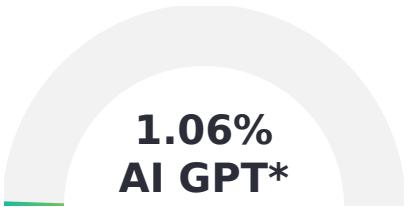


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1.0 INTRODUCTION

The growth of Shivam Cement to 12,000-ton daily capacity, as the NewBiz Report (2025) points out, is an indication of growth in the cement market of Nepal, which is booming. The industry now has increasing sustainability pressures with global decarbonisation pressure accelerating following COP28 (Karki, 2024). This report is guided by the Triple Bottom Line framework by Elkington to assess the strategy, responsibility, and leadership of Shivam.

2.0 LO1: STRATEGIC ENVIRONMENTAL ANALYSIS

2.1 Internal Analysis: VRIO Framework.

The VRIO model developed by Barney (1991) is best applied to capital-intensive industries like cement production, where the competitive advantage is directly related to control of resources and technological competence. Shivam Cement has high value by its integrated business, i.e., ownership of high-grade limestone quarries in Makwanpur, as Bist (2025) reported, and production capacity of 3,000 metric tons of cement and 1,900 metric tons of clinker a day, which is confirmed by AnsulInvest (2025). It has been given greater operational reliability by its wide use of European machinery brought by FLSmidth, Thyssen-Krupp, Siemens, and ABB (Shivam Cement Ltd, 2024). The above-mentioned resource properties are still uncommon in Nepal, where only a few companies have an exclusive mining right or similar built-in production capacity, which emphasises the role of Shivam in the industry, according to the Nepal Infrastructure Summit (2024) reports.

The resources of Shivam Cement are also markedly difficult to imitate since replicating Shivam Cement in terms of capital structure would demand massive investments; the original factory alone cost NPR 35.9 billion, according to the

Investment Board Nepal (2024). Moreover, the availability of high-quality limestone is a challenge because of the restrictive license processes, as the Nepal Infrastructure Summit (2024) reports it to be a structural limitation in the industry. Additionally, Shivam Cement Ltd (2024) documents the organisational alignment of the company with public-limited governance as of 2015, and the introduction of engineering teams of experts, accompanied by the latest European automation. Nonetheless, there are weaknesses, including no evidence of R&D capability in the community, inadequate ESG disclosure, and a lack of full digital systems like ERP (Suchanaa, 2024). These weak points confirm Grant (2021) in asserting that VRIO is in itself inward-based and may overlook innovation gaps. As an indicator, Shivam should focus on digital transformation and an official ESG report in order to become more competitive in the long term.

2.2 External Analysis: PESTEL Framework.

Whittington et al. (2019) refer to the PESTEL framework as fitting the case of the evaluation of the Nepal cement sector since external inconveniences have a strong impact on the manufacturing industry, which is resource-intensive. According to Nepal (2024), the industrial policy in Nepal is politically favourable to economic corridors and concessional tax incentives. However, there is continued instability, such as the 2025 case of protests, which forced the Prime Minister to step down, pointing to instability in governance (Bali, Hogan, and Patidar, 2025). Economically, the domestic manufacturers have a collective production of about 22 million tonnes of cement each year, the construction industry makes around 5% of the gross domestic product, and the demand is strong due to the construction projects like the Kathmandu-Tarai Expressway (Chaudhary, Pokharel, and Adhikari, 2024). Nevertheless, CemNet (2024) reported that changes in the foreign exchange have greatly increased the prices of importing coal, clinker, and gypsum, causing some plants to temporarily close.

At the socio-level, the increased urbanisation in Nepal is contributing to the increasing housing and infrastructure requirements, but the political awareness about the use of green cement is still low (Vaidya and Paudel, 2022). The technological environment suggests that, despite the increase in reliance on European automated machinery from FLSmidth and ThyssenKrupp used by plants, digitalisation, including AI-based systems or ERP, remains low, as indicated by Shah,

Sah and Jha (2025). On the environmental side, the level of pollution in Nepal is not as high as in the EU Green Deal, yet navigation is expected to get stricter, according to the Nepal Infrastructure Summit (2024). Labour safety and environmental licensing procedures are still a cumbersome legal process that Bhattarai (2025) observes to be an inhibiting factor. These forces show promise in the export and innovation of eco-cement, as well as threats of increasing carbon regulation and technological backlash. Indicatively, Shivam ought to initiate carbon reporting and invest in renewable-backed production.

