



Building Tomorrow's Foundation





A true visionary,
A legendary industrialist,
A great philanthropist,
A legacy that will always be cherished!

7th August 1930 – 31st March 2005
Founder and Visionary, O.P. Jindal Group

His life was an inspirational journey leading millions to follow the enlightened path.

We will always carry on his values, an epitome of indomitable courage, endurance and integrity, his legacy will always remain with us. As we take leaps towards the future, we are fully committed to honour his vision and keep his legacy alive and carrying it forward to greater heights.

Building Tomorrow's Foundation

In an era where progress is the hallmark of sustainable growth, we at Shiva Cement Limited, stand resolute in our commitment to shape a future founded on the robust principle of continuous development.

Through the years, we have consistently reaffirmed our commitment to develop a solid foundation of growth. But with confident strides this year, we have made that promise a reality.

During the year, we have expanded our capabilities with the introduction of a new clinker plant. We also diversified our offerings to serve a range of customers and embraced the strategic locations of our plant to enhance operational efficiency. Moreover, our dedication extends to crafting a greener future while ensuring a safe working environment. Our endeavours underscore our commitment to establishing a robust foundation for tomorrow.

Content

01-20 Corporate Overview

About Shiva Cement	04
Our Milestones	08
Whole-time Director’s Perspective	10
Risk Management	12
Corporate Social Responsibility	14
Board of Directors	16
Corporate Information	20

22-57 Statutory Reports

Management Discussion and Analysis	22
Director’s Report	29
Report on Corporate Governance	42

58-116 Financial Statements

Independent Auditor’s Report	58
Balance Sheet	68
Statement of Profit & Loss	69
Statement of Cash Flows	70
Statement of Changes in Equity	72
Notes to Financial Statements	73
Notice	117



Know more about Shiva Cement
<https://shivacement.com>



Numbers that Matter

Projects Under Progress

4,000 TPD
Cement clinker plant

9 MW
Waste heat powerplant

People and Society

141
Employee strength

ZERO
Lost time injuries

94,201
Safety training hours

ZERO
Fatalities

74
Number of trainings per
employee

ABOUT SHIVA CEMENT

Cementing a Brighter Future

Being a well-known player in the cement value chain and a Company under the umbrella of the JSW Group, we started our journey in 1985, commencing commercial production in 1986 in Odisha.

Over the years, we have strategically developed our manufacturing sites such that our plant locations provide advantageous access to raw materials and nearby markets. With ample reserves of captive limestone at Khatkurbahal Mines, we had planned to expand our clinker production capacity to 4,000 TPD (Tonnes per Day), aiming to broaden our presence in the states of Odisha, West Bengal, Jharkhand, and Bihar by supplying clinker to JSW Cement's grinding units in Salboni (West Bengal) and Jajpur (Odisha). This year, we delivered our promise by completing our expansion plans.

Our commitment to this achievement and its excellence has finally resulted in us innovating new products that serve a diverse range of customers in our industry. With our continuous drive to expand our business and improve our performance, we, at Shiva Cement, poised to cement a brighter future of growth.



Vision

We, at Shiva Cement, share a vision to emerge as an innovative, cost-efficient and socially responsible organisation to augment growth along with that of our stakeholders and serve the nation. Shiva Cement is a strategic investment to make its parent company, JSW Cement a 10 MTPA (Million Tonne Per Annum) player in the eastern part of the country and a 25 MTPA player across India. With a state-of-the-art setup for manufacturing sustainable products, we endeavour to support India's growth as an industrially advanced nation.

What Sets us Apart?

Our constant development and improvement journey has helped us build a robust organisation, enriched with numerous competitive advantages. We have harnessed best-in-class procedures by consolidating our footprint, optimising cost efficiency, and strengthening supply chain networks.

With the wisdom of our parent firm, JSW Cement, we aim to expand our operations further. Our strategically located manufacturing facility at the junction of Odisha, Chhattisgarh, and Jharkhand grants easy access to essential raw materials like limestone, clay, and more.

