or employees of the Company.

The Committee met once during the year on 01.11.2023, 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 review discuss and approve various projects of the Company with a project cost not exceeding ₹ 500 (Five Hundred crore).
- To recommend the projects which are having project cost of more than ₹ 500 (Five Hundred crore) for the approval of the Board.
- To closely monitor the progress of projects, cost of projects and implementation schedule with the objectives of timely project completion within the budgeted project outlay.
- To consider deviations, if any, with a comprehensive note detailing the reasons for such deviation and its impact on viability parameters.
- To ensure the project will be completed on time and within the budget allocated by the Board.

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

### Composition, Meetings and Attendance of the Project Review Committee:

During FY 2023-24, four meetings of Project Review Committee were held i.e. on May 16, 2023, July 27, 2023, October 31, 2023 and January 24, 2024.

The details of the Project Review Committee meeting attended by its members during FY 2023-24 are given below:

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

\*Mr. Jagdish Toshniwal was appointed as the chairperson of the Project Review Committee in the Board Meeting held on 21<sup>st</sup> December, 2023.

\*\*Mr. Rajendra Prasad Gupta, Non-Executive Director, resigned from the Company with effect from 21<sup>st</sup> December, 2023 consequently he ceased to be the Chairman of the Project Review Committee.

## 9. Risk Management Committee:

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;
- monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

### Composition, Meetings and Attendance of the Risk Management Committee:

During FY 2023-24, one meeting of Risk Management Committee were held i.e. on May 16, 2023 and October 31, 2023.

The details of the Risk Management Committee meeting attended by its members during FY 2023-24 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	Independent Director	2	2
2	Mr. Narinder Singh Kahlon - Member	Non-Executive Director	2	2
3	Mr. Manoj Kumar Rustagi - Member	Whole-time Director & CEO	2	2
4	Mr. Sanjay Sharma - Member	Independent Director	2	2

## 10. Rights Issue Committee:

The broad terms of reference of the Rights Issue Committee, inter alia, include the following:

- to appoint and enter into arrangements with lead manager, legal advisors, registrars, escrow collection banks, bankers to the issue, sectoral experts, advertising/PR agencies and all other intermediaries and advisors necessary for the Issue and to negotiate, authorise and approve fees in connection therewith;
- to negotiate, authorize, approve, and pay commission, fees, remuneration, expenses and / or any other charges to the above agencies / persons and to give them such directions or instructions as it may deem fit from time to time;
- to negotiate, finalise, settle and execute the Issue Agreement and all other necessary documents, deeds, agreements and instruments;
- to take necessary actions and steps for obtaining relevant approvals, consents or waivers from Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”), Reserve Bank of India (“RBI”) and such other authorities as may be necessary, and the lenders and/or other third parties with whom the Company has entered into various commercial and other agreements, and/or any other approvals, consents or waivers that may be required in relation to the Issue;
- to finalise the draft letter of offer, the letter of offer, application form, abridged letter of offer and other documents and to file the same with SEBI, BSE,

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the registrar of companies and other concerned authorities, as applicable, and issue the same to the equity shareholders of the Company;

- finalise matters in relation to issue, allotment and listing of rights entitlements, including seeking of any temporary ISIN or other security code and approvals in relation to listing and trading of such rights entitlements and the finalization or modification of terms of any rights entitlements;
- to finalise and approve all notices, including any advertisements required to be issued, as may be necessary or allowed by SEBI and such other applicable authorities and to decide on other terms and conditions of the Issue;
- to increase or decrease the size of the issue (within the issue size approved by the Board), modify the rights entitlement ratio and terms of the Issue as the Board may deem fit and expedient in the interest of the Company;
- to decide the final size of the Issue or the total number of Rights Equity Shares to be issued in the Issue;
- to decide the price and premium of the Rights Equity Shares to be offered through the Issue;
- to fix the record date / book closure / fix appropriate date for the purpose of the Issue for ascertaining the names of existing shareholders who will be entitled to the Rights Equity Shares in consultation with BSE Limited on which the Company's equity shares are listed;
- to decide the number of Rights Entitlement which each existing shareholders on the Record Date will be entitled to in proportion to the equity shares held by them on such date, and terms of the Issue as the Committee may deem fit and expedient in the interest of the Company;
- to obtain necessary approvals and listing for Rights Equity Shares issued in Issue from the BSE Limited;
- to appoint the Collecting Bankers for the purpose of collection of application money for the proposed Issue at the mandatory collection centers at the various locations in India;
- to open and close the necessary Bank Accounts with any nationalised bank / private bank / foreign bank for the purpose of the Right Issue;
- to decide on the marketing strategy of the Issue and the costs involved;
- to decide date of opening and closing of the Issue and to extend, vary or alter or withdraw the same as