3.0 LO2: ETHICAL, SUSTAINABLE & RESPONSIBLE PRACTICES

Shivam Cement is a company that practices significant social contribution in a number of community-based projects (Shivam Cement, 2024). Sharesansar (2023) added that the company funded the rural schools by giving them buses, winter ASDF ;LKJ clothes, and educational resources, and Shivam Cement Ltd (2024) mentioned other CSR measures such as community sanitation campaigns in the wake of Kathmandu turbulences in 2025. Ramesh Corp (2024) data shows that more than 300 Nepali locals (120 of them living in the adjacent area of Sardi) constitute a central part of its workforce, which reaches up to 500 ASDF ;LKJ individuals. This is in line with SDG 8 on decent work. Nevertheless, as much as these activities are being undertaken, there is no sign of gender inclusion policies or workforce diversity programmes, and this is indicative of a gender imbalance in the industry, as indicated by Stekelorum et al. (2022). Therefore, the lack of formal safety reporting, even when the selections of the cement sector are known to be dangerous, as illustrated by Vaidya and Paudel (2022), restricts the transparency and undermines the social accountability of Shivam.

There is mixed progress in the environmental performance of Shivam Cement. The utilization of dust collectors that met European standards, automated kiln controls, and pollution-reduction devices, as Shivam Cement Ltd (2024) presented, is a partial compliance with SDG 13 on climate action. However, the problem of a grid electricity supply delay, which leads to the use of diesel-thermal captive power, exacerbates the emissions intensity (Bhattarai et al., 2022). More importantly, there has not been any carbon-emission information, renewable-energy integration, water-recycling systems, or waste-management disclosures, which the Nepal Infrastructure Summit (2024) also supports.

Chandra and Samanta (2024) suggested that operational compliance would not be enough without strategic sustainability commitments, and that gap could be seen in the restrained environmental reporting of Shivam in comparison with the world leaders. Although none of the fines or government notifications have been documented, CemNet (2024) stated that national attention to cement pollution is growing, which will trigger the strengthening of regulations that may make the current activities of Shivam more doubtful.

On the economic side, Shivam Cement remains economically robust, thanks to a 35.9 billion capacity-expanding project, which is projected to increase production to 12,000 tonnes per day (NewBiz Report, 2025). It has an in-built limestone mining complex that makes it largely reliant on importation of clinker, facilitating the creation of more value locally and making it economically efficient, as stated by Shivam Cement Ltd (2024). However, as Singh (2024) reflected, risks remain. The price of key imports, and especially coal and gypsum, rose sharply due to FX volatility, compelling some Nepalese cement producers to temporarily reduce operations. Neopane, Nepal and Acharya (2021) cautioned that too much reliance on the domestic market also increases its vulnerability to the politically unstable situation in Nepal. Additionally, LTI may be discouraged by a lack of ESG or financial reporting, which would appeal to long-term investors who want long-term returns consistent with their sustainability requirements (Sharesansar, 2023). However, economic growth is indicative of SDG 9 on industry and infrastructure, whereas strategic risks may undermine profitability in the case of their unaddressed nature. Applying the stakeholder framework developed by Freeman (1984), the relations of Shivam with the local community and employees do not seem to be negative, as the company is actively involved in CSR and has a high employment base within the country. Nonetheless, the little information that is made available to the regulators, investors, and environmental stakeholders limits trust. The sustainability practices at Shivam are relatively early compared to those at Holcim, which in their sustainability reports (Shivam Cement, 2024) describe the targets of carbon-reduction, the implementation of renewable energy, and the implementation of circular-economy practice. Furthermore, the environmental legislation in Nepal is still not as strong as the EU Green Deal provisions, as Ekantipur (2024) argued, which means that there will be

pressure in the future to follow the guidelines ASDF ;LKJ . To seal such gaps, Shivam is recommended to release annual ESG reports in line ASDF ;LKJ with SDG 12, accelerate the transition to renewable-powered grinding units, and shift its CSR focus from philanthropy to long-term community development.

4.0 LO3: STRATEGIC OPTIONS IN A COMPLEX ENVIRONMENT

Domestically, Nepal reportedly has a high cement demand, as Global Cement (2024) estimates 26 million tonnes per year by 2024/25 due to urbanization and the existence of large-scale national infrastructures found in Nepal, as confirmed by Karna (2022). Nevertheless, the competition is also intense, and the contractors have been reporting mastermind price increases and pressures on artificial scarcity (Global Cement, 2024). Efficiency is also limited by digital divides, as cement companies depend on manual distribution and a small amount of ERP or AI tools, which are defined by Wagle (2024). The solid financial position of Shivam Cement, as the 35.9 billion expansion project reported by Investment Board Nepal (2024) gives it, sets it in a good position to increase its market penetration. Nonetheless, this approach can lead to excessive exposure to the unstable political and energy climate in Nepal, which indicates that penetration might not be enough to guarantee the survival of the company in the medium and long term.

According to De (2024), there is high potential in developing the regional market because SAARC and BIMSTEC trade areas continue to grow, enhancing the connectivity of countries in the cross-border market presence of India and Bangladesh. The appeal of the diversification of exports is enhanced by the growing demand for blended and low-carbon cement in South Asia, Market (Expert Market, 2025). The 20.7% increase in the export of cement in Bangladesh in FY23 not only reflected positive trade dynamics (CemNet, 2024) but also showed positive survival prospects. The geographical location of Shivam Cement is a cost advantage as it is close to the Indian borders. However, there is the risk of regulatory uncertainty, such as tariff changes and border-control changes observed by NewBiz Report (2025). Also, the political unrest and the FX fluctuation in Nepal, which Kharel and Dahal (2020) have mentioned, can be an obstacle to cross-border competitiveness. However, exporting can be an effective approach that will decrease domestic reliance but will allow it to scale with its capacity expansion.

