

2015-16

# 30<sup>th</sup> ANNUAL REPORT



**SHIVA CEMENT LTD.**

ROURKELA, ODISHA

## CSR Activities



Republic Day Celebration



Republic Day Celebration



Independence Day Celebration



Independence Day Celebration

**BOARD OF DIRECTORS**

**Sri R. P. Gupta** (DIN : 01325989)  
*Managing Director*

**Sri Akash Gupta** (DIN : 01326005)  
*Executive Director*

**Smt. Preeti Gupta** (DIN : 01326720)  
*Director*

**Sri B K Mangaraj** (DIN : 01326783)  
*Director*

**Sri Mahendra Singh** (DIN : 02340913)  
*Director*

**Sri D K Senapati** (DIN : 03449031)  
*Nominee- IPICOL*

**Sri K P Jhunjhunwala** (DIN : 01005691)  
*Director*

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**AUDITORS**

**Tibrewal Chand & Co.**  
1st Floor, KK - 5, Civil Township,  
Rourkela - 4

**REGISTRAR & TRANSFER AGENT**

**Niche Technologies (P) Ltd.**  
D/511, Bagree Market, 5<sup>th</sup> floor,  
71, B.R.B.B. Road, Kolkata - 1.

**REGISTERED OFFICE**

P-25, Civil Township,  
Rourkela - 769 004  
Website : www.shivacement.com

**PLANT SITE**

Vill : Telighana  
PO : Biringatoli, Kutra  
Dist. Sundargarh (Odisha)

**MINES**

Vill : Khatkurbahal  
Via : Kutra  
Dist. Sundargarh (Odisha)

## DIRECTORS REPORT

### (Management Discussion and Analysis)



R. P. Gupta, M.D.

Dear Members,

It gives me immense pleasure to present the 30<sup>th</sup> Annual Report. I extend my thanks to all associates, shareholders & employees in particular. Your company could complete successful 30 years with their support and commitment. With this, I am pleased to present annual report along with audited accounts and Auditor's report thereon for the financial year ended 31st March, 2016 as under :-

#### Financial/Operational Performance

(Rs. in Lakhs)

| Particulars                         | 31/03/2016    | 31/03/2015     |
|-------------------------------------|---------------|----------------|
| Turnover                            | 7834.20       | 7533.08        |
| Operating Income                    | 924.37        | 964.73         |
| Other Income                        | 42.21         | 39.63          |
| <b>PBIDT</b>                        | <b>966.58</b> | <b>1004.36</b> |
| Less: Interest                      | 363.13        | 337.55         |
| Cash Profit (PBDT)                  | 603.45        | 666.81         |
| Less: Depreciation & Amortization   | 539.64        | 390.61         |
| <b>Profit before Taxation (PBT)</b> | <b>63.81</b>  | <b>276.20</b>  |

Capacity utilization was about 70% in line with National average. However, selling expenses were relatively higher for re-introducing 'Sumangal' brand which was discontinued in the year 2007. Due to long shut down of Kiln, part quantity of clinker was out-sourced (about 6% of total consumption) at higher cost. For this operating income was reduced despite increase in turnover.

Capex for interim expansion from 1.32 lakh TPA to 1.98 lakh TPA was almost completed in the ensuing year. However, commercial production could not commence due to various reasons. As a result of which, depreciation cost has gone up significantly depressing profit after depreciation.

#### Economic Scenario & Out look

India achieved 6.7% growth of GDP in FY 2016 compared to 7.2% in FY 2015. Inflation, Fiscal and Current Account deficits were also moderated. All these macro indicators is displaying positive trend. However, there are many concerns. Index of Industrial Production (IIP) had grown by bare 2.4%; which is discouraging. Gross Capital Formation (GCF) declined from 31.2% to 29.3% in FY 2016. Visible recovery in Core sector and Capital goods sector is almost absent. Growth in rural demand is not keeping a pace; which represents large population of India.

Indian economy is thriving on consumption led demand instead of investment led demand. India could attract large inflow of Global funds; but those were mostly not invested in Capital assets. Lately, Government has pushed Infra spending, particularly in transport sector. But somehow, private investment is sluggish due to high interest, stretched balance sheets and non-compatible regulations. Government succeeded in creating competition among states for attracting investment; that will certainly give long term benefits. However, attention for relieving stress of existing productive assets is somewhat missing.

Considering sincere efforts of Government, favorable monsoon, and latent potential of India, Indian economy will re-bounce beyond doubt, may be second half of FY-2017. For this, India must overcome past legacy and deploy financial resources to productive activities. Simultaneously, exports may be made competitive by reducing cost of basic inputs like Energy, Logistics, Capital & Minerals.

#### Cement Industry Outlook & Opportunities

Over all capacity utilization in India was around 70% in FY-2016, which has caused supply over-hang situation, particularly with cluster located plants. Decline in industrial investment and infrastructure spending has reduced demand growth below 5%; which is very low as per past 10 year's trend. Past data after 2000 reveals that; moving average of demand growth was always above 7%. It is therefore expected that, demand will surge in FY 2017 and take a leap jump in FY 2018. Recent Merger and Acquisitions is also indicating the same. Good monsoon will push up rural demand. Infra-spending and Industrial investment will supplement. Recent announcement of schemes like, "House for all" and "Smart City" will give a further boost.

Historically, indirect taxes on Cement were too high pushing the consumer's cost. Upcoming GST will give relief to the consumer pushing demand. Cheap land and easy availability of construction materials like sand & aggregates will give a big push to housing sector.

#### Future Strategies

Expansion plan up to 1.0 MnT was deferred and term loan sanctioned by PNB and IDBI Bank were not available in past years mainly due to non receipt of committed investment by a cement major company. Hence your company is now scouting for other strategic

investors for completing un-finished agenda. It has appointed Financial Advisor for this purpose. It is likely to be finalized in FY 2017. Your company is having ample limestone reserve for meeting the expansion need. Land and approvals are in place. Part capex is also done. In view of this, gestation period for completing the project will be too low.

**Awards & Recommendations**

Your Managing Director has written several articles on Indian economy those were published in magazines and newspapers. Several compliments have been received from VIPs to this effect. It is also displayed in company website.

Shiva Cement Limited has been awarded with Second Prize for "General working" of our Limestone mines on the occasion of 53<sup>rd</sup> Annual Mines Safety Week Celebration 2015.

**Human Resource**

Company is maintaining cordial and healthy relations with its employees. Employees at all levels are extending their full support. Company has strong faith in potential of human resources. It believes in the creative abilities of the people, who work for company. It believes in participatory management. Considering high inflation, your company has entered into wage settlement of the workers that will be valid till the year 2017.

**Internal Control Systems**

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

**Business Responsibility Report**

As stipulated under the Listing Agreement, the Business Responsibility report describing the initiatives taken by the Company from environmental, social and governance perspective has been described in this Annual Report.

**Environmental & Social Obligation**

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

Your company has undertaken the CSR activities in nearby villages such as construction of Toilet rooms and Water storage tank in different local schools, specially for girl students at Kandeimunda, Guleipada, Telighana, Mangapada etc. five no. of bathing Ghats at Goleipada, Bhoktapada. Road from Jindapada and Kandeimunda connecting roads to SH-10 was repaired by Murrum.

Hockey, Football and Cricket tournaments were organized with the help of Kandeimunda Panchayat for local youths and providing them sports kits. We are associated with different health awareness programmes like Pulse Polio etc.

Club House was renovated for social meets, meetings and different cultural functions. Celebration of Independence and Republic Day was done at Kandeimunda, Telighana and local schools. Several other cultural & social programmes were undertaken surrounding plant area. All such activities have created a social harmony.

**Dividend**

Keeping in view of ongoing expansion plans and working capital requirements of the Company, your directors have not recommended any dividend for the year under review.

**Listing at Stock Exchange**

Equity shares of the company continue to be listed on Bombay stock exchange and Calcutta stock exchange. We sincerely express our thanks to all shareholders for imposing their faith in the company despite delay in implementation of the expansion plan. The annual listing fee for the year 2015-16 had been paid to Bombay stock exchange.

**Finance**

We are thankful to IDBI Bank for sanctioning the term loan of Rs.10 crore for meeting some pressing needs including capex for complying Pollution control norms and requirement of funds for Stamp duty towards mining lease extension. However, need based working capital for the expanded capacity of 1.98 lakh TPA was not favourably considered. Due to which, commercial production of expanded capacity could not commence till year end.

CARE rating have also assigned "CARE BB" for long term bank facilities & "CARE A4" for short term bank facilities amounting to Rs.47.44 crore. This includes existing and proposed loan.

**Board Meeting**

During the year under report, the Board of Directors have met 6 (Six) times. The Details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

**Fixed Deposits**

Company has accepted deposits from public including share holders and employees within the meaning of section 73 of the Companies Act, 2013 and rules made there under and have made compliance with the provisions of the Companies (Acceptance of Deposits) Rules 2014 as per expert opinion obtained by the Company regarding eligibility to accept deposits.

**Audit Committee**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Audit Committee was formed by the Board of Directors to look after the internal control system of the Company and to review the financial statements. The said Committee is consisting of the following directors of the Company.

|                       |   |          |
|-----------------------|---|----------|
| Sri K. P. Jhunjunwala | - | Chairman |
| Sri B.K. Mangaraj     | - | Member   |
| Sri Mahendra Singh    | - | Member   |

The details of the Audit Committee meeting have been mentioned in the Corporate Governance report.

**Statutory Auditors**

M/s. Tibrewal Chand & Co., Chartered Accountants, Rourkela (FRN 311047E) the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting. In their place M/s. M.K. Thabaria & Associates, Chartered Accountants, Rourkela (FRN 321180E) may be appointed. The Company has received a letter from them to the effect that their appointment, if made, would be within the limit prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified within the meaning of Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit & Auditors) Rules, 2014.

The Notes to Accounts forming part of financial statements are self-explanatory and need no further explanation.

The explanations/clarifications to the qualified opinion of the statutory Auditors are as under :-

As mentioned in the Auditors Report regarding eligibility to accept public deposits, your Company has obtained expert opinion and continued to accept, hold & renew the deposits.

As mentioned in the Auditor's Report regarding default in repayment of installments relating to redemption of preference shares of Rs.65.00 lakhs and term loan installments and interest of Rs.54.77 lakhs due to banks & Financial Institutions, in this regard your directors submit that the Management has approached Preference shareholders for deferment of their installments. As regards repayment of term loan interest and installments your directors submit that the said payments could not be made due to mismatch of cash flow during the financial year 2015-16. The said payments shall be made during the financial year 2016-17.

As mentioned in the Auditors Report regarding irregularity in deposits of statutory dues amounting to Rs.437.18 Lacs, your directors submit that the said payments could not be made due to mismatch of cash flow during the financial year 2015-16. The said payments shall be made during the financial year 2016-17.

**Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s. Prakash Sahoo & Associates, Practicing Company Secretaries of Rourkela to undertake the Secretarial Audit of the Company for the FY 2015-16. The report of Secretarial Audit forms part of this Board's Report in "Annexure -A".

There are no qualifications or adverse remarks in the Secretarial Auditors' Report which require any clarification or explanation.

**Vigil Mechanism**

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

**Foreign Exchange Earnings and Outgo**

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

**Conservation of Energy, Technology Absorption**

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

**Corporate Social Responsibility and Governance Committee**

Your directors have constituted the Corporate Social Responsibility (CSR Committee) comprising Shri R P Gupta as the Chairman and Shri B.K. Mangaraj and Shri Mahendra Singh as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

**Nomination and Remuneration Committee & Stakeholder Relationship Committee**

During the year under report, pursuant to the provisions of Section 178 of Companies Act, 2013, the nomination and Remuneration Committee & Stakeholder Relationship Committee has been functioning in order to protect the interest of the shareholder of the Company.

The Committee has been headed by Shri R. P. Gupta as Chairman, Shri B. K. Mangaraj as Member & Shri Akash Gupta, as other member.

**Extracts of Annual Return**

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, an Extract of the Annual Return in Form MGT-9 forms part of this Report as Annexure-C.

**Particulars of Employees**

The provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) 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.

**Directors' Responsibility Statement**

In terms of the provisions of section 134(3)(c) of the Companies Act, 2013, we 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 had 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Corporate Governance**

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

**Acknowledgements**

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

**Cautionary Statement**

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

For and on behalf of the Board of  
Shiva Cement Limited

Rourkela - 769 004  
Dated : 30/05/2016

Sd/-  
(R.P.Gupta)  
(Managing Director)  
DIN No. : 1325989

Annexure - A  
**Form No. MR-3**

**Secretarial Audit Report**

For the Financial Year Ended 31<sup>st</sup> March, 2016

(Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,  
The Members,  
Shiva Cement Ltd,  
P-25, Civil Township,  
Rourkela-769004 (Odisha)

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), bearing CIN : 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 March, 2016 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 March 2016, to the extent applicable, according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder ;
- (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'), to the extent applicable :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 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 (Issue and Listing of Debt securities) Regulations, 2008;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2013;
  - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited & Calcutta Stock Exchange.

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 and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions at Board Meeting, Committee Meetings, by circulation are carried out unanimously as recorded in the minutes of meetings of Board of Directors of the Company or committee of the Board, as the case may be.

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

**for PRAKASH SAHOO & ASSOCIATES**

Company Secretaries

Sd/-

(Prakash Chandra Sahoo)

Place : Rourkela

Date : 29.05.2016

**M.No. : FCS 7253****C.P. No. : 7917**

(This report is to be read with our letter of even date which is annexed as Annexure-A which forms an integral part of this report).

**ANNEX-A TO THE SECRETARIAL AUDIT REPORT****To****The Members****Shiva Cement Limited****P-25, Civil Township****Rourkela-769004. Odisha**

My report of even date is to be read along with this letter :

1. Maintenance of secretarial record 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever 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 provisions of corporate 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 viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**for PRAKASH SAHOO & ASSOCIATES**

Company Secretaries

Sd/-

(Prakash Chandra Sahoo)

Place : Rourkela

Date : 29.05.2016

**M.No. : FCS 7253****C.P. No. : 7917**

## Annexure - B To The Directors' Report

## FORM - A [ See Rule - 2 ]

## Form for Disclosure of Particulars with respect to Conservation of Energy

## A. Power and Fuel Consumption

| Particulars                          | 31/03/2016 | 31/03/2015 |
|--------------------------------------|------------|------------|
| <b>1. Electricity</b>                |            |            |
| a) Purchased                         |            |            |
| Units (in Thousand)                  | 8258.45    | 7474.95    |
| Total amount (in Thousand)           | 52614.84   | 46783.90   |
| Rate/Unit (including DPS)            | 6.37       | 6.26       |
| b) Own Generation                    |            |            |
| i) Through Diesel Generator          |            |            |
| Units (in Thousand)                  | 28.68      | 24.82      |
| Cost/Unit (Rs.)                      | 28.44      | 39.29      |
| ii) Through Steam Turbines Generator |            |            |
| Units                                | N.A        | N.A        |
| Unit per Ltr. for Fuel oil Gas       |            |            |
| Cost/Unit.                           |            |            |
| <b>2. Coal</b>                       |            |            |
| Quantity (in Mt)                     | 15274.00   | 15017.06   |
| Total Cost (Rs. in Thousand)         | 51425.01   | 73407.36   |
| Average Rate (Rs. Per Mt)            | 3366.83    | 4888.26    |
| <b>3. Diesel Oil</b>                 |            |            |
| Quantity (in K. Ltr)                 | 107.52     | 145.40     |
| Total Cost (Rs. in Thousand)         | 4868.81    | 8054.55    |
| Average Rate (Rs. Per Litre)         | 45.28      | 55.40      |
| <b>4. Other/Internal Generation</b>  |            |            |
| Quantity (in Mt)                     |            |            |
| Total Cost (Rs. in Thousand)         | N.A        | N.A        |
| Average Rate (Rs.)                   |            |            |

## Consumption per unit of production (Cement &amp; Surplus clinker)

| Particulars           | Standards if any | Current Year | Previous Year |
|-----------------------|------------------|--------------|---------------|
| Power Units Per Tonne |                  | 91.27        | 95.68         |
| Coal Cons. (%)        |                  | 16.82%       | 19.16%        |

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

- Apparent reduction in power consumption is due to out-sourcing of part quantity of clinker.
- Apparent saving in coal consumption is due to better quality of coal.