it may deem fit at its absolute discretion or as may be suggested or stipulated by SEBI, BSE Limited or other authorities from time to time;

- to issue and allot Rights Equity Shares in consultation with the lead manager, registrar, the designated stock exchange where existing shares are listed and to do all necessary acts, things, execution of documents, undertaking, etc. with NSDL / CDSL in connection with admitting of Rights Equity Shares issued in the Issue;
- to incur necessary expenses such as fees of various agencies, filing fees, stamp duty, etc;
- to authorize the Registrar and Transfer Agent to enter the names of the allottees in the Register of Members of the Company;
- to dispose of the unsubscribed portion in such manner as it may think most beneficial to the Company and to decide the mode and manner of allotment of Rights Equity Shares if any not subscribed and left / remaining after allotment of Rights Equity Shares and additional Rights Equity Shares applied by the shareholders and renounees;
- to apply to regulatory authorities seeking their approval for allotment of any unsubscribed portion of the Issue (in favour of the parties willing to subscribe to the same);
- to decide the treatment to be given to the fractional entitlement, if any, including rounding upward or downwards or ignoring such fractional entitlements or treating fractional entitlement in the manner as may be approved by SEBI and BSE;
- to finalise the basis of allotment of the Rights Equity Shares in consultation with lead manager, registrar and BSE where the existing Rights Equity Shares are listed, if necessary;
- to sign the listing applications, print share certificates, dispatch refund orders and share certificates;
- to take all such actions and give all such directions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise in regard to the creation, offer, issue and allotment of the Rights Equity Shares and to do all acts, deeds, matters and things which they may in their discretion deem necessary or desirable for the purpose of the Issue.
- to file necessary returns, make declarations / announcements, furnish information, etc. to the concerned authorities in connection with the Issue;

- to sign and execute any other document, agreement, undertaking in connection with the Issue;
- to take all such other steps as may be necessary in connection with the Issue;
- to dispose of the unsubscribed portion in such manner as it may think most beneficial to the Company;
- to settle any question, difficulty or doubt that may arise in connection with the Issue including the issue and allotment of the rights entitlements and Rights Equity Shares as aforesaid and to do all such acts, deeds and things as the Board may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Issue and allotment of Rights Equity Shares;
- to do all such necessary acts, deeds including execution of agreements, applications undertaking and any other documents for listing of Rights Equity Shares issued in the Issue on BSE Limited; and
- To authorize, appoint and substitute; one or more directors, employees, agents, consultants and/or appropriate persons for all or any of the acts, deeds and powers as mentioned herein, and to give such

declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue.

### Composition, Meetings and Attendance of the Rights Issue Committee:

During FY 2023-24, one meeting of Rights Issue Committee were held i.e. on October 16, 2023, March 13, 2024 and March 28, 2023.

The details of the Rights Issue Committee meeting attended by its members during FY 2023-24 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	Independent Director	3	3
2	Mr. Narinder Singh Kahlon- Member	Non-Executive Director	3	3
3	Mr. Manoj Kumar Rustagi- Member	Whole-time Director & CEO	3	3

## 11. 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
37 <sup>th</sup>	25 <sup>th</sup> September 2023	12:00 PM	Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)	No Special Resolutions were passed
36 <sup>th</sup>	12 <sup>th</sup> September 2022	12:00 PM	Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)	No Special Resolutions were passed
35 <sup>th</sup>	23 <sup>rd</sup> September, 2021	11:00 AM	Through Video Conferencing/ Other Audio Visual Means (VC/OAVM)	No Special Resolutions were passed