Well-connected by road and railways, we enjoy the privilege of acting as a feeder to JSW Cement's Eastern plants, fuelling our competitive edge. We ensure cost-effective and efficient transportation, located just 2km from the Rourkela-Jharsuguda state highway, with railway stations nearby.

Our Focus Area

Our focus remains on achieving operational stability for our new clinker line, reaching peak production in FY24. We will further enhance our clinker plant's efficiency and mechanising our supply chain for increased responsiveness and cost-effectiveness. Our commissioned WHRS is running smoothly, and we anticipate our highest clinker output in the upcoming months. Notably, JSW Dolvi's expansion to 4.5 MTPA enhances our 19 MTPA capacity. With ongoing projects in Vijaynagar and UAE, we are poised to reach 21 MTPA. Envisioning a greener future, we aim to scale to 60 MTPA in the next 5 years.

ABOUT SHIVA CEMENT

Renowned Parentage

We are proud members of the JSW Group, a prominent Indian corporate conglomerate with interests spanning steel, energy, cement, and more. Our parent company, JSW Cement Limited, is known for crafting various top-notch categories of cement, including portland slag cement and Composite Cement. We operate several state-of-the-art manufacturing units across different regions of India, ensuring a widespread supply network. We are excited about our expansion project which aims to enhance our production capacity and modernise our facilities, aligning with JSW Cement Limited's vision.

Seamless Synergy

As a part of the esteemed JSW Group, we play a crucial role in enhancing efficiency and productivity within the Group. Our expansion project holds strategic significance, ensuring a steady clinker supply to JSW Cement Limited, thereby reducing the dependency on costly imported clinker in Eastern India. Leveraging our manufacturing facility's strategic location, we also act as a clinker feeder to JSW Group's Eastern plants at Salboni and Jajpur. Additionally, the recent acquisition of Bhushan Power & Steel Limited, located near our facility, grants us access to cost-efficient input raw materials like slag and fly ash. This accessibility opens avenues for introducing new products, including Composite Cement and various grades of Slag Cement (PSC).

Strategic Presence

We have strategically set up manufacturing plants, granting us round-the-clock access to vital raw materials and cost-effective market reach. This advantage allows us to increase market share by ensuring abundant availability of essential resources such as limestone, coal, minerals, and energy, crucial for cement production and the industry's long-term success.

At Shiva Cement, we understand the significance of raw material accessibility and its impact on our growth. The state of Odisha, home to our state-of-the-art facility, boasts abundant coal reserves essential for our fast-growing cement industry.

To further optimise operations and enhance efficiency, we have undertaken an expansion project involving the installation of a dedicated captive railway siding at our manufacturing facility. This railway siding will facilitate coal and pet coke imports and dispatch clinker to our consumption centres, ensuring smooth logistics and timely product delivery to our valued customers. Being closer to raw materials and key markets, minimises transportation time and costs while maintaining utmost cost efficiency. This strategic positioning fortifies our competitive edge and fuels our drive towards sustainable growth in the cement industry.

Robust Governance

At the heart of our success lies a leadership team with diverse expertise and a commitment to ethical business practices. Their wealth of experience in the cement industry provides invaluable insights, steering our Company towards a future defined by development and expansion. Our robust governance ensures responsible decision-making and sets the foundation for sustained growth and prosperity.

**Prudent Expansions**

Progressing towards growth, we have set our sights on expanding capacity at our plant to a formidable 3 MTPA of clinker and 2 MTPA of cement for which we already have environmental clearance. This project also encompasses the installing a cutting-edge 18 MW waste heat recovery-based power generation system. The strategic expansion aims to elevate our production capabilities, enhance efficiency, and bolster our commitment to sustainable practices.

Prioritising Employees

At Shiva Cement, our employees' and workers' health and safety remain paramount. Aligned with JSW Cement's robust health and safety policy, we conduct seminars, training sessions, and engaging promotional activities. Our proactive approach includes informative campaigns and on-site recognition events that inspire and empower our workforce towards a safer workplace.

To ensure the utmost safety, we regularly schedule safety action meetings for off-site incidents at the fabrication yard and conduct mock safety drills at mines quarterly. Our commitment to employee well-being drives us to create a secure and supportive environment, embracing a culture in which safety is ingrained in our operations.