## FORM - B [ See Rule - 2 ]

## Form for Disclosure of Particulars with respect to technology absorption research and development (R&amp;D) for the year ended 31/03/2016

|                                                                                                                                                                                                                            |                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| <b>A. Research &amp; Development (R &amp; D)</b>                                                                                                                                                                           |                                                                      |
| ❖ Specific areas in which R & D carried out by the Company                                                                                                                                                                 | No specific work                                                     |
| ❖ Benefits derived as a result of the above R & D                                                                                                                                                                          | No specific Benefits                                                 |
| ❖ Future Plan of action                                                                                                                                                                                                    | To continue efforts on reducing clinker, power and fuel consumption. |
| ❖ Expenditure on R & D                                                                                                                                                                                                     | No specific expenditure incurred on R & D                            |
| a) Capital                                                                                                                                                                                                                 |                                                                      |
| b) Recurring                                                                                                                                                                                                               |                                                                      |
| c) Total                                                                                                                                                                                                                   |                                                                      |
| d) Total R & D expenditure as a percentage of total turnover                                                                                                                                                               |                                                                      |
| Technology absorption, adaptation and innovation                                                                                                                                                                           |                                                                      |
| <b>B. Foreign Exchange Earnings Outgo</b>                                                                                                                                                                                  | NIL                                                                  |
| <b>C. Technology Absorption, Adoption &amp; Innovation</b>                                                                                                                                                                 |                                                                      |
| The efforts towards technology absorption/adoption/innovation and corresponding benefits are summarized as under:-                                                                                                         |                                                                      |
| ❖ On-line stack monitoring equipment were installed for measuring SOX, NOX and SPM of Kiln fluid gas for improvement of environment.                                                                                       |                                                                      |
| ❖ Water sprinklers at many places were installed for suppressing fugitive emission on road arising due to internal transport within the plant. Also the internal roads were concretized for suppressing fugitive emission. |                                                                      |
| ❖ Bags of Kiln bag house were replaced with high temperature resistance bags. Also an additional bag house in the Kiln was installed.                                                                                      |                                                                      |
| ❖ Elevator internals of Cement mill-1 elevators were replaced for higher capacity considering increase in the capacity of Cement mill-1.                                                                                   |                                                                      |
| ❖ Ground slag feed hopper was installed in Cement mill-2 for reducing clinker consumption.                                                                                                                                 |                                                                      |

**Form No. MGT-9 (Annexure-C)****Extract of Annual Return**

as on the financial year ended on 2015-16

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**1. Registration and Other Details:**

|                                                                           |                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CIN                                                                       | L26942OR1985PLC001557                                                                                                                                                                                                                                                     |
| Registration Date                                                         | 12/08/1985                                                                                                                                                                                                                                                                |
| Name of the Company                                                       | Shiva Cement Limited                                                                                                                                                                                                                                                      |
| Category / Sub-Category of the Company                                    | Public Company limited by shares                                                                                                                                                                                                                                          |
| Address of the Registered office and contact details                      | P-25, Civil Township, Roukela-7690004<br>Tele Phone: 0661-2400828, 2400168                                                                                                                                                                                                |
| Whether listed Company (YES/NO)                                           | Yes                                                                                                                                                                                                                                                                       |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | NICHE TECHNOLOGIES PRIVATE LIMITED<br>CIN:U74140WB1994PTC062636<br>D-511, Bagree Market, 5th Floor, B.R.B. Basu Road, Kolkatta-700001<br>Ph. No. 033 2234-3576, 2235-7270/7271<br>Fax: 03322156823,<br>Email: nichetechpl@nichetechpl.com<br>Website: www.nichetechpl.com |

**2. Principal Business Activities of the Company:**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | % to total turnover of the company |
|---------|--------------------------------------------------|------------------------------------|
| 1.      | CEMENT                                           | 53.0%                              |
| 2       | OTHERS GOODS                                     | 47.0%                              |

**3. Particulars of Holding, Subsidiary and Associate Companies -**

| Sr. No. | Name and Address of the Company | CIN/GIN               | Holding/ Subsidiary/ Associate of the Company | % of shares held | Applicable Section |
|---------|---------------------------------|-----------------------|-----------------------------------------------|------------------|--------------------|
| 1.      | Shivom Minerals Limited         | U26941OR1999PLC005785 | Associate Company                             | -                | Section 2(6)       |
| 2.      | Unicon Merchants Pvt. Ltd       | U51909WB2003PTC097068 | Associate Company                             | 11.025           | Section 2(6)       |

**4. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding:

| Category of Shareholders                     | No. of Shares held at the beginning of the year |          |                 |                  | No. of Shares held at the end of the year |          |                 |                  | % Change during the year |
|----------------------------------------------|-------------------------------------------------|----------|-----------------|------------------|-------------------------------------------|----------|-----------------|------------------|--------------------------|
|                                              | Demat                                           | Physical | Total           | % of Total Share | Demat                                     | Physical | Total           | % of Total Share |                          |
| <b>A. Promoters</b>                          |                                                 |          |                 |                  |                                           |          |                 |                  |                          |
| <b>1. Indian</b>                             |                                                 |          |                 |                  |                                           |          |                 |                  |                          |
| a. Individuals/HUF                           | 48850243                                        | -        | 48850243        | 26.123           | 48850243                                  | -        | 48850243        | 26.123           | -                        |
| b. Central Govt.                             | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| c. State Govt.                               | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| d. Bodies Corp.                              | 20617549                                        | -        | 20617549        | 11.026           | 20617549                                  | -        | 20617549        | 11.026           | -                        |
| e. Bank/ FI                                  | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| f. Any Other                                 | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| <b>Sub-Total-A(1)</b>                        | <b>69467792</b>                                 | <b>-</b> | <b>69467792</b> | <b>37.149</b>    | <b>69467792</b>                           | <b>-</b> | <b>69467792</b> | <b>37.149</b>    | <b>-</b>                 |
| <b>2. Foreign</b>                            |                                                 |          |                 |                  |                                           |          |                 |                  |                          |
| a. NRI Individuals                           | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| b. Other Individuals                         | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| c. Body Corporate                            | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| d. Bank/ FI                                  | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| e. Any Others                                | -                                               | -        | -               | -                | -                                         | -        | -               | -                | -                        |
| <b>Sub Total-A (2)</b>                       | <b>-</b>                                        | <b>-</b> | <b>-</b>        | <b>-</b>         | <b>-</b>                                  | <b>-</b> | <b>-</b>        | <b>-</b>         | <b>-</b>                 |
| <b>Total Share Holder of Promoters (1+2)</b> | <b>69467792</b>                                 | <b>-</b> | <b>69467792</b> | <b>37.149</b>    | <b>69467792</b>                           | <b>-</b> | <b>69467792</b> | <b>37.149</b>    | <b>-</b>                 |

|                                                                                |           |        |           |        |           |        |           |        |        |
|--------------------------------------------------------------------------------|-----------|--------|-----------|--------|-----------|--------|-----------|--------|--------|
| <b>B. Public Shareholding</b>                                                  |           |        |           |        |           |        |           |        |        |
| <b>1. Institution</b>                                                          |           |        |           |        |           |        |           |        |        |
| a. Mutual Funds                                                                | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| b. Bank/ FI                                                                    | -         | 206083 | 206083    | 0.110  | -         | 206083 | 206083    | 0.110  | -      |
| c. Cent. Govt.                                                                 | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| d. State Govt.                                                                 | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| e. Venture Capital                                                             | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| f. Insurance Co.                                                               | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| g. FIs                                                                         | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| h. Foreign Portfolio Corporate                                                 | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| i. Foreign Venture Capital Fund                                                | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| j. Others                                                                      | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| <b>Sub-Total-B (1)</b>                                                         | -         | 206083 | 206083    | 0.110  | -         | 206083 | 206083    | 0.110  | -      |
| <b>2. Non- Institution</b>                                                     |           |        |           |        |           |        |           |        |        |
| a. Body Corp.                                                                  | 65372236  | 40380  | 65412616  | 34.980 | 62108992  | 40364  | 62149356  | 33.235 | -1.745 |
| b. Individual                                                                  |           |        |           |        |           |        |           |        |        |
| i. Individual Shareholders holding nominal share capital upto ' 1 lakh         | 36558679  | 557581 | 37116260  | 19.848 | 41268907  | 625271 | 41894178  | 22.403 | 2.555  |
| ii. Individual shareholders holding nominal share capital in excess of '1 Lakh | 10786448  | 68439  | 10854887  | 5.805  | 8756662   | -      | 8756662   | 4.683  | -1.122 |
| <b>C. Others</b>                                                               |           |        |           |        |           |        |           |        |        |
| (i) NRI (Rep)                                                                  | 2450740   | -      | 2450740   | 1.311  | 1368940   | -      | 1368940   | 0.732  | -0.579 |
| (ii) NRI (Non-Rep)                                                             | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| (iii) Foreign National                                                         | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| (iv) OCB                                                                       | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| (v) Trust                                                                      | 23100     | 618    | 23718     | 0.013  | 1100      | 618    | 1718      | 0.001  | -0.012 |
| (vi) In Transit                                                                | -         | -      | -         | -      | -         | -      | -         | -      | -      |
| (vii) Clearing Members                                                         | 1467904   | -      | 1467904   | 0.785  | 3155271   | -      | 3155271   | 1.687  | 0.902  |
| <b>Sub-Total-B (2)</b>                                                         | 116659107 | 873101 | 117532208 | 62.851 | 116659872 | 872336 | 117532208 | 62.851 | -      |
| <b>Net Total (1+2)</b>                                                         | 186126899 | 873101 | 187000000 | 100.00 | 186127664 | 872336 | 187000000 | 100.00 | -      |
| Shares held by Custodian for GDRs & ADRs                                       |           |        |           |        |           |        |           |        |        |
| <b>Grand Total (A+B+C)</b>                                                     | 186126899 | 873101 | 187000000 | 100.00 | 186127664 | 872336 | 187000000 | 100.00 | -      |

## ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | No. of Shares held at the beginning of the year |                                  |                                                  | No. of Shares held at the end of the year |                                  |                                                  | % of Change in Shareholding During the year |
|---------|--------------------|-------------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|---------------------------------------------|
|         |                    | No. of Shares                                   | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                             | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares |                                             |
| 1       | R. P. Gupta        | 7508109                                         | 4.015                            | -                                                | 7508109                                   | 4.015                            | -                                                | -                                           |
| 2       | Akash Gupta        | 10989444                                        | 5.877                            | 4.550                                            | 10989444                                  | 5.877                            | 9.100                                            | -                                           |
| 3       | Preeti Gupta       | 9201500                                         | 4.921                            | -                                                | 9201500                                   | 4.921                            | -                                                | -                                           |
| 4       | R.P. Gupta (HUF)   | 1652293                                         | 0.884                            | -                                                | 1652293                                   | 0.884                            | -                                                | -                                           |
| 5       | Shilpi Gupta       | 2278027                                         | 1.218                            | -                                                | 2278027                                   | 1.218                            | -                                                | -                                           |
| 6       | Sudha Gupta        | 13447                                           | 0.007                            | -                                                | 13447                                     | 0.007                            | -                                                | -                                           |
| 7       | Ramesh Ku. Gupta   | 110                                             | 0.000                            | -                                                | 110                                       | 0.000                            | -                                                | -                                           |
| 8       | Sanjay Agarwal     | 418                                             | 0.000                            | -                                                | 418                                       | 0.000                            | -                                                | -                                           |
| 9       | Vikash Gupta       | 8042672                                         | 4.301                            | -                                                | 8042672                                   | 4.301                            | -                                                | -                                           |
| 10      | Anubha Gupta       | 5275120                                         | 2.821                            | -                                                | 5275120                                   | 2.821                            | -                                                | -                                           |

|    |                          |          |        |       |          |        |       |   |
|----|--------------------------|----------|--------|-------|----------|--------|-------|---|
| 11 | Sonu Gupta               | 3889631  | 2.080  | -     | 3889631  | 2.080  | -     | - |
| 12 | Unicon Merchants Pvt Ltd | 20617021 | 11.025 | -     | 20617021 | 11.025 | -     | - |
|    | Total                    | 69467792 | 37.149 | 0.720 | 69467792 | 37.149 | 1.439 | - |

iii) Change in Promoters' Shareholding ( please specify, if there is no change) : NO CHANGE

| S. No. | Particulars                                                                                                                                                                   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|        |                                                                                                                                                                               | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1      | At the beginning of the year                                                                                                                                                  | 69467792                                  | 37.149                           | 69467792                                | 37.149                           |
| 2      | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease(e.g. allotment / transfer / bonus/ sweat equity etc): | -                                         | -                                | -                                       | -                                |
| 3      | At the End of the year                                                                                                                                                        | 69467792                                  | 37.149                           | 69467792                                | 37.149                           |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Sl. No. | Name                               | Shareholding at the beginning of the year |                                  | Date       | Reason   | Increase/Decrease in Shareholding |                                  | Cumulative Shareholding during the year |                                  |
|---------|------------------------------------|-------------------------------------------|----------------------------------|------------|----------|-----------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                    | No. of shares                             | % of total shares of the company |            |          | No. of shares                     | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | ACC Limited                        | 23650000                                  | 12.647                           | 01/04/2015 |          |                                   |                                  | 23650000                                | 12.647                           |
|         |                                    |                                           |                                  | 31/03/2016 |          |                                   |                                  |                                         |                                  |
| 2       | Anubha Investments Private Limited | 4652907                                   | 2.488                            | 10/04/2015 | Sale     | 2778                              | 0.001                            | 4650129                                 | 2.487                            |
|         |                                    |                                           |                                  | 17/04/2015 | Sale     | 336248                            | 0.180                            | 4313881                                 | 2.307                            |
|         |                                    |                                           |                                  | 24/04/2015 | Sale     | 296302                            | 0.158                            | 4017579                                 | 2.148                            |
|         |                                    |                                           |                                  | 31/03/2016 | Purchase | 430915                            | 0.290                            | 4448494                                 | 2.379                            |
|         |                                    |                                           |                                  | 31/03/2016 |          |                                   |                                  | 4448494                                 | 2.379                            |
| 3       | Ashari Agencies Limited            | 1650000                                   | 0.882                            | 31/12/2015 | Sale     | 500000                            | 0.267                            | 1150000                                 | 0.615                            |
|         |                                    |                                           |                                  | 08/01/2016 | Sale     | 1150000                           | 0.615                            | 0                                       | 0.000                            |
|         |                                    |                                           |                                  | 31/03/2016 |          |                                   |                                  | 0                                       | 0.000                            |
| 4       | Bajrang Engineers Private Limited  | 3462185                                   | 1.851                            | 01/04/2015 |          |                                   |                                  | 3462185                                 | 1.851                            |
|         |                                    |                                           |                                  | 31/03/2016 |          |                                   |                                  |                                         |                                  |
| 5       | Hanurang Projects Private Limited  | 3650663                                   | 1.952                            | 17/04/2015 | Sale     | 22163                             | 0.012                            | 3628500                                 | 1.940                            |
|         |                                    |                                           |                                  | 18/12/2015 | Sale     | 30000                             | 0.016                            | 3598500                                 | 1.924                            |
|         |                                    |                                           |                                  | 25/12/2015 | Sale     | 25000                             | 0.013                            | 3573500                                 | 1.911                            |
|         |                                    |                                           |                                  | 31/03/2016 |          |                                   |                                  | 3573500                                 | 1.911                            |
| 6       | Karvy Stock Broking Limited        | 105109                                    | 0.056                            | 10/04/2015 | Transfer | 450                               | 0.000                            | 105559                                  | 0.056                            |
|         |                                    |                                           |                                  | 17/04/2015 | Transfer | -800                              | 0.000                            | 104759                                  | 0.056                            |
|         |                                    |                                           |                                  | 24/04/2015 | Transfer | 28750                             | 0.015                            | 133509                                  | 0.071                            |
|         |                                    |                                           |                                  | 01/05/2015 | Transfer | 1000                              | 0.001                            | 134509                                  | 0.072                            |
|         |                                    |                                           |                                  | 08/05/2015 | Transfer | 1100                              | 0.001                            | 135609                                  | 0.073                            |
|         |                                    |                                           |                                  | 15/05/2015 | Transfer | 2400                              | 0.001                            | 138009                                  | 0.074                            |
|         |                                    |                                           |                                  | 22/05/2015 | Transfer | 5000                              | 0.003                            | 143009                                  | 0.076                            |
|         |                                    |                                           |                                  | 29/05/2015 | Transfer | -1000                             | 0.001                            | 142009                                  | 0.076                            |
|         |                                    |                                           |                                  | 05/06/2015 | Transfer | -1000                             | 0.001                            | 141009                                  | 0.075                            |
|         |                                    |                                           |                                  | 12/06/2015 | Transfer | -110                              | 0.000                            | 140899                                  | 0.075                            |
|         |                                    |                                           |                                  | 19/06/2015 | Transfer | -1000                             | 0.001                            | 139899                                  | 0.075                            |
|         |                                    |                                           |                                  | 26/06/2015 | Transfer | -220                              | 0.000                            | 139679                                  | 0.075                            |
|         |                                    |                                           |                                  | 30/06/2015 | Transfer | -11097                            | 0.006                            | 128582                                  | 0.069                            |
|         |                                    |                                           |                                  | 10/07/2015 | Transfer | 1600                              | 0.001                            | 130182                                  | 0.070                            |
|         |                                    |                                           |                                  | 17/07/2015 | Transfer | -4905                             | 0.003                            | 125277                                  | 0.067                            |
|         |                                    |                                           |                                  | 24/07/2015 | Transfer | 51390                             | 0.027                            | 176667                                  | 0.094                            |
|         |                                    |                                           |                                  | 31/07/2015 | Transfer | 2100                              | 0.001                            | 178767                                  | 0.096                            |
|         |                                    |                                           |                                  | 07/08/2015 | Transfer | -9090                             | 0.005                            | 169677                                  | 0.091                            |
|         |                                    |                                           |                                  | 14/08/2015 | Transfer | -1450                             | 0.001                            | 168227                                  | 0.090                            |
|         |                                    |                                           |                                  | 21/08/2015 | Transfer | -5000                             | 0.003                            | 163227                                  | 0.087                            |
|         |                                    |                                           |                                  | 28/08/2015 | Transfer | -5000                             | 0.003                            | 158227                                  | 0.085                            |
|         |                                    |                                           |                                  | 11/09/2015 | Transfer | -800                              | 0.000                            | 157427                                  | 0.084                            |
|         |                                    |                                           |                                  | 18/09/2015 | Transfer | 575                               | 0.000                            | 158002                                  | 0.084                            |
|         |                                    |                                           |                                  | 25/09/2015 | Transfer | -450                              | 0.000                            | 157552                                  | 0.084                            |
|         |                                    |                                           |                                  | 30/09/2015 | Transfer | 500                               | 0.000                            | 158052                                  | 0.085                            |