### b. Extra-ordinary General Meeting:

The details of date, time and venue of Extra-Ordinary General Meetings (EGMs) of the Company held during the preceding three years and the special resolutions passed thereat are as under:

EGM	Date	Time	Venue	Particulars
	June 21, 2021	11:30 A.M	Through Video Conference	i. Shifting of Registered office of the Company
	March 10, 2021	11:30 A.M	Through Video Conference	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

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## Special Resolutions passed through Postal Ballot during 2023-24:

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

- i. The following special resolution was passed through postal ballot process vide Postal Ballot notice dated 15<sup>th</sup> February 2024

### Re-appointment of Ms. Sudeshna Banerjee (DIN:01920464) 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
527848	99.15%	4518	0.85%

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, February 9, 2024, 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 Friday, February 16, 2024 (9.00 a.m. IST) to Thursday, March 16, 2024 (5.00 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:

Your Company has proposed to pass the following resolutions through postal ballot dated May 24, 2024:

1. Approval to enter into the Material Related Party Transactions with JSW Cement Limited for the Financial Year 2024-25
2. Approval to enter into the Material Related Party Transactions with JSW Steel Limited for the Financial Year 2024-25
3. Approval to enter into the Material Related Party Transactions with Jindal Panther Cement Private Limited for the Financial Year 2024-25
4. Approval to enter into the Material Related Party Transactions with Bhushan Power & Steel Limited for the financial year 2024-25.

The remote e-voting on the resolutions set out in the Postal Ballot Notice has commenced on Saturday, May 25, 2024 at 9:00 A.M. (IST) and shall end on Sunday, June 23, 2024 at 5:00 P.M. (IST).

5. Approval to enter into the Material Related Party Transactions with Bhushan Power & Steel Limited for the financial year 2024-25.

If required, Special Resolutions shall be passed by Postal Ballot during the year 2024-25, in accordance with the prescribed procedure. None of the Businesses proposed to be transacted in the ensuing AGM require passing of a Special Resolution through Postal Ballot.

### 12. 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.



### 13. Disclosures:

- a. There were no materially significant related party transactions, i.e. transaction of the Company with its Promoters, Directors or the Management or relatives etc., that conflict with the interests of the Company.
- b. The Company has followed Indian Accounting Standards (IndAS) in preparation of the Financial Statements for accounting. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.
- c. 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](http://www.shivacement.com)). A declaration by the Whole Time Director & CEO 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 & CEO 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

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to be treated with dignity. Sexual harassment at the work place or other than work place, if involving employees, is a grave offence and is, therefore, punishable.

Number of complaints received and resolved in relation to Sexual Harassment of Women at Workplace (Prevention, Protection, and Redressal) Act, 2013 during the year under review and their breakup is as under:

- (a) No. of Complaints filed during the year ended 31.03.2024: NIL
  - (b) No. of Complaints disposed of during the financial year: NIL
  - (c) No. of pending Complaints as on 31.03.2024: NIL
- i. 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'.
  - m. Credit Rating  
During the year, the Company's credit rating was CRISIL A+/Stable 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 6<sup>th</sup> 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.

## 14. Means of Communication

<b>Quarterly Results</b>	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.
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<b>Newspapers wherein results are normally published</b>	The Financial Express (English language) Surya Prabha (Local language)
<b>Website of the Company</b>	<a href="http://www.shivacement.com">www.shivacement.com</a>
<b>Whether it also displays official news releases</b>	Yes, wherever applicable
<b>The Presentations made to institutional investors or to the analysts</b>	Will be complied with whenever applicable/ made.

## 15. 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.

## 16. General Shareholder information:

### a) AGM programme:

AGM date and time	19 <sup>th</sup> September 2024 at 03.30 PM
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 2024-25 (tentative)

Board Meeting	
Results for the quarter ending June 30, 2024	Second Week of August '24
Results for the quarter ending Sep 30, 2024	Last Week of Oct '24
Results for the quarter ending Dec 31, 2024	Third Week of Jan '25
Results for the quarter ending Mar 31, 2025	Second Week of May '25

### c) Dates of Book Closure:

Friday, 13<sup>th</sup> Day of September, 2024 to Thursday, 19<sup>th</sup> Day of September, 2024.