At the heart of our operations lie firm commitments to health and safety. We abide by national and regional regulations, encompassing technical safety, environmental protection, and employee well-being. We tailor our safety policies and procedures to meet legislative requirements,

ensuring the welfare of our team and those under our care. Regular health check-ups, mock drills, and on-site training foster a culture of preparedness. Our 'Mine Week' event celebrates safety efforts, reflecting our dedication to foster a secure and responsible environment.

Leveraging Technology

Recognising the significance of a robust information technology infrastructure, we prioritise its implementation to fuel our business growth. We have adopted an integrated business management software featuring a SAP Enterprise Resource Planning solution. This comprehensive system covers various aspects of our manufacturing facility, including sales, production planning, material management, quality control, finance and accounting, plant maintenance, and human resources.

These advanced systems and processes are pillars for efficient operations, ensuring seamless quality management and customer service and incorporating essential checks and controls. Our IT infrastructure also empowers us to generate crucial reports and information, providing invaluable insights to assist our management in informed decision-making. Embracing technology, we fortify our position as a forward-thinking cement industry leader dedicated to enhancing productivity and staying at the forefront of progress.

OUR MILESTONES

Celebrating Our Journey
of Resilience

From humble beginnings in 1985 to becoming a formidable force in the cement industry, our journey has been defined by overcoming challenges and embracing growth opportunities.

**1985**

Came into existence

**1986**Reached 300 TPD
clinker production
capacity**1986**Commenced commercial
manufacturing**2017**Acquired by
JSW Cement**2018**Enriched the lives of nearby
communities by working in
the areas of education, health,
sustainable livelihoods, and
rural development**2020**Commenced building
new clinkerisation plant**2023**Inaugurated clinkerisation
plant

WHOLE-TIME DIRECTOR'S PERSPECTIVE

Moving Ahead with
Resilience

Over the past few years, our Company has focused on the expansion project, reflecting our commitment to sustained growth. This year, we successfully completed trials of our main project, the 4000 TPD clinker plant.

Dear Shareholders,

With immense pleasure, I present to you this year's Annual Report of your esteemed Company. It brings me great joy to share our remarkable achievements and progress made during the year.

I am delighted to announce that we have successfully delivered on our promise to expand the capacity of our clinker plant, a significant milestone that aligns perfectly with our goal to achieve long-term growth of our Company. This accomplishment is a testament to the dedication and hard work of our entire team.

All this was achieved amidst the global volatile and challenging times of persistent inflation, supply chain disruptions and rise in construction costs due to increase in energy prices. India, as an exception, has demonstrated resilience and strengthening its position among the world's fastest-growing large economies. The promising opportunities abound in our nation, supported by progressive policy reforms, surging investments, and a burgeoning consumer base, pave the way for a future brimming with robust growth prospects.

Cement Industry

In the first half of the last year, the cement industry encountered growth challenges due to higher input costs. However, the industry's growth graph took an upward curve during the second half of FY23, driven by robust demand from urban housing, government-led infrastructure projects, and a renewed focus on rural development. The cement demand in India was around 380 million tonnes in FY23, indicating an impressive growth rate of more than 12% y-o-y.

The cement sector will only continue its upward growth trajectory with the constant support of favourable conditions. As initiatives like the 'PM Gati Shakti-National Master Plan (NMP)' and 'National Infrastructure Pipeline (NIP)' gather momentum, the industry is poised for sustained expansion. Moreover, with ongoing initiatives like 'Housing for All' driving housing demand, the cement sector will play a vital role in the nation's development, solidifying its position as a key contributor to India's economic growth.

Our Performance

Over the past few years, our Company has focused on expansion project, reflecting our commitment to sustained growth. This year, we successfully completed trials of our main project, the 4000 TPD clinker plant.

This project has been designed and implemented keeping in mind our long-term sustainability goals. It is

one of the unique clinker plants wherein a Waste Heat Recovery System (WHRS) has been installed along-with the main plant itself. A common control system for clinker line and WHRS, a robotic lab for online testing ensuring best quality product, energy optimiser and latest energy saving equipment and controls, make this plant highly energy efficient.