| Sl. No. | Name                                | Shareholding at the beginning of the year |                                  | Date       | Reason                 | Increase/Decrease in Shareholding |                                  | Cumulative Shareholding during the year |                                  |
|---------|-------------------------------------|-------------------------------------------|----------------------------------|------------|------------------------|-----------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                     | No. of shares                             | % of total shares of the company |            |                        | No. of shares                     | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         |                                     |                                           |                                  | 09/10/2015 | Transfer               | -250                              | 0.000                            | 157802                                  | 0.084                            |
|         |                                     |                                           |                                  | 16/10/2015 | Transfer               | -2000                             | 0.001                            | 155802                                  | 0.083                            |
|         |                                     |                                           |                                  | 23/10/2015 | Transfer               | 200                               | 0.000                            | 156002                                  | 0.083                            |
|         |                                     |                                           |                                  | 30/10/2015 | Transfer               | -1100                             | 0.001                            | 154902                                  | 0.083                            |
|         |                                     |                                           |                                  | 06/11/2015 | Transfer               | -36500                            | 0.020                            | 118402                                  | 0.063                            |
|         |                                     |                                           |                                  | 13/11/2015 | Transfer               | -290                              | 0.000                            | 118112                                  | 0.063                            |
|         |                                     |                                           |                                  | 20/11/2015 | Transfer               | 1700                              | 0.001                            | 119812                                  | 0.064                            |
|         |                                     |                                           |                                  | 27/11/2015 | Transfer               | -1000                             | 0.001                            | 118812                                  | 0.064                            |
|         |                                     |                                           |                                  | 04/12/2015 | Transfer               | -3350                             | 0.002                            | 115462                                  | 0.062                            |
|         |                                     |                                           |                                  | 11/12/2015 | Transfer               | 235195                            | 0.126                            | 350657                                  | 0.188                            |
|         |                                     |                                           |                                  | 18/12/2015 | Transfer               | 177105                            | 0.095                            | 527762                                  | 0.282                            |
|         |                                     |                                           |                                  | 25/12/2015 | Transfer               | 505290                            | 0.270                            | 1033052                                 | 0.552                            |
|         |                                     |                                           |                                  | 31/12/2015 | Transfer               | 439400                            | 0.235                            | 1472452                                 | 0.787                            |
|         |                                     |                                           |                                  | 08/01/2016 | Transfer               | 237533                            | 0.127                            | 1709985                                 | 0.914                            |
|         |                                     |                                           |                                  | 15/01/2016 | Transfer               | 56468                             | 0.030                            | 1766453                                 | 0.945                            |
|         |                                     |                                           |                                  | 22/01/2016 | Transfer               | -207969                           | 0.111                            | 1558484                                 | 0.833                            |
|         |                                     |                                           |                                  | 29/01/2016 | Transfer               | -2700                             | 0.001                            | 1555784                                 | 0.832                            |
|         |                                     |                                           |                                  | 05/02/2016 | Transfer               | -200                              | 0.000                            | 1555584                                 | 0.832                            |
|         |                                     |                                           |                                  | 12/02/2016 | Transfer               | -2393                             | 0.001                            | 1553191                                 | 0.831                            |
|         |                                     |                                           |                                  | 19/02/2016 | Transfer               | -300                              | 0.000                            | 1552891                                 | 0.830                            |
|         |                                     |                                           |                                  | 26/02/2016 | Transfer               | -35277                            | 0.019                            | 1517614                                 | 0.812                            |
|         |                                     |                                           |                                  | 04/03/2016 | Transfer               | 430                               | 0.000                            | 1518044                                 | 0.812                            |
|         |                                     |                                           |                                  | 11/03/2016 | Transfer               | -3967                             | 0.002                            | 1514077                                 | 0.810                            |
|         |                                     |                                           |                                  | 18/03/2016 | Transfer               | -34680                            | 0.019                            | 1479397                                 | 0.791                            |
|         |                                     |                                           |                                  | 25/03/2016 | Transfer               | 4060                              | 0.002                            | 1483457                                 | 0.793                            |
|         |                                     |                                           |                                  | 31/03/2016 | Transfer               | 1100                              | 0.001                            | 1484557                                 | 0.794                            |
|         |                                     |                                           |                                  | 31/03/2016 | At the end of the year |                                   |                                  | 1484557                                 | 0.794                            |
| 7.      | Khatu Sponge Private Limited        | 1731500                                   | 0.926                            | 01/04/2015 | No change              |                                   |                                  | 1731500                                 | 0.926                            |
|         |                                     |                                           |                                  | 31/03/2016 | At the end of the year |                                   |                                  |                                         |                                  |
| 8.      | Mahamaya Commotrade Private Limited | 2333500                                   | 1.248                            | 01/04/2015 | No change              |                                   |                                  | 2333500                                 | 1.248                            |
|         |                                     |                                           |                                  | 31/03/2016 | At the end of the year |                                   |                                  |                                         |                                  |
| 9.      | Mangala Subhash Rathod              | 0                                         | 0.000                            | 27/11/2015 | Purchase               | 76551                             | 0.041                            | 76551                                   | 0.041                            |
|         |                                     |                                           |                                  | 04/12/2015 | Purchase               | 200000                            | 0.107                            | 276551                                  | 0.148                            |
|         |                                     |                                           |                                  | 11/12/2015 | Purchase               | 415100                            | 0.222                            | 691651                                  | 0.370                            |
|         |                                     |                                           |                                  | 31/12/2015 | Sale                   | 206000                            | 0.110                            | 485651                                  | 0.260                            |
|         |                                     |                                           |                                  | 15/01/2016 | Purchase               | 250000                            | 0.134                            | 735651                                  | 0.393                            |
|         |                                     |                                           |                                  | 22/01/2016 | Purchase               | 50000                             | 0.027                            | 785651                                  | 0.420                            |
|         |                                     |                                           |                                  | 19/02/2016 | Sale                   | 785651                            | 0.420                            | 0                                       | 0.000                            |
|         |                                     |                                           |                                  | 31/03/2016 | Purchase               | 2253752                           | 1.205                            | 2253752                                 | 1.205                            |
|         |                                     |                                           |                                  | 31/03/2016 | At the end of the year |                                   |                                  | 2253752                                 | 1.205                            |
| 10      | Roughells Fashions Private Limited  | 1249783                                   | 0.668                            | 10/04/2015 | Sale                   | 120000                            | 0.064                            | 1129783                                 | 0.604                            |
|         |                                     |                                           |                                  | 17/04/2015 | Sale                   | 500                               | 0.000                            | 1129283                                 | 0.604                            |
|         |                                     |                                           |                                  | 08/05/2015 | Sale                   | 200614                            | 0.107                            | 928669                                  | 0.497                            |
|         |                                     |                                           |                                  | 22/05/2015 | Purchase               | 266500                            | 0.143                            | 1195169                                 | 0.639                            |
|         |                                     |                                           |                                  | 29/05/2015 | Sale                   | 63000                             | 0.034                            | 1132169                                 | 0.605                            |
|         |                                     |                                           |                                  | 05/06/2015 | Sale                   | 72800                             | 0.039                            | 1059369                                 | 0.567                            |
|         |                                     |                                           |                                  | 19/06/2015 | Purchase               | 50000                             | 0.027                            | 1109369                                 | 0.593                            |
|         |                                     |                                           |                                  | 26/06/2015 | Purchase               | 57050                             | 0.031                            | 1166419                                 | 0.624                            |
|         |                                     |                                           |                                  | 10/07/2015 | Purchase               | 89900                             | 0.048                            | 1256319                                 | 0.672                            |
|         |                                     |                                           |                                  | 17/07/2015 | Sale                   | 117000                            | 0.063                            | 1139319                                 | 0.609                            |
|         |                                     |                                           |                                  | 24/07/2015 | Sale                   | 135000                            | 0.072                            | 1004319                                 | 0.537                            |
|         |                                     |                                           |                                  | 31/07/2015 | Purchase               | 35000                             | 0.019                            | 1039319                                 | 0.556                            |
|         |                                     |                                           |                                  | 14/08/2015 | Sale                   | 121449                            | 0.065                            | 917870                                  | 0.491                            |
|         |                                     |                                           |                                  | 11/09/2015 | Purchase               | 22843                             | 0.012                            | 940713                                  | 0.503                            |
|         |                                     |                                           |                                  | 25/09/2015 | Purchase               | 29675                             | 0.016                            | 970388                                  | 0.519                            |
|         |                                     |                                           |                                  | 16/10/2015 | Sale                   | 22535                             | 0.012                            | 947853                                  | 0.507                            |
|         |                                     |                                           |                                  | 23/10/2015 | Sale                   | 50534                             | 0.027                            | 897319                                  | 0.480                            |
|         |                                     |                                           |                                  | 06/11/2015 | Sale                   | 897319                            | 0.480                            | 0                                       | 0.000                            |
|         |                                     |                                           |                                  | 31/03/2016 | At the end of the year |                                   |                                  | 0                                       | 0.000                            |

## v) Shareholding of Directors and Key Managerial Personnel: Shri R. P. Gupta

| S. No. | Particulars                                                                                                                                                          | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|        |                                                                                                                                                                      | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1      | At the beginning of the year                                                                                                                                         | 7508109                                   | 4.015                            | 7508109                                 | 4.015                            |
| 2      | Date wise increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -                                         |                                  | -                                       |                                  |
| 3      | At the End of the year                                                                                                                                               | 7508109                                   | 4.015                            | 7508109                                 | 4.015                            |

## vi) Shareholding of Directors and Key Managerial Personnel: Shri Akash Gupta

| S. No. | Particulars                                                                                                                                                          | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|        |                                                                                                                                                                      | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1      | At the beginning of the year                                                                                                                                         | 10989444                                  | 5.877                            | 10989444                                | 5.877                            |
| 2      | Date wise increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -                                         |                                  | -                                       |                                  |
| 3      | At the End of the year                                                                                                                                               | 10989444                                  | 5.877                            | 10989444                                | 5.877                            |

## vii) Shareholding of Directors and Key Managerial Personnel: Preeti Gupta

| S. No. | Particulars                                                                                                                                                          | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|        |                                                                                                                                                                      | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1      | At the beginning of the year                                                                                                                                         | 9201500                                   | 4.921                            | 9201500                                 | 4.921                            |
| 2      | Date wise increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -                                         |                                  | -                                       |                                  |
| 3      | At the End of the year                                                                                                                                               | 9201500                                   | 4.921                            | 9201500                                 | 4.921                            |

## viii) Shareholding of Directors and Key Managerial Personnel: Shri Kashi Prasad Jhunjhunwala

| S. No. | Particulars                                                                               | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|-------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|        |                                                                                           | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1      | At the beginning of the year                                                              | 8800                                      | 0.005                            | 8800                                    | 0.005                            |
| 2      | Date wise increase / Decrease in Share holding during the year specifying the reasons for |                                           |                                  |                                         |                                  |

|   |                                                                            |      |       |      |       |
|---|----------------------------------------------------------------------------|------|-------|------|-------|
|   | increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -    |       | -    |       |
| 3 | At the End of the year                                                     | 8800 | 0.005 | 8800 | 0.005 |

**ix) Indebtedness**

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (Rs. In Lakhs)

|                                                     | Secured Loans<br>excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|-----------------------------------------------------|-------------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year |                                     |                 |          |                    |
| i) Principal Amount                                 | 4170.39                             | --              | 272.46   | 4442.85            |
| ii) Interest due but not paid                       | --                                  | --              | --       | --                 |
| iii) Interest accrued but not due                   | 44.60                               | --              | --       | 44.60              |
| Total (i+ii+iii)                                    | 4214.99                             | --              | 272.46   | 4487.45            |
| Change in Indebtedness during the financial year    |                                     |                 |          |                    |
| • Addition                                          | 301.09                              | --              | --       | 301.09             |
| • Reduction                                         | 4.95                                | --              | 1.83     | 6.78               |
| Net Change                                          | 296.14                              | --              | 1.83     | 294.31             |
| Indebtedness at the end of the financial year       |                                     |                 |          |                    |
| i) Principal Amount                                 | 4471.48                             | --              | 270.63   | 4742.11            |
| ii) Interest due but not paid                       | --                                  | --              | --       | --                 |
| iii) Interest accrued but not due                   | 39.65                               | --              | --       | 39.65              |
| Total (i+ii+iii)                                    | 4511.13                             | --              | 270.63   | 4781.76            |

**x) Remuneration of Directors and Key Managerial Personnel****A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Lakhs)**

| S. No. | Particulars of Remuneration                                                                      | Name of MD/WTD/Manager             |                                    |         | Total Amount |
|--------|--------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|---------|--------------|
|        |                                                                                                  | Sri R P Gupta<br>Managing Director | Akash Gupta<br>Whole Time Director | Manager |              |
| 1.     | Gross salary (Rs. In Lakhs)                                                                      |                                    |                                    |         |              |
|        | (a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (per annum) | 15.00                              | 9.00                               | -       | 24.00        |
|        | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                                          |                                    |                                    |         |              |
|        | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961                           |                                    |                                    |         |              |
| 2.     | Stock Option                                                                                     | -                                  | -                                  | -       | -            |
| 3.     | Sweat Equity                                                                                     | -                                  | -                                  | -       | -            |
| 4.     | Commission - as % of profit                                                                      | -                                  | -                                  | -       | -            |
| 5.     | Others, please specify                                                                           | -                                  | -                                  | -       | -            |
|        | Total                                                                                            | 15.00                              | 9.00                               | -       | 24.00        |
|        | Ceiling as per the Act                                                                           | -                                  | -                                  | -       | -            |

**B. Remuneration to other directors: (Rs. In Lakhs)**

| S. No. | Particulars of Remuneration                    | K P Jhunjhunwala | Mahendra Singh | D K Senapati | Total Amount |
|--------|------------------------------------------------|------------------|----------------|--------------|--------------|
| 1      | 3. Independent Directors                       | -                | -              | -            | -            |
|        | • Fee for attending board / committee meetings | 0.35             | 0.10           | 0.10         | 0.55         |
|        | • Commission                                   |                  |                |              |              |
|        | • Others, please specify                       |                  |                |              |              |
| 2      | Total(1)                                       | 0.35             | 0.10           | 0.10         | 0.55         |
| 3      | 4. Other Non-Executive Directors               |                  |                |              |              |
|        | • Fee for attending board / committee meetings |                  |                |              |              |
|        | • Commission                                   |                  |                |              |              |
|        | • Others, please specify                       | -                | -              | -            | -            |
| 4      | Total (2)                                      | -                | -              | -            | -            |
| 5      | Total (B)=(1+2)                                | 0.35             | 0.10           | 0.10         | 0.55         |
| 6      | Total Managerial Remuneration                  | 0.35             | 0.10           | 0.10         | 0.55         |
| 7      | Overall Ceiling as per the Act                 | -                | -              | -            | -            |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD : Nil****xii) Penalties / Punishment/ Compounding of Offences: None**

### Corporate Governance Disclosure

During the year ended 31/03/2016, in compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said Clause and practice followed by the Company.