### d) Dividend Payment Date:

No dividend has been recommended for the financial year ended on 31<sup>st</sup> March 2024.

### e) Listing of Securities

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

(Note: Annual listing fees for the year 2023-24 have been duly paid to Stock Exchanges)

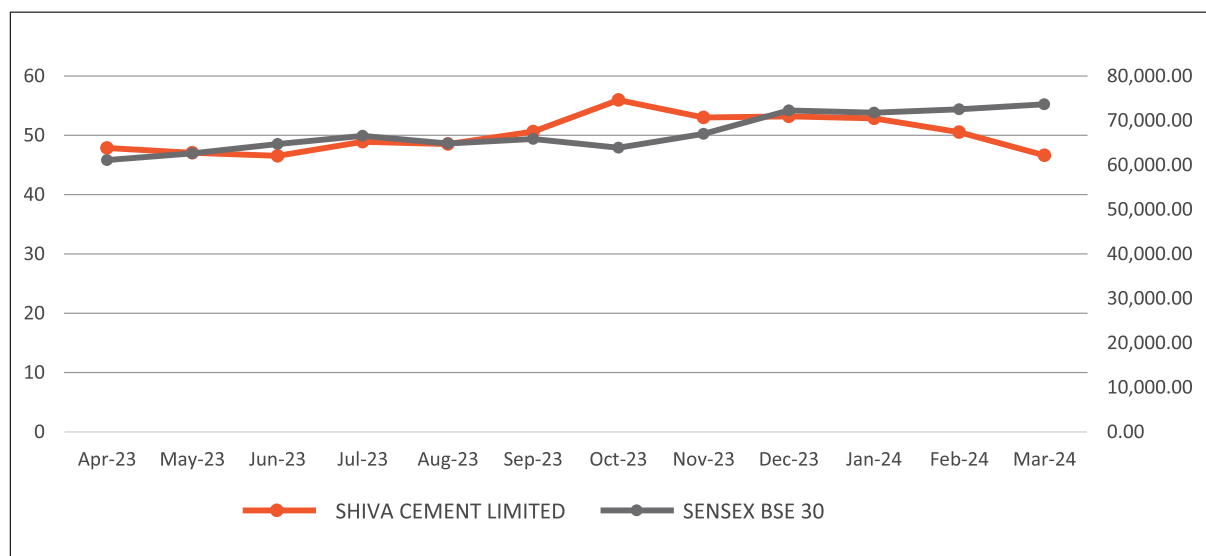
## 17. Stock Market Data:

### a) Market Price 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-23	52.2	46.35
May-23	49.78	45.11
Jun-23	51.5	44.55
Jul-23	53.8	45.1
Aug-23	51.7	45.8
Sep-23	52.8	47.52
Oct-23	64.8	47.99
Nov-23	56.3	49.97
Dec-23	59.85	47
Jan-24	61.2	50.9
Feb-24	57.9	49.5
Mar-24	51.9	43.25

### b) Performance of the company's closing share price in comparison to broad based indices - BSE Sensex



# REPORT ON CORPORATE GOVERNANCE

## 18. 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@kfinetech.com  
Website: [www.kfinetech.com](http://www.kfinetech.com)

## 19. 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.

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 dematerialising 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.

## 20. 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 31<sup>st</sup> March, 2024, 19,41,51,424 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: 31/03/2024)

### Distribution of Holding (NO. OF SHARES)

Distribution of Shareholding as on 31/03/2024 (TOTAL)					
Sl. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 - 500	36772	71.67	4733794	2.43
2	501 - 1000	5637	10.99	4462736	2.29
3	1001 - 2000	3856	7.52	5659648	2.90
4	2001 - 3000	1555	3.03	3951343	2.03
5	3001 - 4000	635	1.24	2292895	1.18
6	4001 - 5000	653	1.27	3113810	1.60
7	5001 - 10000	1097	2.14	8172633	4.19
8	10001 - 20000	570	1.11	8206140	4.21
9	20001 and above	535	1.04	154407001	79.18
	TOTAL:	51310	100.00	195000000	100.00