Our acquired limestone mines have been a valuable asset, allowing us to expand and diversify our product portfolio. From a strategic perspective, our plant in Odisha offers us a competitive advantage, as it provides access to limestone deposits in Eastern India, particularly in Odisha. This ideal positioning empowers us to consistently deliver high-quality clinker to JSW Cement grinding units at Jajpur and Salboni, further strongly holding our position in the market.

Embracing our Social Responsibility

At Shiva Cement, we are committed to making a positive impact on the communities and society we serve. This year, our CSR initiatives revolved around crucial areas such as education, healthcare, and livelihood promotion. The initiatives around livelihood, like organic farming, mushroom farming and fishing created an impact on local women, giving them access to sustained income and financial independence.

Our commitment to social upliftment is derived from our belief in creating a sustainable and inclusive future for all. We will continue to drive meaningful change, touching the lives of those we serve and leaving a lasting, positive impact on society.

Our Forward

Looking forward, we plan to stabilize the operations of new clinker line and achieve rated production levels in FY24 and enhance the efficiency of our clinker plant and further undertake initiatives to enhance mechanisation of our supply chain and make it more responsive and cost efficient. Over the next two years, our direction is clear-to establish a cutting-edge, cost-efficient, energy-efficient, and environment friendly clinker plant that sets new industry standards.

I extend my sincere gratitude to our shareholders for their continuous support, our dedicated team for their relentless efforts, and our valued customers for their trust in our products and services.

Best,

Manoj Kumar Rustagi
Whole-Time Director

RISK MANAGEMENT

Navigating Risks and Ensuring Sustainable Growth

At Shiva Cement Limited, our robust risk management framework underscores our commitment to governance. This framework empowers us to identify and mitigate various risks across our operations proactively. By assessing potential vulnerabilities, we ensure our foundation against uncertainties remains resilient.

Our Company has a Board-approved and meticulously crafted risk management policy to address prevailing business risks. Our management is responsible for proficiently identifying, evaluating, managing, and communicating risks while capitalising on potential business prospects. This policy underscores our commitment to astute risk management, ensuring we navigate challenges and seize opportunities strategically and rationally.

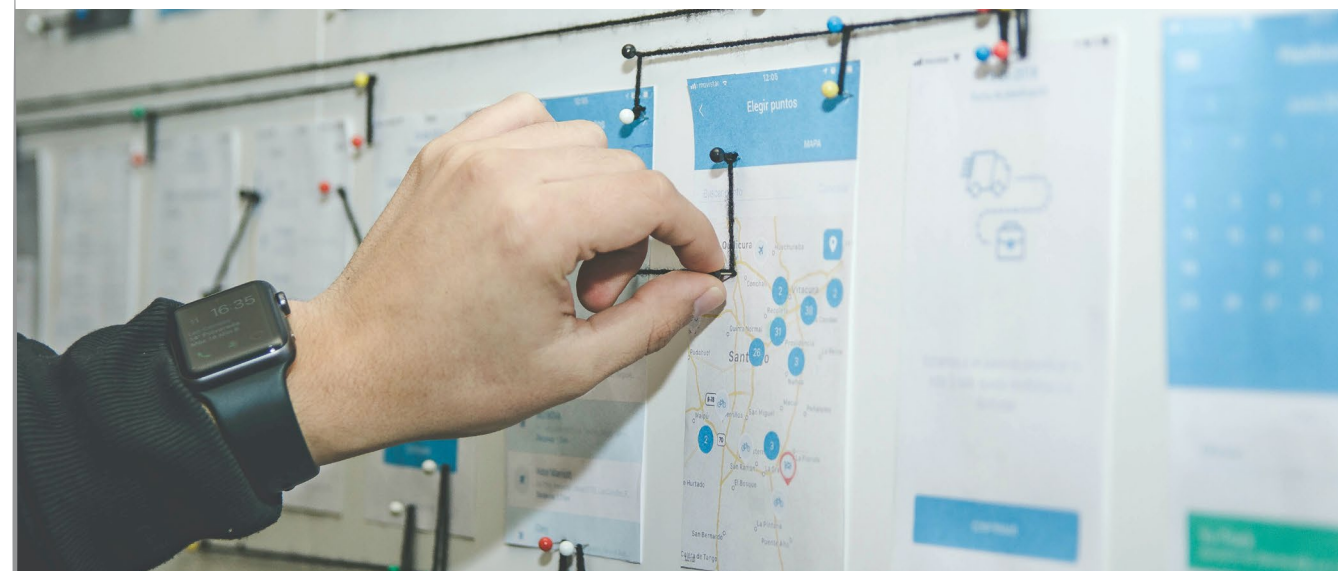
We acknowledge the importance of addressing emerging and identified risks, ensuring its management and mitigation. This proactive approach safeguards the interests of our shareholders and stakeholders, aligns with our business objectives, and empowers sustainable growth.