#### ◆ Company's Philosophy on Corporate Governance

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

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

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

#### ◆ Board of Directors

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

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

The Composition of the Board of Directors is in conformity with the Corporate Governance Code. The composition as on 31<sup>st</sup> March, 2016 and brief resume of each Director is given below:-

**Mr. Rajendra Prasad Gupta (Managing Director):-** He is an Industrialist and is one of the promoter of Shiva Cement Ltd, he is graduate engineer having 43 years business experience and more than 30 years in the cement Industry. He was present Vice Chairman of Western Zone of OASME (Orissa Assembly of Small & Medium Enterprises). He was Vice President of All India Mini Cement Plant Association, Hyderabad. He is an Executive adviser to OJC (Orissa, Chhatisgarh, Jharkhand) Chamber of Commerce. His inputs and guidance in the strategies for Company's growth ever since he was taken on the Board have been immense valuable.

**Mr. Akash Gupta (Executive Director):-** He is a Commerce graduate (Gold Medallist) having business experience of over 19 years in marketing of cement. He is one of promoter of Shiva Cement Ltd.

**Mrs. Preeti Gupta (Woman Director):-** She is a business woman having more than 11 years experience in business. She has been appointed as non-executive woman director on the Board.

**Mr. B. K. Mangaraj:-** He is a post Graduate Engineer having more than 33 years experience in the Mining of Limestone & other Minerals and more than 16 years experience in operation of Cement Plant. He was also awarded by the President of India in past. He has also worked with TISCO, and BSL (SAIL subsidiary) in past.

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

**Mr. K. P. Jhunjunwala:-** He is a post Graduate Engineer having more than 46 years of experience in various business. He is one of the prominent industrialist in Orissa who has headed several large corporates.

**Mr. Mahendra Singh:-** He is B.E (Electrical) with Master degree in Management having more than 37 years of experience in various business fields.

During the year the Board met 6 times (as against the minimum requirement of 4 meetings) on the following dates namely **13/05/2015, 29/05/2015, 14/08/2015, 14/11/2015, 18/01/2016 and 15/02/2016**.

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

| Name              | Category | Attendance Particulars |          | Number of other Directorship and Committee Member/ Chairmanships |                      |                        |
|-------------------|----------|------------------------|----------|------------------------------------------------------------------|----------------------|------------------------|
|                   |          | Board Meeting          | Last AGM | Other Directorship                                               | Committee Membership | Committee Chairmanship |
| R.P. Gupta        | CMD      | 6                      | Yes      | 1                                                                | -                    | -                      |
| Akash Gupta       | ED       | 6                      | Yes      | 1                                                                | -                    | -                      |
| B.K. Mangaraj     | NED      | 2                      | No       | -                                                                | -                    | -                      |
| D. K. Senapati    | NED      | 2                      | No       | -                                                                | -                    | -                      |
| K. P. Jhunjunwala | NED      | 6                      | No       | 1                                                                | -                    | 2                      |
| Preeti Gupta      | NED      | 6                      | Yes      | -                                                                | -                    | -                      |
| Mahendra Singh    | NED      | 2                      | No       | -                                                                | -                    | -                      |

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

**Audit Committee**

The Audit Committee constituted by the Board of Directors of the Company consist of 3 (Three) directors, namely Sri K. P. Jhunjhunwala, Chairman, Sri B.K. Mangaraj and Sri Mahendra Singh as other members. The constitution of Audit committee also meets with the requirements of Section 177 of the Companies Act, 2013.

During the year Four Audit Committee meetings were held on the following dates including before finalisation of accounts and adoption of quarterly financial results by the Board i.e. 28/05/2015, 13/08/2015, 13/11/2015 & 12/02/2016.

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

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

**Remuneration Committee**

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

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

**Remuneration to Directors**

|                 |                    |                 |
|-----------------|--------------------|-----------------|
| Sri R.P. Gupta  | Managing Director  | Rs.125,000/- pm |
| Sri Akash Gupta | Executive Director | Rs. 75,000/- pm |

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

As per terms of appointment no remuneration is paid to Nominee & Independent directors.

The Company pays sitting fees only to Independent Directors at the rate of Rs. 5000/- for each meeting attended. Sitting fee paid to them for the year ended 31<sup>st</sup> March, 2016 is as follows:-

|                        |              |
|------------------------|--------------|
| Sri K. P. Jhunjhunwala | Rs. 30,000/- |
| Sri Mahendra Singh     | Rs. 10,000/- |
| Sri D K Senapati       | Rs. 10,000/- |
| Sri B K Mangaraj       | Rs. 10,000/- |

**Shareholders'/Investors' Grievance Committee**

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

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

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

| Activity                             | Received | Replied | Pending |
|--------------------------------------|----------|---------|---------|
| Transfers effected                   | 1        | 1       | —       |
| Transmission effected                | 3        | 3       | —       |
| Demat requests confirmed-NSDL & CDSL | 36       | 36      | —       |
| Remat Request                        | —        | —       | —       |

**Queries/Complaints resolved :**

| Activity                                                                          | Received | Replied | Pending |
|-----------------------------------------------------------------------------------|----------|---------|---------|
| Non receipt of share certificates after transfer/sub-division, consolidation etc. | 4        | 4       | —       |
| Change of Address                                                                 | 6        | 6       | —       |

◆ **General Body Meeting**

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

| Year       | Location                         | Date       | Time      |
|------------|----------------------------------|------------|-----------|
| 31/03/2013 | P-25, Civil Township, Rourkela-4 | 01.07.2013 | 11.00 AM  |
| 31/03/2014 | P-25, Civil Township, Rourkela-4 | 10.12.2014 | 11.00 A M |
| 31/03/2015 | P-25, Civil Township, Rourkela-4 | 28.12.2015 | 11.00 A M |

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

◆ **Disclosure :**

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

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

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

◆ **Accounting Treatment**

There is no material departures from the Accounting Standard as applicable to the Company.

◆ **Risk Management**

The Company has formulated a process for identifying the risks associated with the Company. The Board shall periodically review in that framework to ensure that risks had been properly assessed.

◆ **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.

◆ **Related Party transactions disclosure**

Audit Committee has reviewed the financial and approved the related party transactions. All these transactions are in arm length basis.

◆ **Means of Communication**

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

◆ **General Shareholder information**

a) **AGM programme :**

|                         |                                                                                              |
|-------------------------|----------------------------------------------------------------------------------------------|
| AGM date and time       | 30 <sup>th</sup> September 2016 at 11:00 A.M.                                                |
| Venue                   | P-25, Civil Township, Rourkela-4, Orissa                                                     |
| Book closure            | 24 <sup>th</sup> September 2016 to 30 <sup>th</sup> September 2016 (both the days inclusive) |
| Equity shares listed at | Bombay Stock Exchange Ltd & Calcutta Stock Exchange                                          |

## b) Financial Calendar 2016-17 (tentative)

Annual General Meeting : July, 2017

## Board Meetings

|                                             |                        |
|---------------------------------------------|------------------------|
| Results for the quarter ending June 30,2016 | Second Week of Aug '16 |
| Results for the quarter ending Sep 30,2016  | Second Week of Nov'16  |
| Results for the quarter ending Dec 31,2016  | Second Week of Feb '17 |
| Results for the quarter ending Mar 31,2017  | Second Week of May'17  |

- c) i) **Scrip Code:** Calcutta Stock Exchange 10029983  
 ii) **Demat ISIN Numbers** Bombay Stock Exchange 532323  
**in NSDL & CDSL** Equity Shares INE555C01029

(Note: Annual listing fees for the year 2015-16 have been duly paid to the Bombay Stock Exchanges)

## d) Stock Market Data:

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

| Month  | B S E |      |           |                      |                           |
|--------|-------|------|-----------|----------------------|---------------------------|
|        | High  | Low  | Cl. price | No. of Shares Traded | Total Turnover (Rs. Lacs) |
| Apr 15 | 4.94  | 3.19 | 3.77      | 13911587             | 572.40                    |
| May 15 | 3.97  | 3.40 | 3.78      | 5608521              | 210.84                    |
| Jun 15 | 3.84  | 2.97 | 3.09      | 5151394              | 170.97                    |
| Jul 15 | 4.89  | 3.03 | 3.79      | 10489732             | 415.15                    |
| Aug 15 | 4.30  | 3.05 | 3.42      | 6366719              | 243.32                    |
| Sep 15 | 3.99  | 3.10 | 3.50      | 4990587              | 167.90                    |
| Oct 15 | 3.79  | 3.25 | 3.32      | 5615250              | 193.58                    |
| Nov 15 | 5.31  | 3.33 | 5.17      | 11815596             | 521.09                    |
| Dec 15 | 8.80  | 4.90 | 7.21      | 22021551             | 1600.12                   |
| Jan 16 | 8.30  | 6.56 | 6.98      | 13105144             | 995.68                    |
| Feb 16 | 7.04  | 4.15 | 4.62      | 4394244              | 227.64                    |
| Mar 16 | 5.87  | 4.60 | 5.20      | 2615330              | 136.97                    |

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

## 1. Share Transfer system:

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

## 2. Dematerialisation of shares:

The Company's equity shares are admitted as eligible securities on National Securities Depository Ltd. and Central Depository Services (I) Ltd. under I SIN No. INE555C01029. As on 31<sup>st</sup> March, 2016, 186127664 equity shares representing 99.53% of the total paid up share capital of the Company are held by shareholders in electronic form.

## Distribution of Shareholding

| Category(No. of shares) | No. of Folios | %     | No. of Shares | %    |
|-------------------------|---------------|-------|---------------|------|
| 1-500                   | 21120         | 58.81 | 2580067       | 1.38 |
| 501-1000                | 5461          | 15.21 | 3645975       | 1.95 |
| 1001-5000               | 7568          | 21.07 | 14624448      | 7.82 |

|                |              |               |                  |               |
|----------------|--------------|---------------|------------------|---------------|
| 5001- 10000    | 895          | 2.49          | 6245656          | 3.34          |
| 10001- 50000   | 706          | 1.97          | 13523856         | 7.23          |
| 50001- 100000  | 74           | 0.21          | 5039587          | 2.70          |
| 100001 & above | 85           | 0.24          | 141340411        | 75.58         |
| <b>Total</b>   | <b>35909</b> | <b>100.00</b> | <b>187000000</b> | <b>100.00</b> |

**Shareholding Pattern**

| Category                        | No. of Shares    | % of holdings |
|---------------------------------|------------------|---------------|
| Promoters & Promoters Group     | 69467792         | 37.15         |
| Financial Institutions & Banks  | 206083           | 0.11          |
| NRI/OCB's                       | 1368940          | 0.73          |
| Bodies Corporate                | 62149356         | 33.23         |
| Public                          | 50650840         | 27.09         |
| Others (Clearing Member/Trusts) | 3156989          | 1.69          |
| <b>Total</b>                    | <b>187000000</b> | <b>100.00</b> |

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

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

**Declaration regarding Code of Conduct**

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

FOR SHIVA CEMENT LIMITED

Rourkela - 769 004

The 30<sup>th</sup> May 2016

Sd/-

(Chairman &amp; Managing Director)

**Certification by Managing Director/CFO**

To

The Board of Directors of Shiva Cement Limited

We have reviewed the financial statements, read with the cash flow statement of Shiva Cement Limited for the year ended 31<sup>st</sup> March 2016 and that to the best of our knowledge and belief, we state that ;

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

For Shiva Cement Limited

**Rourkela-769 004**

The 30th day of May, 2016

Sd/-  
(Managing Director)

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**Compliance Certificate on Corporate Governance**

To

The Board of Directors of 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, 2016 as stipulated in Clause- 49 of the Listing Agreement of the said company with Stock Exchanges in India.

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

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

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

**for PRAKASH SAHOO & ASSOCIATES**  
Company Secretaries  
Sd/-  
(Prakash Chandra Sahoo)  
M.No. : FCS 7253  
C.P. No. : 7917  
Proprietor

Place : Rourkela  
Date : 30th May, 2016

**Independent Auditor's Report**

**To The Members of  
Shiva Cement Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of Shiva Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the (Standalone) Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers Internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (standalone) financial statements.

**Basis for Qualified Opinion**

- (1) The company is, prima facie, not eligible to accept public deposits under the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 and has not complied with the provisions thereof. However, the company has obtained expert opinion on the subject and has continued to accept, hold & renew the deposits.
- (2) The Company has defaulted in the repayment of installments relating to redemption of preference shares of Rs. 65.00 lacs and term loan installments and interest of Rs.54.77 lacs due to banks and financial institutions. We have been informed that the management has approached the preference shareholders for deferment of over due installments.
- (3) The company was irregular in deposit of statutory dues during the year. Statutory dues amounting to Rs. 437.18 lacs were outstanding for more than six months as at 31st March, 2016.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in

the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (2) As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations, if any, on its financial position in its financial statements- Refer Note 28(1) to the financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Tibrewal Chand & Co**  
Chartered Accountants  
**F.R.N311047E**  
Sd/-

Place : Rourkela  
Date:30-05-2016

**CA Ratiraj Tibrewal**  
Partner  
(M.No. 062000)

#### Annexure "A" to the Independent Auditors' Report for 2015-16 of Shiva Cement Limited

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (2) (a) The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained proper records of inventories and the discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.

- (3) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the act. Hence, provisions of clause 3 (iii) (a) to (c) are not applicable to the company for the year under the report
- (4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (5) The company had accepted public deposits under Section 58A of the Companies Act, 1956 and rules made under that Act. The company has been generally regular in repayment of such deposits and interest thereon on due dates in accordance with the terms and conditions of such "Earlier Deposits". However, prima facie, the company is not eligible to accept public deposits under the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 and has not complied with the provisions thereof. The company has, although, obtained expert opinion on the subject and has continued to accept, hold & renew the Deposits. We were explained that the National Company Law Tribunal has not passed any order during the year under audit.
- (6) The Central Government has prescribed maintenance of Cost Records under sub-Section (1) of Section 148 of the Companies Act, 2013 in respect of cement manufacturing activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (7) (a) The company is not regular in depositing undisputed statutory dues with the appropriate authorities. The following dues which were outstanding for a period of more than six months as at the balance sheet date : --

| NATURE OF DUES                 | AMOUNT IN LACS |
|--------------------------------|----------------|
| Income Tax Deducted at Source  | 8.99           |
| Income Tax Collected at Source | 0.02           |
| Excise Duty Payable            | 89.77          |
| Entry Tax                      | 5.01           |
| Employees' State Insurance     | 2.27           |
| Service Tax Payable            | 19.96          |
| Ed. Cess on Service Tax        | 0.26           |
| SHEC. On Service Tax           | 0.13           |
| Employee's Provident Fund      | 18.02          |
| Value Added Tax                | 171.75         |
| Cess Duty payable              | 0.01           |
| Income tax                     | 120.99         |
| <b>Total</b>                   | <b>437.18</b>  |

- (b) As per information and explanation given to us and records examined, there are no dues of provident fund, employees' state insurance, Income tax, Service tax, duty of customs, duty of excise, and cess which have not been deposited on account of any dispute except the following:

| Name of the Statute   | Nature of Dues | Amount Under Dispute (Rs. Lacs) | Period to which the amount relates | From where the dispute is pending                 |
|-----------------------|----------------|---------------------------------|------------------------------------|---------------------------------------------------|
| Orissa Sales Tax Act  | Sales Tax      | 140.87                          | 1992-93 to 2004-05                 | Appellate Authority up to Commissioner's level    |
| Orissa Sales Tax Act  | Sales Tax      | 47.25                           | 1995-96                            | High Court                                        |
| Orissa Sales Tax Act  | Sales Tax      | 1.88                            | 2008-11                            | Appellate Authority up to Commissioner's level    |
| Central Sales Tax Act | CST            | 3.28                            | 1998-99 to 2004-05                 | Appellate Authority up to Commissioner's level    |
| Central Sales Tax     | CST            | 8.69                            | 1995-96                            | High Court                                        |
| Orissa Entry Tax      | Entry Tax      | 9.12                            | 1990-00 to 2004-05                 | Appellate Authority up to Commissioner's level    |
| Orissa Entry Tax      | Entry Tax      | 2.94                            | 2008-11                            | Appellate Authority up to Commissioner's level    |
| Central Excise        | Excise         | 19.60                           | 2005-10                            | CESTAT                                            |
| Central Excise        | Excise         | 3.62                            | 2012-13                            | Commissioner Appeals, Central Excise- Bhubaneswar |

- (8) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of dues to the following banks & financial institutions.

| Banks/Financial Institution             | Period of Default | Amount in Lacs |
|-----------------------------------------|-------------------|----------------|
| Canara Bank                             | 3 months          | 33.58          |
| Tata Capital Financial Services Limited | 3 months          | 21.19          |
| <b>Total</b>                            |                   | <b>54.77</b>   |

The Company has not issued any debentures.