Expert Market (2025) points to the increased regulatory pressure and green-building

commitments as the key factors, which are driving the Asia-Pacific sustainable cement market to grow at a CAGR of 5.2%. Comparison with Holcim, where the Exoplanet range is made of recycled materials and large green CAPEX, as described by Alvise (2022), leaves a significant gap in innovation in Shivam Cement. Evidence from Anjanappa and Samant (2025) confirms that Shivam does not have R&D infrastructure, greenhouse-gas reporting, and renewable energy integration, which makes it hard to innovate products. The willingness of eco-cement is still at its initial phase, yet upcoming policies and the need for big cities open up a possibility in the future of Nepal (Bhattarai et al., 2022). Although the ASDF ;LKJ development of eco-cement is technologically and economic ASDF ;LKJ ally challenging, Ramboll (2024) pointed out that companies th ASDF ;LKJ at invest at the first stage in carbon-capture and low-emission technologies will achieve a strategic advantage. Hence, the eco-cement is the most future-proof diversification strategy, even though it has greater initial risks.

The comparison of the three Ansoff options indicates that they have dissimilar feasibility and risk profiles. According to Dahal and Jha (2020), market penetration leverages the fact that Shivam has significant financial potential and modern kiln automation, which is recognized, but exposes the company to political instability and energy crises in Nepal. Market diversification spreads revenue and correlates with enhancing regional corridors, but the tariff uncertainty and FX risks curtail stability (Chandra and Samanta, 2024). On the one hand, product development using eco-cement is technologically challenging; on the other hand, it aligns with global trends towards decreasing carbonization and best-practice standards cited by Expert Market (2025) in China's ultra-low-carbon pilot projects. Its ability to meet the new regulatory pressure will make Shivam competitive in South Asia. Thus, it is possible to conclude that a market development plus gradual eco ASDF ;LKJ -cement innovation is the most sustainable long-term path, which can help bot ASDF ;LKJ h the company survive in the future and be ready to face environmental and rivalry shocks.

5.0 LO4: REFLECTION ON LEADERSHIP & SUSTAINABILITY

The transformational leadership study changed my perception of what it means to have effective organisational influence. Bass and Bernard (1985) also pointed out that leaders facilitate change by shaping vision, the model of ethics, and

intellectualization, which assisted me in reinterpreting the strengths and gaps of Shivam Cement. Despite the sign of value-based leadership in its community engagement, the absence of a sustainability vision showed the constraints of the operational decision-making in the absence of an ethical perspective. This also led me to consider my leadership personality. I understood that empathy, openness, and responsible action are just as important as technical ability, particularly in manoeuvring through the complicated sustainability demands. Goleman (2000) contended that emotional intelligence allows leaders to develop trust and influence behaviour, and now I understand how my ability to listen, inspire others, and be responsive can help to influence a team to adopt sustainable practices.

My interaction with sustainability models also increased my knowledge of the cultural implications of leadership. According to Hofstede (2011), Nepal is a collectivist society in which workplace expectations are governed by harmony, community ties, and long-term stability, which is much different than individualistic cultures that I am more accustomed to. The study of Shivam Cement in terms of this concept taught me that a responsible leader should be sensitive to cultural context and be able to adjust his/her communication and decision-making styles. According to Pless et al. (2021), responsible leaders are moral custodians of the social and environmental interests that they bring into the organisational objectives. This view allowed me to understand the need to balance performance pressures and actual accountability.

This module has shaped my visual perception of my future leadership path. I now have a vision of myself taking on a leadership role characterized by transformational influence, ethical transparency, and sustainability-oriented thinking. According to Sinek (2019), successful leaders should start with why, which is why this idea is close to my recent desire to lead teams in making decisions that are purposeful. I also understand sustainability as a duty and as a strategic requirement that enhances innovation and resilience. Pless et al. (2021) affirmed that responsible leadership should be based on constant learning and moral cognition, which I intend to pursue throughout my career. In the future, I aspire to use such values in firms that appreciate environmental custodianship, teamwork ethos, and sustainability. This introspective exercise has helped me to understand what kind of a leader I would like to be, that is, a caring, responsible, and dedicated person to sustainable

development.

6.0 CONCLUSION

Shivam Cement has a solid internal strength and community influence, but the lack of digitalisation, innovation, and sustainability transparency limits competitiveness in the world. Enhancement of environmental reporting, the development of eco-cement, and responsible, future-oriented leadership will help to build resilience in the long term and place the company in a better position in Nepal, which has an emerging industrial environment.

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