A comprehensive combination of bottom-up and top-down strategies propels our Enterprise Risk Management (ERM), cementing our commitment to robust risk governance.

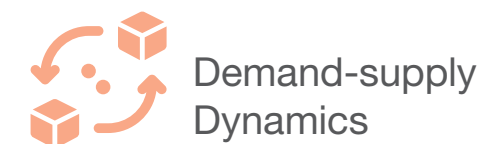
The Board provides vigilant oversight of the ERM framework, ensuring:

- Prudent consideration of intended risks for optimal planning and preparedness.
- Strategic plan execution with a resolute focus on action.
- Mitigating unintended risks like performance, incidents, processes, and transactions, either through avoidance, transfer (as in insurance), or sharing (such as sub-contracting). Probability and impact reduction are facilitated by tactical and executive management, policies, processes, in-built controls, MIS, and internal audit reviews, among other measures.

Moreover, our Company has meticulously identified major risks and devised mitigation strategies across critical domains, including business, production, raw materials, infrastructure, logistics, operations, finance, environment, safety, and statutory compliance. These measures are subject to periodic review and updating.



The risk management committee comprises four members: Mr. Jagdish Toshniwal, Independent Director (Chairman); Mr. Sanjay Sharma, Independent Director; Mr. Narinder Singh Kahlon, Non-Executive Director; and Mr. Manoj Kumar Rustagi, Whole-time Director. We have also identified critical risks and enacted targeted mitigation strategies for each, underscoring our proactive approach.



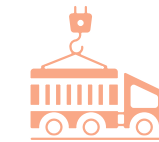
Response Strategy

The Government's substantial commitment to infrastructure development, reflected in the Union Budget 2023 with a capex of ₹ 10 lakh crores, is as a robust safeguard. Additionally, earmarking ₹ 3,100 crores for 50 new airports, helipads, water aerodromes, and advanced landing fields enhances regional air connectivity. An investment of ₹ 75,000 crores, with a substantial private infusion, supports critical transport infrastructure, augmenting last and first-mile connectivity for key sectors like ports, coal, steel, fertiliser, and food grains. We strengthen our foundation by expanding our market reach, prioritising quality, and nurturing customer relationships. Our marketing team's insightful market intelligence and persistent focus on cost optimisation underpin our resilience and growth strategy.



Response Strategy

We closely monitor commodity markets, allowing us to navigate potential fluctuations swiftly. Embracing diversification, we expand sourcing options, reducing dependency, and enhancing resilience. Building enduring relationships ensures a steady supply and valuable insights into future trends. We track government policies and developments in sourcing countries, enabling us to anticipate shifts and adapt effectively. These proactive steps reflect our commitment to safeguarding operations and moving towards a stable future.



Infrastructure and Logistics

Response Strategies

We optimise logistics costs through efficient transport choices. We are expanding with a new railway siding for increased volumes and planning an overhead belt conveyor for limestone transport. By allocating budgets smartly and prioritising resources, we are prepared to meet both present and future infrastructure demands.



Environment, Health and Safety

Response Strategies

We hold regular safety meetings to assess safety aspects and incidents thoroughly. Our commitment to environmental compliance is reliable, and we actively monitor technological and normative changes. Safety is ingrained as a mandatory KRA, cultivating a culture of accountability. Our safety infrastructure is fortified through training, mock drills, audits, and fire prevention protocols. Our dedication to employee well-being is evident in stringent security measures, medical facilities, and annual health check-ups. We encourage collaboration by assessing contractors, validating safety, and acknowledging excellence in road safety.