- (9) The company has not raised any new term loans during the year. The term loans outstanding at the beginning of the year were applied for the purposes for which they were raised on overall basis. Further, the company has not raised moneys by way initial or further public offer (including debt instruments).
- (10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (11) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (12) In our opinion, the company is not a Nidhi Company, Therefore the provisions of clause (xii) of the order are not applicable to the company.
- (13) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 and Section 177 (4) (iv) of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Tibrewal Chand & Co.**  
Chartered Accountants  
**F.R.No: 311047E**  
Sd/-  
**CA Ratiraj Tibrewal**  
Partner  
**M. No: 062000**

**Place: Rourkela**  
Date: 30/05/2016

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Shiva Cement Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Shiva Cement Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Tibrewal Chand & Co.**  
Chartered Accountants  
**F.R.No: 311047E**  
Sd/-  
**CA Ratiraj Tibrewal**  
Partner  
**M. No: 062000**

**Place: Rourkela**  
Date: 30/05/2016

# **BALANCE SHEET** (As at 31st March 2016)

[Rs. in Lakhs]

| Particulars                           | Note No. | 31/03/2016       | 31/03/2015       |
|---------------------------------------|----------|------------------|------------------|
| <b>EQUITY AND LIABILITIES</b>         |          |                  |                  |
| <b>Shareholder's Fund</b>             |          |                  |                  |
| Share capital                         | 2        | 3,986.94         | 3,968.94         |
| Reserves and surplus                  | 3        | 5,992.83         | 5,991.81         |
| Money received against share warrants |          | 150.00           | 0.00             |
|                                       |          | 10,111.78        | 9,960.76         |
| <b>Non-current liabilities</b>        |          |                  |                  |
| Long-term borrowings                  | 4        | 2,103.12         | 2,280.52         |
| Deferred tax liabilities (net)        | 26       | 793.03           | 730.23           |
| Other long-term liabilities           | 5        | 669.55           | 504.58           |
| Long-term provisions                  | 6        | 108.63           | 92.54            |
|                                       |          | 3,674.33         | 3,607.88         |
| <b>Current liabilities</b>            |          |                  |                  |
| Short-term borrowings                 | 7        | 2,200.00         | 1,696.18         |
| Trade payables                        | 8        | 339.45           | 419.31           |
| Other current liabilities             | 9        | 1,935.68         | 1,239.83         |
| Short-term provisions                 | 10       | 63.56            | 102.73           |
|                                       |          | 4,538.69         | 3,458.05         |
| <b>TOTAL</b>                          |          | <b>18,324.80</b> | <b>17,026.69</b> |
| <b>ASSETS</b>                         |          |                  |                  |
| <b>Non-current assets</b>             |          |                  |                  |
| Fixed assets                          |          |                  |                  |
| Tangible assets                       | [11]     | 11,761.32        | 11,050.13        |
| Capital work-in-progress              |          | 675.20           | 654.31           |
| Intangible assets under development   |          | 45.72            | 45.72            |
|                                       |          | 1,2482.23        | 11,750.15        |
| Non-current investments               | [12]     | 0.07             | 0.07             |
| Long term loans and advances          | [13]     | 645.79           | 773.46           |
| Others                                | [14]     | 39.62            | 64.97            |
|                                       |          | 685.41           | 838.43           |
| <b>Current assets</b>                 |          |                  |                  |
| Inventories                           | [15]     | 1,649.15         | 1,683.70         |
| Trade receivables                     | [16]     | 1,538.18         | 1,488.81         |
| Cash and cash equivalents             | [17]     | 97.55            | 120.85           |
| Short-term loans and advances         | [18]     | 1,872.21         | 1,144.69         |
|                                       |          | 5,157.09         | 4,438.05         |
| <b>TOTAL</b>                          |          | <b>18,324.80</b> | <b>17,026.69</b> |
| Significant Accounting Policies       |          |                  |                  |
| Notes on Financial Statements         | 1 to 28  |                  |                  |

As per our report of even date  
For **Tibrewal Chand & Co.**  
Chartered Accountants  
Firm Regn. No : 311047E  
Sd/-  
**CARATIRAJ TIBREWAL**  
Partner  
Membership No. 062000

For and on behalf of the Board of Directors

Sd/-  
R P Gupta, **MD**  
DIN No. : 01325989  
Akash Gupta, **ED**  
DIN No. : 01326005  
Sandeep Pattnaik,  
Company Secretary

**Rourkela - 769 004**  
The 30<sup>th</sup> day of May, 2016

**STATEMENT OF PROFIT & LOSS**  
(For the year ended 31st March, 2016)

[Rs. in Lakhs]

| Particulars                                                              | Note No. | 31/03/2016 | 31/03/2015 |
|--------------------------------------------------------------------------|----------|------------|------------|
| <b>INCOME</b>                                                            |          |            |            |
| Revenue from operations (gross)                                          | 19       | 7834.20    | 7533.08    |
| Less: Excise duty & Taxes                                                | 19       | 1067.73    | 908.27     |
| Revenue from operations (net)                                            |          | 6766.47    | 6624.82    |
| Other income                                                             | 20       | 42.21      | 39.63      |
| <b>Total revenue (1+2)</b>                                               |          | 6808.68    | 6664.44    |
| <b>Expenses</b>                                                          |          |            |            |
| (a) Cost of materials (Net)                                              | 21.a     | 4240.10    | 4048.40    |
| (b) Changes in inventories                                               | 21.b     | 134.43     | 240.23     |
| (c) Employee benefits expense                                            | 22       | 330.16     | 323.49     |
| (d) Finance costs                                                        | 23       | 363.13     | 337.55     |
| (e) Depreciation and amortisation expense                                | 11       | 539.64     | 390.61     |
| (f) Other expenses                                                       | 24       | 1137.39    | 1047.96    |
| <b>Total expenses</b>                                                    |          | 6744.87    | 6388.24    |
| <b>Profit before exceptional and extraordinary items and tax (3 - 4)</b> |          | 63.81      | 276.20     |
| Exceptional items                                                        |          | 0.00       | 0.00       |
| <b>Profit before extraordinary items and tax (5 + 6)</b>                 |          | 63.81      | 276.20     |
| Extraordinary items                                                      |          | 0.00       | 0.00       |
| <b>Profit before tax (7 + 8)</b>                                         |          | 63.81      | 276.20     |
| <b>Tax Expense:</b>                                                      |          |            |            |
| (a) Current tax expense                                                  |          | 12.16      | 55.26      |
| (b) (Less): MAT credit                                                   |          | -12.16     | -55.26     |
| (c) Tax relating to earlier years                                        |          | 0.00       | -0.51      |
| (d) Deferred tax                                                         |          | 62.79      | 26.23      |
|                                                                          |          | 62.79      | 25.73      |
| <b>Profit for the year (9 - 10)</b>                                      |          | 1.02       | 250.48     |
| <b>Earnings per equity share of face value of Rs 2/- each</b>            |          |            |            |
| (a) Basic (in Rs)                                                        | 25       | 0.00       | 0.13       |
| (b) Diluted (in Rs)                                                      | 25       | 0.00       | 0.13       |
| Significant Accounting Policies                                          |          |            |            |
| Notes on Financial Statements                                            | 1 to 28  |            |            |

As per our report of even date  
For **Tibrewal Chand & Co.**  
Chartered Accountants  
Firm Regn. No : 311047E  
Sd/-  
**CARATIRAJ TIBREWAL**  
Partner  
Membership No. 062000

For and on behalf of the Board of Directors  
Sd/-  
R P Gupta, **MD**  
DIN No. : 01325989  
Akash Gupta, **ED**  
DIN No. : 01326005  
Sandeep Pattnaik,  
**Company Secretary**

**Rourkela - 769 004**  
The 30<sup>th</sup> day of May, 2016

**CASH FLOW STATEMENT**  
(For the year ended 31st March, 2016)

[Rs. in Lakhs]

| Particulars                                                                                                       | 31/03/2016       | 31/03/2015       |
|-------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>A. Cash Flow from Operating Activities</b>                                                                     |                  |                  |
| Net Profit before extraordinary items and tax                                                                     | 63.81            | 276.20           |
| <b>Adjustments for :</b>                                                                                          |                  |                  |
| Depreciation and amortisation                                                                                     | 539.64           | 390.61           |
| Finance costs                                                                                                     | 363.13           | 337.55           |
| Interest income                                                                                                   | (24.68)          | (22.68)          |
| Dividend income                                                                                                   | (0.01)           | (0.01)           |
| Rental income from investment properties                                                                          | (14.40)          | (14.40)          |
| Other Income                                                                                                      | (3.12)           | (2.54)           |
|                                                                                                                   | 860.57           | 688.53           |
| <b>Operating profit before changes in operating assets &amp; liabilities</b>                                      | <b>924.38</b>    | <b>964.74</b>    |
| <b>Adjustments for :</b>                                                                                          |                  |                  |
| Inventories                                                                                                       | 34.54            | 438.54           |
| Trade & Other Receivables                                                                                         | (637.06)         | (866.54)         |
| Trade Payables                                                                                                    | 586.10           | 409.55           |
| Bank Borrowings-short term                                                                                        | 503.81           | 0.46             |
|                                                                                                                   | 487.40           | (17.99)          |
| <b>Cash Generated from Operations</b>                                                                             | <b>1411.78</b>   | <b>946.75</b>    |
| Direct tax paid                                                                                                   | (5.33)           | (4.32)           |
| <b>Net Cash Flow From operating activities (A)</b>                                                                | <b>1406.44</b>   | <b>942.43</b>    |
| <b>B. Cash Flow From Investing Activities</b>                                                                     |                  |                  |
| Capital expenditure on fixed assets, including capital advances                                                   | (1246.38)        | (1767.00)        |
| Deferred finance expenses                                                                                         | 0.00             | (1.50)           |
| Interest received                                                                                                 | 24.68            | 22.68            |
| Dividend received                                                                                                 | 0.01             | 0.01             |
| Rental Income                                                                                                     | 14.40            | 14.40            |
| Other Income                                                                                                      | 3.12             | 2.54             |
| <b>Net Cash Flow used in Investing activities (B)</b>                                                             | <b>(1204.18)</b> | <b>(1728.87)</b> |
| <b>C. Cash Flow From Financing Activities</b>                                                                     |                  |                  |
| Net Increase / (Decrease) in Public Deposits                                                                      | 5.37             | 83.07            |
| Net Increase / (Decrease) in Share Warrants                                                                       | 150.00           | -                |
| Net Increase / (Decrease) in Long Term borrowings                                                                 | (182.77)         | 1406.08          |
| Net Increase / (Decrease) in Long Term Liabilities                                                                | 164.97           | (375.23)         |
| Finance costs                                                                                                     | (363.13)         | (337.55)         |
| <b>Net Cash flow from financing activities (C)</b>                                                                | <b>(225.57)</b>  | <b>776.36</b>    |
| <b>Net (Increase)/decrease in cash and cash equivalents (A+B+C)</b>                                               | <b>(23.30)</b>   | <b>(10.08)</b>   |
| Cash and Cash equivalents at the beginning of the year                                                            | 120.85           | 130.93           |
| <b>Cash and cash equivalents at the end of the year *</b>                                                         | <b>97.55</b>     | <b>120.85</b>    |
| * Comprises :-                                                                                                    |                  |                  |
| (a) Cash on hand                                                                                                  | 2.80             | 2.03             |
| (b) Balances with banks                                                                                           |                  |                  |
| (i) In current accounts                                                                                           | 8.83             | 8.93             |
| (ii) In earmarked accounts (Refer Note (ii) below)                                                                | 85.92            | 109.89           |
| <b>Notes :</b>                                                                                                    |                  |                  |
| (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations. |                  |                  |
| (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.       |                  |                  |

As per our report of even date  
For **Tibrewal Chand & Co.**  
Chartered Accountants  
Firm Regn. No : 311047E  
Sd/-  
**CARATIRAJ TIBREWAL**  
Partner  
Membership No. 062000

For and on behalf of the Board of Directors

Sd/-  
R P Gupta, MD  
DIN No. : 01325989  
Akash Gupta, ED  
DIN No. : 01326005  
Sandeep Pattnaik,  
Company Secretary

Rourkela - 769 004  
The 30<sup>th</sup> day of May, 2016

**Significant Accounting Policies & Notes on Financial Statements for the year ended 31<sup>st</sup> March 2016****Note - 1 [Significant Accounting Policies]****Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified relevant provisions of the Companies Act, 2013.

**Use of Estimates**

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

**Fixed Assets****Tangible Fixed Assets**

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

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

**Intangible Assets**

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

**Depreciation & Amortisation**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used:

| Particulars                         | Description                                    |
|-------------------------------------|------------------------------------------------|
| Premium on leasehold land and mines | : Over the period of leased term               |
| Fixed Assets of Unit I              | : Over its useful life as technically assessed |
| Fixed Assets of Unit II             | : Over its useful life as technically assessed |

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

**Impairment of Assets**

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

**Investments**

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

**Inventories**

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

**Revenue recognition**

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

**Interest**

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

**Dividends**

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

**Employee Benefits**

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

**Borrowing costs**

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

**Current and deferred tax**

Tax expenses comprise both current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax is recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred Tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**Provisions, contingent liabilities & contingent assets**

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

**Segment Reporting**

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

**Note - 2 [Share Capital]**

| <b>[Rs. in Lakhs]</b>                                                                                                                     |                                     |                |                                     |                |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------|-------------------------------------|----------------|
| <b>Particulars</b>                                                                                                                        | <b>31/03/2016</b>                   |                | <b>31/03/2015</b>                   |                |
|                                                                                                                                           | <b>No. of Shares<br/>(in Lakhs)</b> | <b>Amount</b>  | <b>No. of Shares<br/>(in Lakhs)</b> | <b>Amount</b>  |
| <b>Authorised</b>                                                                                                                         |                                     |                |                                     |                |
| Equity shares of Rs. 2/- each                                                                                                             | 2287.50                             | 4575.00        | 2287.50                             | 4575.00        |
| 9% Non Cumulative Redeemable preference shares of Rs. 2/- each                                                                            | 12.50                               | 25.00          | 12.50                               | 25.00          |
| <b>Issued, Subscribed and fully paid up</b>                                                                                               |                                     |                |                                     |                |
| Equity shares of Rs. 2/- each                                                                                                             | 1870.00                             | 3740.00        | 1870.00                             | 3740.00        |
| 9% Non Cumulative Redeemable preference shares of Rs. 2/- each,<br>fully paid of which Re. 0.80 per share redeemed (refer note.3(ii) (b)) | 12.04                               | 14.44          | 12.04                               | 14.44          |
| <b>Total</b>                                                                                                                              | <b>1882.04</b>                      | <b>3754.44</b> | <b>1882.04</b>                      | <b>3754.44</b> |
| <b>(c) Share/ Warrants Forfeiture Account</b>                                                                                             | <b>195.00</b>                       | <b>214.50</b>  | <b>195.00</b>                       | <b>214.50</b>  |
| <b>G.Total</b>                                                                                                                            |                                     | <b>3968.94</b> |                                     | <b>3968.94</b> |