## 21. Shareholding Pattern:

Category	No. of Shares	% of holdings
<b>Equity Shares</b>		
Promoters & Promoters Group	116191750	59.59
Financial Institutions & Banks	206083	0.11
NRI	2772191	1.42
Bodies Corporate	5533475	2.84
Public	67248146	34.48
Others(Clearing Member/Trusts)	2802940	1.44
<b>Total</b>	<b>195000000</b>	<b>100.00</b>
<b>1% OPTIONALLY CONVERTIBLE CUMULATIVE REDEEMABLE PREFERENCE SHARES</b>		
Promoters	1,00,00,000	100%

<b>i) Plant Location</b>	Village : Telighana, Post : Biringatoli, Via - Kutra Dist. Sundargarh (Odisha)
<b>ii) Correspondence Address</b>	Shiva Cement Limited Telighana Biringatoli Tehsil, Kutra District, Sundargarh Orissa-770018
<b>iii) Any query on Annual Report</b>	The Share Department Shiva Cement Limited, Telighana Biringatoli Tehsil, Kutra District, Sundargarh Orissa-770018

## 22. Commodity Price Risk/Foreign Exchange Risk and Hedging:

- a) Commodity price risk for your Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of your Company. Since the energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to a drop in operating margin. To manage this risk, your Company take following steps:
- Optimising the fuel mix, pursue longer term and fixed contracts for Alternative Fuel and Raw Material (AFR) where considered necessary.
  - Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal and petcoke.
  - Use of Alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of Waste Heat Recovery System (WHRS).

Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirements are monitored by the central procurement team.

- b) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. During the year under review your Company's exposure to the foreign exchange risk and hedging is very insignificant.

## 23. 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.

## 24. 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)	₹ 18,50,000
Tax Audit Fees	₹ 1,00,000
Out of Pocket Expenses	₹ 1,03,997
<b>Total</b>	<b>₹ 20,53,997</b>

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

## REPORT ON CORPORATE GOVERNANCE

### 25. 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.

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

During the year under review company has filed Draft Letter of Offer with SEBI dated 16<sup>th</sup> October, 2023 and further the company has filed the Letter of Offer with the SEBI dated 28<sup>th</sup> March, 2024 for the purpose of raising funds through rights issue of equity shares.

Further other than above mentioned, 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.

### 27. Shares in the suspense Account: NIL

### 28. Adoption of Discretionary Requirements:

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

- a. Modified Opinion in Auditors Report: The Company's financial statement for the financial year 2023- 24 does not contain any modified audit opinion.

- b. 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 31<sup>st</sup> March, 2024.

### Certificates

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

For **Shiva Cement Limited**

Date: 25.04.2024  
Place: Kutra, Sundargarh

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

**Narinder Singh Kahlon**  
Director  
DIN: 03578016

### Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

To

The Board of Directors of Shiva Cement Limited

- a) We have reviewed the financial statements, read with the cash flow statement of Shiva Cement Limited for the year ended 31<sup>st</sup> March 2024 and that to the best of our knowledge and belief, we state that;
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - (ii) these statements present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b) 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.
- c) 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.
- d) 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: 25.04.2024  
Place: Kutra, Sundargarh

**Manoj Kumar Rustagi**  
Chief Executive Officer

**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 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024.

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

UDIN Number: F008706F000239398  
Peer Review Unit No. 788/2020

Place: MUMBAI  
Date: 25.04.2024

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**To,**  
**The Members,**  
**SHIVA CEMENT LIMITED**  
**Telighana, PO: Birangatoli, Tehsil-Kutra,**  
**District-Sundargarh, Odisha-77001818**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shiva Cement Limited having CIN L26942OR1985PLC001557 and having registered office at Telighana, PO: Birangatoli, Tehsil-Kutra, District-Sundargarh 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 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	MANOJ KUMAR RUSTAGI	07742914	28/02/2017
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	SHOUVIK CHAKRABORTY	10406430	21/12/2023

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

DATE: 25.04.2024  
 PLACE: MUMBAI

UDIN Number: FO08706F000239376  
 Peer review Unit No. 788/2020