Finance

Response Strategies

We tailor project loans to the one-year marginal cost of the fund-based lending rate (MCLR), adjusting annually and diligently tracking external factors impacting financial performance. Regular financing, pricing, and procurement policy assessments consider exposure, emerging trends, and track records. Internal meetings maintain a close watch over performance and cash flow, amplifying our risk management endeavours.

CORPORATE SOCIAL RESPONSIBILITY

Enriching Lives
and Communities

At Shiva Cement, we place utmost importance on meeting the needs and expectations of all stakeholders. From our valued customers to the communities we operate in, to our suppliers and workers, we strive to build long-standing and meaningful relationships.

Our devotion extends beyond delivering quality products and maintaining a sustainable supply chain. We are dedicated to uplifting society, investing in community growth, supporting livelihoods, and fostering a safe and nurturing work environment. Through these collective efforts, we aspire to make a positive impact, contributing to the betterment of society and creating a brighter future for everyone involved.

The needs of the community are identified, understood and segregated into four categories



₹241 lakhs
CSR expenditure



CORPORATE SOCIAL RESPONSIBILITY

Impactful Initiatives



Livelihoods

We are passionate about creating opportunities for vulnerable communities. Collaborating with the government, we empower women's groups with financial support. Elevating farmer income and soil health, we focus on productivity growth and skill enhancement, fostering a brighter future.

Key Measures

- Provided training and hand-holding to 150 farmers
- Provided training on embroidery and stitching to 47 women
- Provided mushroom cultivation training to 87 SHG women
- Started fisheries in four community ponds
- Organised vegetable exhibition at Kutra block

Outcomes

73 Farmers adopted natural manure application for vegetable cultivation

37 Farmers from Kutra block who were upskilled

27 Women earning Rs. 6,500 per month through tailoring unit

32 Women started mushroom farming

200 Farmers participated in farm product exhibition



Education

We have always remained dedicated to building a culture that keeps every student engaged in the community. We construct a supportive foundation for their development while enhancing learning outcomes to pave the way for the children's promising futures.

Key measures

- Provided quality education through digital classes
- Provided 300 beds and mattresses to tribal girl students
- Supported 17 anganwadi centres (AWC) for developing nutri-gardens
- Supported block-level Under-17 football championship (boys and girls)

Outcomes

0% Dropouts in schools

270 Students participated in the block-level Under-17 football championship



Note: The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. However, the CSR Activities are undertaken by JSW Cement, holding company.



Health

We ensure 100% safe deliveries and immunisation by providing vital blood support for emergencies and raising awareness about communicable and non-communicable diseases in our societies.

Key Measures

- Conducted comprehensive eye care camp for villagers
- Conducted blood donation camps at Telighana and Zindapada
- Organised block-level health camp at Kutra
- Observed World Heart Day at Telighana
- Supported the governmental TB programme by providing nutrition supplements to 101 patients

Outcomes

8,700 Villagers were tested and provided with free eyeglasses

137 Blood donors

1,023 People received free consultations and medicines through the mega health camp

93 People benefitted during the World Heart Day celebrations



Rural development

We create a spirit of achievement by empowering local talents through sports and nurturing our environment by planting greenery. We ensure our initiatives benefit everyone, bridging the community-government gap and creating a harmonious rural landscape.

Key Measures

- Organised inter-state divyang cricket championship at Rajgangpur
- Conducted plantation drive across two acres in mine locations
- Provided Jal Chhatra during summer
- Installed five solar-based water supply structures
- Constructed community centre at Budakata village
- Installed 140 solar streetlights in the villages
- Supplied water in eight villages through tubewells
- Promoted sports by providing special coaching and equipment
- Promoted local culture by organising mandal programme at Kutra

Outcomes

200 Divyang cricketers participated from 11 states

30,000+ People benefitted through Jal Chhatra

1,300+ HHs consume safe drinking water through solar water initiative

6 Village girls who participated in the Mirnawan Cup in Malaysia