Refers Notes (i) to (v) below

## Notes:

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

| [Rs. in Lakhs]                                                                                                                                                                                                                                                                                                                                |                               |                                 |                               |                                             |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|-------------------------------|---------------------------------------------|-----------------|
| Note-2 [Share Capital Cont'd..]                                                                                                                                                                                                                                                                                                               |                               |                                 |                               |                                             |                 |
| (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:                                                                                                                                                                                                                    |                               |                                 |                               |                                             |                 |
| Particulars                                                                                                                                                                                                                                                                                                                                   | Opening Balance               | Redemption of Preference Shares | Bonus                         | Conv. of Eq. share warrants into Eq. shares | Closing Balance |
| Equity Shares                                                                                                                                                                                                                                                                                                                                 |                               |                                 |                               |                                             |                 |
| Year ended 31 March, 2016                                                                                                                                                                                                                                                                                                                     |                               |                                 |                               |                                             |                 |
| Number of shares (in Lakhs)                                                                                                                                                                                                                                                                                                                   | 1,870.00                      | -                               | -                             | -                                           | 1,870.00        |
| Amount                                                                                                                                                                                                                                                                                                                                        | 3,740.00                      | -                               | -                             | -                                           | 3,740.00        |
| Year ended 31 March, 2015                                                                                                                                                                                                                                                                                                                     |                               |                                 |                               |                                             |                 |
| Number of shares (in Lakhs)                                                                                                                                                                                                                                                                                                                   | 1,870.00                      | -                               | -                             | -                                           | 1,870.00        |
| Amount                                                                                                                                                                                                                                                                                                                                        | 3,740.00                      | -                               | -                             | -                                           | 3,740.00        |
| Non Cumulative Redeemable Preference Shares                                                                                                                                                                                                                                                                                                   |                               |                                 |                               |                                             |                 |
| Year ended 31 March, 2016                                                                                                                                                                                                                                                                                                                     |                               |                                 |                               |                                             |                 |
| Number of shares (in Lakhs)                                                                                                                                                                                                                                                                                                                   | 12.04                         | -                               | -                             | -                                           | 12.04           |
| Amount                                                                                                                                                                                                                                                                                                                                        | 14.44                         | -                               | -                             | -                                           | 14.44           |
| Year ended 31 March, 2015                                                                                                                                                                                                                                                                                                                     |                               |                                 |                               |                                             |                 |
| Number of shares (in Lakhs)                                                                                                                                                                                                                                                                                                                   | 12.04                         | -                               | -                             | -                                           | 12.04           |
| Amount                                                                                                                                                                                                                                                                                                                                        | 14.44                         | -                               | -                             | -                                           | 14.44           |
| (ii) (a) Terms/rights attached to Equity Shares                                                                                                                                                                                                                                                                                               |                               |                                 |                               |                                             |                 |
| The company has only one class of equity shares having a par value of Rs 2/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.                                                                                                                             |                               |                                 |                               |                                             |                 |
| In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.                                                         |                               |                                 |                               |                                             |                 |
| (ii) (b) Terms/rights attached to 9% Non Cumulative Redeemable Preference Shares                                                                                                                                                                                                                                                              |                               |                                 |                               |                                             |                 |
| The company has only one class of Preference Shares. These shares carry non cumulative dividend @ 9% These NCRP Shares are redeemable in four installments by 2011-12 (out of which 40% has been redeemed) with an option to the holders & the company to mutually alter and vary the terms of these NCRP's before and after their allotment. |                               |                                 |                               |                                             |                 |
| (iii) Details of shares held by each shareholder holding more than 5% shares:                                                                                                                                                                                                                                                                 |                               |                                 |                               |                                             |                 |
| Class of shares / Name of shareholder                                                                                                                                                                                                                                                                                                         | 31/03/2016                    |                                 | 31/03/2015                    |                                             |                 |
|                                                                                                                                                                                                                                                                                                                                               | No. of shares held (in Lakhs) | % holding in that class         | No. of shares held (in Lakhs) | % holding in that class                     |                 |
| Equity shares                                                                                                                                                                                                                                                                                                                                 |                               |                                 |                               |                                             |                 |
| ACC Ltd.                                                                                                                                                                                                                                                                                                                                      | 236.50                        | 12.65%                          | 236.50                        | 12.65%                                      |                 |
| Unicon Merchants (P) Ltd.                                                                                                                                                                                                                                                                                                                     | 206.18                        | 11.03%                          | 206.18                        | 11.03%                                      |                 |
| Akash Gupta                                                                                                                                                                                                                                                                                                                                   | 109.89                        | 5.88%                           | 109.89                        | 5.88%                                       |                 |
| Non Cumulative Reddemable preference shares                                                                                                                                                                                                                                                                                                   |                               |                                 |                               |                                             |                 |
| IPICOL Ltd.                                                                                                                                                                                                                                                                                                                                   | 8.63                          | 71.68%                          | 8.63                          | 71.68%                                      |                 |
| Bank of Barada                                                                                                                                                                                                                                                                                                                                | 3.41                          | 28.32%                          | 3.41                          | 28.32%                                      |                 |
| The company has defaulted in redemption of above preference shares, these non comulative redusable preference shares were due for redemption from 31/12/2013.                                                                                                                                                                                 |                               |                                 |                               |                                             |                 |
| (iv) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:                                                                                               |                               |                                 |                               |                                             |                 |
| 170 lakhs equity shares (Previous year-170 lakhs equity shares) out of the issued, subscribed and paid up share capital were allotted as bonus shares in the last five years.                                                                                                                                                                 |                               |                                 |                               |                                             |                 |
| (v) Details of forfeited shares/warrants                                                                                                                                                                                                                                                                                                      |                               |                                 |                               |                                             |                 |
| Class of shares                                                                                                                                                                                                                                                                                                                               | 31/03/2016                    |                                 | 31/03/2015                    |                                             |                 |
|                                                                                                                                                                                                                                                                                                                                               | No. of Shares (in Lakhs)      | Amt. originally paid up         | No. of Shares (in Lakhs)      | Amt.originally paid up                      |                 |
| Equity share warrants                                                                                                                                                                                                                                                                                                                         | 195.00                        | 214.50                          | 195.00                        | 214.50                                      |                 |

Notes forming part of the financial statements for the year ended 31 March, 2016

| Note-3 (Reserves and Surplus)                  |                 |                 |
|------------------------------------------------|-----------------|-----------------|
|                                                | [Rs. in Lakhs]  |                 |
|                                                | 31/03/2016      | 31/03/2015      |
| <b>Capital reserve</b>                         |                 |                 |
| Opening balance                                | 597.81          | 597.81          |
| Add: Additions during the year                 | -               | -               |
| <b>Closing balance</b>                         | <b>597.81</b>   | <b>597.81</b>   |
| <b>Securities premium account</b>              |                 |                 |
| Opening balance                                | 4,920.68        | 4,920.68        |
| <b>Closing balance</b>                         | <b>4,920.68</b> | <b>4,920.68</b> |
| <b>Surplus in Statement of Profit and Loss</b> |                 |                 |
| Opening balance                                | 473.32          | 222.84          |
| Add: Net Profit for the year                   | 1.02            | 250.48          |
| <b>Closing balance</b>                         | <b>474.34</b>   | <b>473.32</b>   |
| <b>G. Total</b>                                | <b>5,992.83</b> | <b>5,991.81</b> |

Notes forming part of the financial statements for the year ended 31 March, 2016

| Note-4 (Long-term borrowings)       |                     |                    |                     |                    |
|-------------------------------------|---------------------|--------------------|---------------------|--------------------|
| Particulars                         | 31/03/2016          |                    | 31/03/2015          |                    |
|                                     | Non-Current Portion | Current maturities | Non-Current Portion | Current maturities |
| <b>(i) Secured</b>                  |                     |                    |                     |                    |
| <b>(a) Term Loans</b>               |                     |                    |                     |                    |
| <b>From Banks</b>                   |                     |                    |                     |                    |
| Canara Bank                         | 317.04              | 123.86             | 405.94              | 76.36              |
| Bank of Baroda                      | -                   | -                  | -                   | 1.81               |
| ICICI Bank Ltd                      | -                   | -                  | -                   | 6.46               |
| <b>From Financial Institutions</b>  |                     |                    |                     |                    |
| Tata Capital Financial Services Ltd | 20.41               | 102.80             | 102.02              | 81.61              |
| IDBI Ltd.                           | 1,632.00            | 75.36              | 1,632.00            | 168.00             |
|                                     | <b>1,969.45</b>     | <b>302.03</b>      | <b>2,139.96</b>     | <b>334.25</b>      |
| <b>(ii) Unsecured</b>               |                     |                    |                     |                    |
| Public Deposits*                    | <b>133.67</b>       | <b>136.96</b>      | <b>140.56</b>       | <b>131.90</b>      |
| <b>G. Total</b>                     | <b>2,103.12</b>     | <b>438.99</b>      | <b>2,280.52</b>     | <b>466.15</b>      |

\* Note - Public deposits includes Rs.17.98 Lakhs (Previous year Rs.15.73 Lakhs) from related parties.

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

- (a) The Term Loan from Canara Bank carries interest @ 14.20% (floating) p.a. The loan is repayable in 60 EMI's of 11.69 lacs including interest, from Jan, 2014. The loan is secured by EMT of lease hold land leased out by IDCO, Odisha in the name of company together with factory building/shed including staff quarters situated at Mouza - Goibhanga, Kalunga Industrial Estate, Sundergarh and personal guarantees of directors as per agreement dated 16/06/2014. The period of maturity as on Balance Sheet date is 3 years 9 months.

Details of Default in Repayment of principal &amp; Interest:

| Bank/ FI    | Period of Default | Rs in Lakhs |
|-------------|-------------------|-------------|
| Canara Bank | 3 months          | 33.58       |

- (b) Secured Term loan from Tata Capital Financial Services Ltd. :

Term Loan-1 from Tata Capital Financial Services Ltd carries interest @ 15.5% (floating) p.a. The loan is repayable in 16 quarterly installments (15 installments of Rs. 6.83 Lakhs and last installment of Rs 6.83 Lakhs) along with interest, from July, 2013. The loan is secured by first & exclusive charge on machineries/equipments out of the funds of term loan sanctioned,

personal guarantees of directors and corporate guarantee of Unicon Merchants (P) Ltd as per agreement dated 11/09/2012. The period of maturity as on Balance Sheet date is 1 year 15 days.

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

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

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

| Details of Default in Repayment of principal & Interest: |                   |             |
|----------------------------------------------------------|-------------------|-------------|
| Bank/ FI                                                 | Period of Default | Rs in Lakhs |
| Tata Capital Financial Services Ltd.                     | 3 months          | 21.19       |

- (c) The Term Loan from IDBI Bank Ltd is repayable in 18 quarterly unequal instalments as given below from July, 2016. The loan is secured by first charge on entire fixed assets of the company situated at Telighana, Kutra present and future except those which are charged to Tata Capital & second charge on the current assets of the company, Pledge of 5 lakh number of equity shares of the promoters, Lien on Fixed deposits of Rs. 55 Lacs, Pledge of additional 1 crore number of equity shares having face value of Rs 2/- per share, & Mortgage of additional around 25 Acres land at Telighana Plant having approx market value about Rs. 4.25 Crores as per agreement dated 26/03/2016. The period of maturity as on Balance Sheet date is 4 years 7 months.

| Repayment schedule for Term loan from IDBI Bank Ltd |                                         |
|-----------------------------------------------------|-----------------------------------------|
| On the first day of the following months            | Amount of installment per quarter (Rs.) |
| July 2016, Oct 2016, Jan 2017                       | 56.00 Lacs                              |
| April 2017, July 2017, Oct 2017, Jan 2018           | 92.00 Lacs                              |
| April 2018, July 2018, Oct 2018, Jan 2019           | 100.00 Lacs                             |
| April 2019, July 2019, Oct 2019, Jan 2020           | 120.00 Lacs                             |
| April 2020, July 2020, Oct 2020                     | 128.00 Lacs                             |

The loan from IDBI Bank has been rescheduled as per letter dated 26.03.2016 and has been extended for 1 year. Hence the commencement of the first due date has been shifted from July 2015 to July 2016. However, Payment of instalments for July 2015 & Oct, 2015 of Rs. 56.00 lacs each have already been made as on the date of sanction letter dated 26.03.2016. Hence, these payments have been considered as pre payment of instalments for July, 2016 & Oct, 2016 and the next instalment is due on Jan, 2017.

- 4(iv) Public deposits carry interest rate between 9.75% to 11.5% p.a. having maturity period of 6 months to 3 years. The amount of deposits maturing during the next three financial years are as under:

| Financial Year | Rs. in Lakhs  |
|----------------|---------------|
| 2016-17        | 136.96        |
| 2017-18        | 76.11         |
| 2018-19        | 57.56         |
| <b>Total</b>   | <b>270.63</b> |

| [Rs. in Lakhs]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                            |                        |                            |                        |  |  |  |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------|----------------------------|------------------------|--|--|--|--|
| <b>Note-5 (Other long-term liabilities)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                            |                        |                            |                        |  |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>31/03/2016</b>          |                        | <b>31/03/2015</b>          |                        |  |  |  |  |
| (i) Trade / security deposits received (refer note 5(iii))                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 640.77                     |                        | 476.84                     |                        |  |  |  |  |
| (ii) Other Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 28.78                      |                        | 27.74                      |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>669.55</b>              |                        | <b>504.58</b>              |                        |  |  |  |  |
| (iii) Private companies in which any director is a director or member (Refer Note 28.4)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | -                          |                        | -                          |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>-</b>                   |                        | <b>-</b>                   |                        |  |  |  |  |
| <b>Note-6 (Long-term provisions)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                            |                        |                            |                        |  |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>31/03/2016</b>          |                        | <b>31/03/2015</b>          |                        |  |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Non-Current Portion</b> | <b>Current Portion</b> | <b>Non-Current Portion</b> | <b>Current Portion</b> |  |  |  |  |
| (i) Provision for employee benefits:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                            |                        |                            |                        |  |  |  |  |
| (a) Provision for gratuity (net) (Refer Note 27)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 108.63                     | 15.53                  | 92.54                      | 21.07                  |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>108.63</b>              | <b>15.53</b>           | <b>92.54</b>               | <b>21.07</b>           |  |  |  |  |
| <b>Note-7 (Short-term borrowings)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                            |                        |                            |                        |  |  |  |  |
| (i) Secured                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>31/03/2016</b>          |                        | <b>31/03/2015</b>          |                        |  |  |  |  |
| Working Capital Loan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                            |                        |                            |                        |  |  |  |  |
| From Banks : IDBI Bank Cash credit A/c                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2,200.00                   |                        | 1,696.18                   |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>2,200.00</b>            |                        | <b>1,696.18</b>            |                        |  |  |  |  |
| <b>Notes:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                            |                        |                            |                        |  |  |  |  |
| (ii) (a) The above working capital loan is secured against hypothecation of stocks and book debts of the company both present & future. The Loan is secured by First charge on entire movable and immovable fixed assets of the company situated at Telighana, Kutra, present & future except those which are charged to Tata Capital as per sanction letter dated 26/03/2016. The loan is further secured by Pledge of 5 lakh number of equity shares of the promoters, Lien on Fixed deposits of Rs. 55 Lacs, Pledge of additional 1 crore number of equity shares having face value of Rs 2/- per share, & Mortgage of additional around 25 Acres land at Telighana Plant having approx market value about Rs. 4.25 Crores agreement dated 26/03/2016 and personal guarantee of promoter directors of the company. The loan is repayable on demand and carries interest @ 14.50 % p.a. |                            |                        |                            |                        |  |  |  |  |
| <b>Note-8 (Trade payables)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                            |                        |                            |                        |  |  |  |  |
| <b>Trade payables:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>31/03/2016</b>          |                        | <b>31/03/2015</b>          |                        |  |  |  |  |
| (i) Micro, Small & Medium Enterprises                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 52.47                      |                        | 67.05                      |                        |  |  |  |  |
| (ii) Others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 286.98                     |                        | 352.26                     |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>339.45</b>              |                        | <b>419.31</b>              |                        |  |  |  |  |
| Disclosure of Trade Payables under current liabilities is based on the information available with the company/firm regarding the status of suppliers as defined under the Micro, Small & Medium Enterprises Development Act, 2006. Amount overdue as on 31st March, 2016 to Micro & Small Enterprises on account of Principal Amount Rs. Nil (Previous Year Rs. Nil) and interest Rs. Nil (Previous year Rs. Nil)                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                            |                        |                            |                        |  |  |  |  |
| <b>Note-9 (Other current liabilities)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                            |                        |                            |                        |  |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>31/03/2016</b>          |                        | <b>31/03/2015</b>          |                        |  |  |  |  |
| (i) Current maturities of long-term debt (Refer Note 9 (iv) below)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 438.99                     |                        | 466.15                     |                        |  |  |  |  |
| (ii) Interest accrued but not due on borrowings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 39.65                      |                        | 44.60                      |                        |  |  |  |  |
| (iii) Other payable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                            |                        |                            |                        |  |  |  |  |
| (a) Statutory remittances                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 833.81                     |                        | 385.77                     |                        |  |  |  |  |
| (b) Interest accrued on others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 3.01                       |                        | 4.00                       |                        |  |  |  |  |
| (c) Advances from customers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 36.16                      |                        | 59.64                      |                        |  |  |  |  |
| (d) Creditors for expenses & Others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 584.07                     |                        | 279.67                     |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1,935.68</b>            |                        | <b>1,239.83</b>            |                        |  |  |  |  |
| <b>Note-9 (iv): Current maturities of long term debt (Refer Notes (i) and (ii) in Note 4 - Long term borrowings for details of security and guarantee):</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                            |                        |                            |                        |  |  |  |  |
| <b>Secured</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>31/03/2016</b>          |                        | <b>31/03/2015</b>          |                        |  |  |  |  |
| (a) Term loans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                            |                        |                            |                        |  |  |  |  |
| From banks & Financial Institution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 302.03                     |                        | 334.25                     |                        |  |  |  |  |
| <b>Unsecured</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                            |                        |                            |                        |  |  |  |  |
| (b) Public Deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 136.96                     |                        | 131.90                     |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>438.99</b>              |                        | <b>466.15</b>              |                        |  |  |  |  |
| <b>Note-10 (Short-term provisions)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                            |                        |                            |                        |  |  |  |  |
| (i) Provision for employee benefits:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                            |                        |                            |                        |  |  |  |  |
| (a) Provision for bonus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 41.22                      |                        | 30.71                      |                        |  |  |  |  |
| (b) Provision for gratuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 15.53                      |                        | 21.07                      |                        |  |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>56.75</b>               |                        | <b>51.79</b>               |                        |  |  |  |  |
| (ii) Provision - Others :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                            |                        |                            |                        |  |  |  |  |
| (a) Provision for tax (Net of TDS & TCS Rs. 5.33 Lakhs (As at 31 March, 2015 Rs. 4.32 Lakhs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 6.82                       |                        | 50.94                      |                        |  |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 6.82                       |                        | 50.94                      |                        |  |  |  |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>63.56</b>               |                        | <b>102.73</b>              |                        |  |  |  |  |

**Note-11 [Tangible Assets]**

[Rs. in Lakhs]

| Tangible Assets             | Gross Block      |                 |                  | Accumulated depreciation and impairment |                          |                  | Net Block        |                  |
|-----------------------------|------------------|-----------------|------------------|-----------------------------------------|--------------------------|------------------|------------------|------------------|
|                             | As at 01/04/2015 | Additions       | As at 31/03/2016 | As at 01/04/2015                        | Depreciation for the yr. | As at 31/03/2016 | As at 31/03/2016 | As at 31/03/2015 |
| LEASEHOLD                   |                  |                 |                  |                                         |                          |                  |                  |                  |
| (a) Land                    | 223.06           | 0.00            | 223.06           | 3.04                                    | 3.04                     | 6.08             | 216.98           | 220.02           |
| (b) Mines                   | 532.79           | 0.00            | 532.79           | 16.15                                   | 16.15                    | 32.29            | 500.50           | 516.65           |
| OWNED                       |                  |                 |                  |                                         |                          |                  |                  |                  |
| (a) Land                    | 5.98             | 0.00            | 5.98             | 0.00                                    | 0.00                     | 0.00             | 5.98             | 5.98             |
| (b) Buildings               |                  |                 |                  |                                         |                          |                  |                  |                  |
| Own use                     | 1,829.27         | 200.11          | 2,029.39         | 442.14                                  | 71.08                    | 513.23           | 1,516.16         | 1,387.13         |
| Internal Road               | 3.62             | 0.00            | 3.62             | 2.10                                    | 1.34                     | 3.44             | 0.18             | 1.52             |
| (c) Plant and Equipment     | 11,091.80        | 928.56          | 12,020.36        | 2,857.18                                | 378.13                   | 3,235.31         | 8,785.06         | 8,234.62         |
| Pollution Control Equipment | 191.62           | 0.00            | 191.62           | 94.72                                   | 5.19                     | 99.91            | 91.71            | 96.89            |
| Truck\Loader\Tripper        | 116.99           | 0.00            | 116.99           | 105.27                                  | 0.96                     | 106.24           | 10.75            | 11.71            |
| (d) Furniture and Fixtures  | 71.44            | 0.09            | 71.52            | 35.77                                   | 1.94                     | 37.71            | 33.81            | 35.66            |
| (e) Vehicles                | 46.93            | 0.00            | 46.93            | 25.05                                   | 3.58                     | 28.63            | 18.30            | 21.88            |
| (f) Computers               | 53.46            | 0.25            | 53.71            | 46.33                                   | 2.95                     | 49.28            | 4.43             | 7.13             |
| (g) Elect.Instln./DG Set    | 727.64           | 96.48           | 824.11           | 216.72                                  | 29.93                    | 246.65           | 577.46           | 510.92           |
| <b>Total</b>                | <b>14,894.60</b> | <b>1,225.49</b> | <b>16,120.09</b> | <b>3,844.47</b>                         | <b>514.30</b>            | <b>4,358.77</b>  | <b>11,761.32</b> | <b>11,050.13</b> |
| <b>Previous year</b>        | <b>10,093.62</b> | <b>4,800.98</b> | <b>14,894.60</b> | <b>3,481.46</b>                         | <b>363.01</b>            | <b>3,844.47</b>  | <b>11,050.13</b> | <b>6,612.15</b>  |

**Note 11 (ii) :**

(a) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives.

(b) Leasehold lands: The land at Kalunga on which Factory (U-1) has been built was taken on 90 years lease from Industrial Development Corporation of Orissa. The land at Teleghana on which Factory (U-2) has been built was taken on 90 years lease from Orissa Industrial Infrastructure Development Corporation.

**Note-12 (Non-current investments)**

|                                                         | 31/03/2016  | 31/03/2015  |
|---------------------------------------------------------|-------------|-------------|
| <b>Non Trade investment (Quoted)</b>                    |             |             |
| (i) Investment in mutual funds                          |             |             |
| UTI Master Gain (500)                                   | 0.07        | 0.07        |
| <b>Total</b>                                            | <b>0.07</b> | <b>0.07</b> |
| Aggregate market value of listed and quoted investments | <b>NA</b>   | <b>NA</b>   |

**Note-13 (Long-term loans and advances)**

|                                                 |               |               |
|-------------------------------------------------|---------------|---------------|
| <b>Unsecured, considered good</b>               |               |               |
| (i) Capital advances                            | 209.05        | 195.56        |
| (ii) Security deposits (Refer Note 13(iv))      | 8.59          | 161.91        |
| (iii) MAT credit entitlement                    | 428.15        | 415.99        |
| <b>G. Total</b>                                 | <b>645.79</b> | <b>773.46</b> |
| Note: Security Deposits include amounts paid to |               |               |
| (v) Director (Refer Note 27.4)                  | 1.00          | 1.00          |
| <b>Total</b>                                    | <b>1.00</b>   | <b>1.00</b>   |

**Note-14 (Other non-current assets)**

|                                                         |              |              |
|---------------------------------------------------------|--------------|--------------|
| (i) Unamortised expenses : Deferred revenue expenditure | 39.62        | 64.97        |
| <b>Total</b>                                            | <b>39.62</b> | <b>64.97</b> |

**Note-15 (Inventories)**  
(At lower of cost and net realisable value)

[Rs. in Lakhs]

|                                                   | 31/03/2016      | 31/03/2015      |
|---------------------------------------------------|-----------------|-----------------|
| (i) Raw materials                                 | 230.16          | 185.82          |
| (ii) Work-in-progress                             | 79.69           | 121.33          |
| (iii) Finished goods                              | 849.17          | 941.97          |
| (iv) Stores and spares (at weighted average cost) | 490.13          | 434.58          |
| <b>Total</b>                                      | <b>1,649.15</b> | <b>1,683.70</b> |
| Note: Details of inventory of work-in-progress    |                 |                 |
| Clinker                                           | 20.85           | 73.55           |
| Raw Mix                                           | 49.55           | 36.08           |
| Crushed Lime Stone                                | 9.29            | 11.70           |
|                                                   | <b>79.69</b>    | <b>121.33</b>   |

**Note-16 (Trade receivables)**

|                                                                                                             |                |                |
|-------------------------------------------------------------------------------------------------------------|----------------|----------------|
| (i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment |                |                |
| Unsecured, considered good                                                                                  | 187.43         | 67.54          |
| Doubtful                                                                                                    | 41.40          | 41.40          |
|                                                                                                             | <b>228.83</b>  | <b>108.93</b>  |
| (ii) Other Trade receivables (Unsecured, considered good)                                                   | 1309.35        | 1379.88        |
| <b>G. Total</b>                                                                                             | <b>1538.18</b> | <b>1488.81</b> |

**Note-17 (Cash and cash equivalents)**

|                                                                                                                       |              |               |
|-----------------------------------------------------------------------------------------------------------------------|--------------|---------------|
| (i) Cash on hand                                                                                                      | 2.80         | 2.03          |
| (ii) Balances with banks                                                                                              |              |               |
| (a) In current accounts                                                                                               | 8.83         | 8.93          |
| (b) In earmarked accounts*                                                                                            |              |               |
| - Balances in fixed deposit a/c held as margin money or security against borrowings, guarantees and other commitments | 85.92        | 109.89        |
| <b>Total</b>                                                                                                          | <b>97.55</b> | <b>120.85</b> |

(iii) Fixed deposits with banks includes deposits of Rs. 0.40 Lakhs (Previous year Rs. 69.56 Lakhs) with maturity of more than 12 months as on the balance sheet date.

(iv) Fixed Deposit with bank includes accrued interest Rs. 5.41 Lacs (Previous Year Rs. 23.81 Lakhs)

**Note-18 (Short-term loans and advances) :Unsecured, Considered good**

|                                           |                |                 |
|-------------------------------------------|----------------|-----------------|
| (i) Security Deposits (others)            | 102.62         | 164.40          |
| (ii) Loans and advances to employees      | 4.78           | 6.34            |
| (iii) Prepaid expenses                    | 8.60           | 8.66            |
| (iv) Balances with government authorities | 140.41         | 125.41          |
| (v) Others *                              | 1615.81        | 839.88          |
| <b>Total</b>                              | <b>1872.21</b> | <b>1,144.69</b> |

\* Other Advances includes cash earmarked for FDR of Rs. 20.00 Lakhs (P.Y. Rs. 20.00 Lakhs) in terms of Companies (Acceptance of Deposits) Rule 2014.

Note : Short-term loans and advances include security deposit given to:

|                                                                                         |   |   |
|-----------------------------------------------------------------------------------------|---|---|
| (vii) Private companies in which any director is a director or member.(Refer Note 28.4) | - | - |
|-----------------------------------------------------------------------------------------|---|---|

**Note-19 (Revenue from operations)**

|                                                 |                |                |
|-------------------------------------------------|----------------|----------------|
| (i) Sale of products (Refer Note 19(iii) below) | 7834.20        | 7533.08        |
| (ii) Less:Excise duty & Sales Tax               | 1067.73        | 908.27         |
| <b>Total</b>                                    | <b>6766.47</b> | <b>6624.82</b> |
| 19 (iii) Sale of products comprises             |                |                |
| Cement                                          | 4150.05        | 3358.19        |
| Clinker                                         | 16.13          | 24.71          |
| Self Consumption                                | 11.19          | 14.72          |
| Others                                          | 3656.84        | 4135.46        |
| <b>Total-Sale of products</b>                   | <b>7834.20</b> | <b>7533.08</b> |

|                                                                                                     | [Rs. in Lakhs] |                |
|-----------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                     | 31/03/2016     | 31/03/2015     |
| <b>Note-20 (Other income)</b>                                                                       |                |                |
| (i) Interest income (Refer Note 20 (iv) below)                                                      | 24.68          | 22.68          |
| (ii) Dividend income : from long-term investments                                                   | 0.01           | 0.01           |
| (iii) Other non-operating income (Refer Note 20 (v) below)                                          | 17.52          | 16.94          |
| <b>Total</b>                                                                                        | <b>42.21</b>   | <b>39.63</b>   |
| 20 (iv) Interest income comprises:                                                                  |                |                |
| Interest from bank & others deposits                                                                | 24.68          | 22.68          |
| <b>Total-interest income</b>                                                                        | <b>24.68</b>   | <b>22.68</b>   |
| (v) Other non-operating income comprises:                                                           |                |                |
| Tipper Rent                                                                                         | 12.00          | 12.00          |
| Rental income                                                                                       | 2.40           | 2.40           |
| Misc. income                                                                                        | 3.12           | 2.54           |
| <b>Total-Other non-operating income</b>                                                             | <b>17.52</b>   | <b>16.94</b>   |
| <b>Note 21.a (Cost of materials)</b>                                                                |                |                |
| Opening stock                                                                                       | 165.46         | 264.31         |
| Add: Purchases (Net)                                                                                | 4289.60        | 3949.05        |
|                                                                                                     | 4455.06        | 4213.86        |
| Less: Closing stock                                                                                 | 214.95         | 165.46         |
| <b>Cost of material</b>                                                                             | <b>4240.10</b> | <b>4048.40</b> |
| <b>Material comprises:</b>                                                                          |                |                |
| Limestone                                                                                           | 219.52         | 230.68         |
| Clay                                                                                                | 2.95           | 1.79           |
| Additives                                                                                           | 6.67           | 6.36           |
| Gypsum / Fly Ash                                                                                    | 156.46         | 119.47         |
| Slag                                                                                                | 43.73          | 117.84         |
| Packing Materials                                                                                   | 161.47         | 153.18         |
| Coal                                                                                                | 514.25         | 721.69         |
| Others                                                                                              | 3135.05        | 2697.50        |
| <b>Total</b>                                                                                        | <b>4240.10</b> | <b>4048.40</b> |
| <b>Note.21.b. (Changes in inventories of finished goods, work-in-progress &amp; stock in trade)</b> |                |                |
| <b>Inventories at the end of the year:</b>                                                          |                |                |
| Finished goods                                                                                      | 849.17         | 941.97         |
| Work-in-progress                                                                                    | 79.69          | 121.33         |
|                                                                                                     | 928.86         | 1063.30        |
| <b>Inventories at the begining of the year:</b>                                                     |                |                |
| Finished goods                                                                                      | 941.97         | 1205.94        |
| Work-in-progress                                                                                    | 121.33         | 97.59          |
|                                                                                                     | 1063.30        | 1303.53        |
| <b>Net (increase)/decrease</b>                                                                      | <b>134.43</b>  | <b>240.23</b>  |
| <b>Note-22 (Employee benefits expense)</b>                                                          |                |                |
| Salaries and wages                                                                                  | 281.52         | 264.46         |
| Gratuity                                                                                            | 17.17          | 30.11          |
| Contributions to provident and other funds                                                          | 28.48          | 26.75          |
| Staff welfare expenses                                                                              | 2.98           | 2.18           |
| <b>Total</b>                                                                                        | <b>330.16</b>  | <b>323.49</b>  |
| <b>Note-23 (Finance costs)</b>                                                                      |                |                |
| Interest paid to Bank                                                                               | 287.90         | 259.58         |
| Interest on Term Loan                                                                               | 21.80          | 18.99          |
| Interest to Others                                                                                  | 53.43          | 58.98          |
| <b>Total</b>                                                                                        | <b>363.13</b>  | <b>337.55</b>  |

|                                                                                              | [Rs. in Lakhs] |                |
|----------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                              | 31/03/2016     | 31/03/2015     |
| <b>Note-24 (Other expenses)</b>                                                              |                |                |
| <b>24 (i) MANUFACTURING &amp; OTHER DIRECT EXPENSES</b>                                      |                |                |
| Power and fuel                                                                               | 534.30         | 477.59         |
| Stores & Spares Consumed                                                                     | 60.48          | 55.72          |
| Labour Charges                                                                               | 92.72          | 71.00          |
| Repairs & Maintenance                                                                        | 22.13          | 31.13          |
| <b>24 (ii) ADMINISTRATIVE &amp; OTHER EXPENSES</b>                                           |                |                |
| Rent including lease rentals                                                                 | 2.64           | 2.64           |
| Repairs and maintenance - Vehicle                                                            | 13.44          | 21.95          |
| Insurance                                                                                    | 4.36           | 3.66           |
| Travelling and conveyance                                                                    | 26.27          | 23.69          |
| Freight Forwarding and Distributions                                                         | 83.98          | 118.51         |
| Selling Expenses                                                                             | 208.34         | 148.36         |
| Cost/Stock Audit Fees & Expenses                                                             | 0.43           | -              |
| Other Administrative Expenses                                                                | 86.01          | 91.62          |
| Payments to auditors (Refer Note 24 (i) below)                                               | 2.31           | 2.09           |
| <b>Total</b>                                                                                 | <b>1137.39</b> | <b>1047.96</b> |
| <b>24 (iii) Payments to the auditors comprises (Net of Service Tax)</b>                      |                |                |
| As auditors - statutory audit                                                                | 1.40           | 1.40           |
| Tax Audit Fees                                                                               | 0.30           | 0.30           |
| Income Tax Returns                                                                           | 0.25           | 0.25           |
| Certification Work & Others                                                                  | 0.36           | 0.14           |
| <b>Total</b>                                                                                 | <b>2.31</b>    | <b>2.09</b>    |
| <b>Note-25 (Disclosures under Accounting Standards)</b>                                      |                |                |
| <b>Earnings per share</b>                                                                    |                |                |
| <b>Basic</b>                                                                                 |                |                |
| Net profit/(loss) for the year from continuing operations                                    | 1.02           | 250.48         |
| Less: Preference dividend and tax thereon                                                    | -              | -              |
| Net profit for the year attributable to the equity shareholders                              | 1.02           | 250.48         |
| Weighted average number of equity shares                                                     | 1870.00        | 1870.00        |
| Face value per share                                                                         | 2.00           | 2.00           |
| <b>Earnings per share from continuing operations - Basic</b>                                 | <b>0.00</b>    | <b>0.13</b>    |
| <b>Diluted</b>                                                                               |                |                |
| Net profit/(loss) for the year from continuing operations                                    | 1.02           | 250.48         |
| Less: Preference dividend and tax thereon                                                    |                | -              |
| Net Profit/(loss) for the year attributable to equity shareholders from continuing operation | 1.02           | 250.48         |
| Weighted average number of equity shares for Basic EPS                                       | 1870.00        | 1870.00        |
| Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive                      |                | -              |
| Weighted average number of equity shares - for diluted EPS                                   | 1870.00        | 1870.00        |
| Face value per share                                                                         | 2.00           | 2.00           |
| <b>Earnings per share, from continuing operations - Diluted</b>                              | <b>0.00</b>    | <b>0.13</b>    |

## Note-26 (Disclosures under Accounting Standards)

[Rs. in Lakhs]

|                                                                          | 31/03/2016      | 31/03/2015      |
|--------------------------------------------------------------------------|-----------------|-----------------|
| <b>27 Deferred tax (liability) / asset</b>                               |                 |                 |
| Tax effect of items constituting deferred tax liability                  |                 |                 |
| Related to fixed assets                                                  | (1314.11)       | (1139.52)       |
|                                                                          | (1314.11)       | (1139.52)       |
| Tax effect of items constituting deferred tax assets                     |                 |                 |
| Provision for compensated absences, gratuity and other employee benefits | 38.37           | 36.86           |
| Unabsorbed depreciation carried forward                                  | 483.04          | 372.43          |
|                                                                          | 521.41          | 409.29          |
| <b>Net deferred tax (liability) / asset</b>                              | <b>(793.03)</b> | <b>(730.23)</b> |

## Note: 27 Employee Benefits

Following information are based on report of Actuary

| Particulars                                                        | Gratuity Funded | Gratuity Funded |
|--------------------------------------------------------------------|-----------------|-----------------|
| <b>Economic Assumptions</b>                                        |                 |                 |
| Discount rate                                                      | 8.00%           | 8.00%           |
| Expected return on plan assets                                     | -               | -               |
| Mortality                                                          | -               | -               |
| Future salary increase                                             | 6.00%           | 5.00%           |
| <b>Change in present value of obligation</b>                       |                 |                 |
| Present value of obligation at beginning of the year               | 113.61          | 95.08           |
| Interest cost                                                      | 9.54            | 8.35            |
| Current service cost                                               | 6.45            | 5.80            |
| Past service cost                                                  | -               | -               |
| Benefits Paid                                                      | (6.63)          | (11.58)         |
| Actuarial (gain) / loss on obligation                              | 1.19            | 15.96           |
| Present value of obligation at end of the year                     | 124.16          | 113.61          |
| <b>Change in fair value of plan assets</b>                         |                 |                 |
| Plan assets at the beginning of the year                           | -               | -               |
| Expected return in plan assets                                     | -               | -               |
| Actual Company contribution                                        | 6.63            | 11.58           |
| Actuarial (gain) / loss on obligation                              | -               | -               |
| Benefits Paid                                                      | (6.63)          | (11.58)         |
| Plan assets at the end of year                                     | -               | -               |
| Actual return on plan assets                                       | -               | -               |
| <b>Reconciliation of fair value of plan assets and obligations</b> |                 |                 |
| Fair value of plan assets                                          | -               | -               |
| Present value of obligation                                        | 124.16          | 113.61          |
| Liability recognized in balance sheet                              | 124.16          | 113.61          |
| <b>Break-up of Expenses:-</b>                                      |                 |                 |
| Current service cost                                               | 6.45            | 5.80            |
| Interest cost                                                      | 9.54            | 8.35            |
| Expected return on plan assets                                     | -               | -               |
| Benefits paid                                                      | -               | -               |
| Past Service Cost                                                  | -               | -               |
| Actuarial (gain) / loss on obligation                              | 1.19            | 15.96           |
| Net debit / (credit) to Statement of Profit & Loss                 | 17.17           | 30.11           |

## Note-28 (Additional information to the financial statements)

| Particulars                                                                                                                                                                | 31/03/2016    |                    | 31/03/2015        |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------|-------------------|--------------------|
|                                                                                                                                                                            | Demand        | Paid under Protest | Demand            | Paid under Protest |
| <b>28.1 Contingent liabilities not provided for</b>                                                                                                                        |               |                    |                   |                    |
| (i) <b>Orissa Sales Tax</b>                                                                                                                                                |               |                    |                   |                    |
| 1995-96                                                                                                                                                                    | 47.25         | 8.00               | 47.25             | 8.00               |
| 1992-93 to 1995-96                                                                                                                                                         | 9.99          | 4.35               | 9.99              | 4.35               |
| 1998-99                                                                                                                                                                    | 1.89          | 1.00               | 1.89              | 1.00               |
| 2003-04                                                                                                                                                                    | 57.84         | 27.50              | 57.84             | 27.50              |
| 2004-05                                                                                                                                                                    | 69.71         | 8.00               | 69.71             | 8.00               |
| June'03 to Sept'03                                                                                                                                                         | 1.44          | -                  | 1.44              | -                  |
| 2008-11                                                                                                                                                                    | 1.88          | 0.38               | -                 | -                  |
| <b>Central Sales Tax</b>                                                                                                                                                   |               |                    |                   |                    |
| 1995-96                                                                                                                                                                    | 8.69          | -                  | 8.69              | -                  |
| 1998-99                                                                                                                                                                    | 0.27          | 0.08               | 0.27              | 0.08               |
| 2003-04                                                                                                                                                                    | 3.01          | 1.30               | 3.01              | 1.30               |
| <b>Entry Tax</b>                                                                                                                                                           |               |                    |                   |                    |
| 1999-2000                                                                                                                                                                  | 0.58          | 0.20               | 0.58              | 0.20               |
| 2001-02                                                                                                                                                                    | 4.20          | 2.60               | 4.20              | 2.60               |
| 2002-03                                                                                                                                                                    | 1.48          | 0.40               | 1.48              | 0.40               |
| 2003-04                                                                                                                                                                    | 1.60          | 1.20               | 1.60              | 1.20               |
| 2004-05                                                                                                                                                                    | 1.27          | 0.35               | 1.27              | 0.35               |
| 2008-11                                                                                                                                                                    | 2.95          | 1.00               | 2.95              | 0.23               |
| <b>Central Excise Duty</b>                                                                                                                                                 |               |                    |                   |                    |
| 2005-10                                                                                                                                                                    | 19.60         | 4.72               | 19.60             | 4.72               |
| 2012-13                                                                                                                                                                    | 3.62          | 0.27               | -                 | -                  |
| <b>Total</b>                                                                                                                                                               | <b>237.25</b> | <b>61.35</b>       | <b>231.75</b>     | <b>59.92</b>       |
|                                                                                                                                                                            |               |                    | <b>31/03/2016</b> | <b>31/03/2015</b>  |
| (ii) Bank guarantees issued by the bank on behalf of the company                                                                                                           |               |                    | 8.66              | 8.66               |
| (iii) <b>Commitments :</b>                                                                                                                                                 |               |                    |                   |                    |
| Estimated amount of contracts remaning to be executed on capital account and not provided for                                                                              |               |                    |                   |                    |
| Tangible Assets                                                                                                                                                            |               |                    | 95.75             | 124.40             |
| Intangible Assets                                                                                                                                                          |               |                    | -                 | -                  |
| <b>28.2 Disclosure required in terms of Clause 13.5A of chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000</b> |               |                    |                   |                    |
| <b>Particulars</b>                                                                                                                                                         |               |                    | <b>31/03/2016</b> | <b>31/03/2015</b>  |
| Total Amount received from issue of warrants                                                                                                                               |               |                    | 150.00            | -                  |
| Purpose for which the money received has been utilized :                                                                                                                   |               |                    |                   |                    |
| Capital Expenditue                                                                                                                                                         |               |                    | 70.00             | -                  |
| Working Capital                                                                                                                                                            |               |                    | 80.00             | -                  |
| <b>Total</b>                                                                                                                                                               |               |                    | <b>150.00</b>     | <b>-</b>           |
| <b>28.3 Expenditure in foreign currency</b>                                                                                                                                |               |                    |                   |                    |
| Other Matters                                                                                                                                                              |               |                    | -                 | -                  |

|                                                                                                                           |                                                                                     |        |                  |          |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------|------------------|----------|
| 28.4 Related party transaction                                                                                            |                                                                                     |        |                  |          |
| Details of related parties:                                                                                               |                                                                                     |        |                  |          |
| Description of relationship                                                                                               | Names of related parties                                                            |        |                  |          |
| Associates                                                                                                                | Shivom Minerals Ltd.                                                                |        |                  |          |
| Key Management Personnel (KMP)                                                                                            | Mr. R.P. Gupta                                                                      |        |                  |          |
|                                                                                                                           | Mr.Akash Gupta                                                                      |        |                  |          |
| Relatives of KMP                                                                                                          | Smt Anubha Bhoir (Daughter of Managing Director)                                    |        |                  |          |
|                                                                                                                           | Smt Shilpi Agarwal (Daughter of Managing Director)                                  |        |                  |          |
|                                                                                                                           | Master Raghav Gupta (Son of Executive Director)                                     |        |                  |          |
|                                                                                                                           | Master Rachit Gupta (Grandson of Managing Director)                                 |        |                  |          |
|                                                                                                                           | Sri Jatin Bhoir (Husband of Daughter of Managing Director)                          |        |                  |          |
| Company in which KMP / Relatives of KMP can exercise significant influence                                                | Unicon Merchants (p) Ltd. In which Mr. R.P.Gupta and Mr. Akash Gupta are directors. |        |                  |          |
| Note: Related parties have been identified by the Management.                                                             |                                                                                     |        |                  |          |
| Details of related party transactions during the year ended 31 March, 2016 and balances outstanding As at 31 March, 2016: |                                                                                     |        |                  |          |
| [Rs. in Lakhs]                                                                                                            |                                                                                     |        |                  |          |
| Item                                                                                                                      | Associates                                                                          | KMP    | Relatives of KMP | Total    |
| Purchase of goods                                                                                                         | 13.40                                                                               | 0.00   | 0.00             | 13.40    |
|                                                                                                                           | -6.93                                                                               | 0.00   | 0.00             | -6.93    |
| Purchase of Fixed Assets                                                                                                  | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
|                                                                                                                           | -16.85                                                                              | 0.00   | 0.00             | -16.85   |
| Sale of goods                                                                                                             | 580.02                                                                              | 0.00   | 0.00             | 580.02   |
|                                                                                                                           | -1853.44                                                                            | 0.00   | 0.00             | -1853.44 |
| Rendering of services                                                                                                     | 16.41                                                                               | 0.00   | 0.00             | 16.41    |
|                                                                                                                           | -16.18                                                                              | 0.00   | 0.00             | -16.18   |
| Receiving of services                                                                                                     | 78.69                                                                               | 0.24   | 0.00             | 78.93    |
|                                                                                                                           | -82.93                                                                              | -0.24  | 0.00             | -83.17   |
| Net loans & advances / deposits received                                                                                  | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
|                                                                                                                           | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
| Net loans & advances / deposits repaid                                                                                    | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
|                                                                                                                           | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
| Interest Paid                                                                                                             | 0.00                                                                                | 0.00   | 2.10             | 2.10     |
|                                                                                                                           | 0.00                                                                                | 0.00   | -1.72            | -1.72    |
| Payment made to key management personnel                                                                                  | 0.00                                                                                | 24.00  | 0.00             | 24.00    |
|                                                                                                                           | 0.00                                                                                | -26.42 | 0.00             | -26.42   |
| Balances outstanding at the end of the year                                                                               | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
| Loans and advances (Dr)                                                                                                   | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
|                                                                                                                           | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
| Security Deposits paid                                                                                                    | 0.00                                                                                | 1.00   | 0.00             | 1.00     |
|                                                                                                                           | 0.00                                                                                | -1.00  | 0.00             | -1.00    |
| Unsecured loans (Cr)                                                                                                      | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
|                                                                                                                           | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
| Security Deposits received                                                                                                | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
|                                                                                                                           | 0.00                                                                                | 0.00   | 0.00             | 0.00     |
| Others Payables                                                                                                           | 0.00                                                                                | 0.00   | 1.89             | 1.89     |
|                                                                                                                           | -0.47                                                                               | 0.00   | -2.34            | -2.81    |
| Borrowings (public deposits)                                                                                              | 0.00                                                                                | 0.00   | 17.98            | 17.98    |
|                                                                                                                           | 0.00                                                                                | 0.00   | -15.73           | -15.73   |
| Note: Figures in bracket relates to the previous year                                                                     |                                                                                     |        |                  |          |

- 28.5 Balances of parties are subject confirmation & reconciliation and consequential adjustment, if any.
- 28.6 Self consumption of cement by the company for its expansion project and testing work has been provided at estimated cost as determined by the management.
- 28.7 Sales of products (Note No. 19) includes raw materials like slag, coal etc.
- 28.8 Value of imports on C.I.F basis is Nil ( P.Y Import of Capital goods Rs. Nil)
- 28.9 Number of Employees who were in receipt of or entitled to receive emoluments including benefits aggregating to Rs.60.00 lakhs or more per annum if employed for full year or Rs.5.00 lakhs per month or more if employed for part of the year - NONE. (Previous year - None)
- 28.10 State Bank of India, RKL and Punjab National Bank are inoperative during the FY 2015-16. Hence account balances were not confirmed.
- 28.11 Sales of product [ Note No. 19] includes Rs.3656.84 lakhs (P.Y. Rs.4135.46 lakhs ) traded goods sold and cost of materials [ Note No. 21(a) includes Rs.3178.23 lakhs (P.Y.Rs. 2733.81 lakhs) traded goods purchased.
- 28.12 MAT credit entitlement of Rs. 428.15 lakhs (Previous year Rs. 415.99 lakhs) is treated as an asset which shall be adjusted against future income tax liability in coming years.

28.13 **Remuneration to Directors**

| Particulars                    | 31/03/2016<br>Rs. in Lakhs | 31/03/2015<br>Rs. in Lakhs |
|--------------------------------|----------------------------|----------------------------|
| Salary, Bonus & Allowances     | 24.00                      | 26.42                      |
| Contribution to provident fund | -                          | 0.24                       |

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

As per our report of even date  
For **Tibrewal Chand & Co.**  
Chartered Accountants  
Firm Regn. No : 311047E  
Sd/-  
**CARATIRAJ TIBREWAL**  
**Partner**  
Membership No. 062000

**For and on behalf of the Board of Directors**

Sd/-  
R P Gupta, **MD**  
DIN No. : 01325989  
Akash Gupta, **ED**  
DIN No. : 01326005  
Sandeep Pattnaik,  
**Company Secretary**

**Rourkela - 769 004**  
The 30<sup>th</sup> day of May, 2016

## CSR Activities



Celebrating Ganesh Puja



Road Strengthening



Jal Chhatra at Kutra



Hockey Tournament

*Serving Nation  
since 1986*



SHIVA CEMENT LIMITED  
P-25, Civil Township, Rourkela-769 004