



72nd
Annual Report
2016-17



SHREE DIGVIJAY CEMENT CO. LTD.

CONTENTS

Notice	2
Directors' Report	8
Management Discussion & Analysis	12
Report on Corporate Governance	34
Independent Auditors' Report	44
Balance Sheet	48
Statement of Profit and Loss	49
Cash Flow Statement	50
Notes to the Financial Statements	52
Form of Proxy / Attendance Slip	

BOARD OF DIRECTORS

Mr. A. K. Chhatwani
– *Independent Director & Chairman*

Mr. A. Kumaresan
– *Independent Director*

Mr. Sven Erik Oppelstrup Madsen

Mr. Persio Morassutti

Ms. Meike Albrecht

Mr. K.K. Rajeev Nambiar
– *CEO & Whole-time Director*

AUDIT COMMITTEE

Mr. A. K. Chhatwani – *Chairman*

Mr. A. Kumaresan

Mr. Persio Morassutti

NOMINATION AND REMUNERATION COMMITTEE

Mr. A. Kumaresan – *Chairman*

Mr. A. K. Chhatwani

Ms. Meike Albrecht

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. A. Kumaresan – *Chairman*

Mr. A. K. Chhatwani

Ms. Meike Albrecht

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. A. K. Chhatwani – *Chairman*

Mr. A. Kumaresan

Mr. K.K. Rajeev Nambiar

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Suresh Meher – Asst. V.P (Legal) & Company Secretary

EXECUTIVES

Mr. M. V. Ramaswamy – CFO

Mr. P. R. Singh – V. P (Mktg.)

Mr. T. L. Narendran – Asst. V.P (Tech.)

Mr. Jagdish Chandak – Asst. V. P (SCM.)

STATUTORY AUDITORS

M/s Price Waterhouse
Chartered Accountants
(ICAI Registration No. 301112E)
252, Veer Savarkar Marg
Shivaji Park
Dadar (West)
Mumbai - 400 028

COST AUDITORS

M/s Kiran J. Mehta & Co.
Cost Accountants
257, Ellis Bridge Shopping Centre,
Ahmedabad- 380 006

SECRETARIAL AUDITORS

M/s Manoj Hurkat & Associates
Practising Company Secretaries
306, Arth Complex, B/h. L.G. Showroom
Navrangpura
Ahmedabad - 380 009

REGISTERED OFFICE AND WORKS

P.O. Digvijaygram – 361 140
Via. Jamnagar (Gujarat)

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
(Unit – Shree Digvijay Cement Co. Ltd.)
C-201, 247 Park
LBS Marg
Vikhroli (West)
Mumbai – 400 083

SHREE DIGVIJAY CEMENT COMPANY LIMITED

NOTICE

NOTICE is hereby given that the **Seventy-Second** Annual General Meeting of the Members of **SHREE DIGVIJAY CEMENT COMPANY LIMITED ("Company")** will be held on Tuesday, 20th June, 2017 at 09:30 a.m. at the Registered Office of the Company at **DIGVIJAYGRAM 361 140 Via: Jamnagar, Gujarat** to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt

The Audited Financial Statements of the Company including the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors' thereon.

2. Re-appointment of retiring Director

To appoint a Director in place of Ms. Meike Albrecht, a Non-Executive & Non-Independent Director having Director Identification Number 07123752, who retires by rotation and being eligible, offers herself for re-appointment.

3. Ratification of appointment of Statutory Auditors and fixing their remuneration

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and Rules made thereunder, as amended from time to time, the appointment of M/s. Price Waterhouse, Chartered Accountants, Mumbai (Firm Registration No. 301112E) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Seventy-Third AGM of the Company to be held for the financial year 2017-18, be and is hereby ratified and the Board of Directors be and are hereby authorized to fix such remuneration (along with taxes and out of pocket expenses) as may be determined by the Audit Committee in consultation with the Auditors, and such remuneration may be paid on a progressive billing basis to be agreed upon between the Auditors and the Board of Directors of the Company."

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditor

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and the Rules made thereunder, as amended from time to time, the

Company hereby ratifies the remuneration of ₹ 1,25,000/- [Rupees One lakh twenty five thousand only] plus service tax and out of pocket expenses actually incurred payable to M/s. Kiran J. Mehta & Co, Cost Accountants (Firm Registration No. 000025), who are appointed by the Board of Directors on the recommendation of the Audit Committee as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2017-18.

5. Adoption of a new set of Articles of Association of the Company

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 5 and 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), consent of the Company be and is hereby accorded to adopt the new set of articles of association of the Company, as placed before this meeting and available for inspection at the registered office of the Company, in substitution for, and the entire exclusion of, the existing articles of association of the Company.

RESOLVED FURTHER THAT any one of the Directors and/or the Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution."

6. Transactions with Related Parties

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include Audit Committee of the Board), to enter into contracts, arrangements, agreements, consisting of one or more transactions, with the related parties as detailed in table forming part of the explanatory statement annexed to the Notice with respect to sale, purchase, export, import or supply of goods or materials directly or through

appointment of agent, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials services or property or appointment of such parties to any office or place of profit in the Company or any other transactions of whatever nature for a period of 5 years from the financial years from 2018-19 to 2022-23 for an aggregate maximum amount not exceeding ₹ 200 crores per financial year.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide upon the nature and value of the products, goods, materials or services to be transacted/availed with/from the related parties within the aforesaid limit and to finalise the terms and conditions including the period of transactions and all other matters arising out of or incidental to the proposed transactions and to take such steps as may be necessary to obtain approvals, sanctions, consents and permissions and perform and to execute all documents, agreements, papers and writings, and generally to do all acts, deeds, matters and things (including delegation of such authority), as may be deemed necessary, proper or desirable or expedient to give effect to this resolution.”

By Order of the Board

Suresh Meher
Asst. Vice President (Legal)
& Company Secretary

Place : Mumbai
Date : 21st April, 2017

NOTES:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Items No. 3 to 6 of the accompanying Notice are annexed hereto.
2. As required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations), the information (including profile and expertise in specific functional areas) pertaining to Director(s) recommended for/seeking appointment/ re-appointment in the AGM in respect of Resolution at Item No. 2 is forming part of the Explanatory Statement given below. The Director has furnished the requisite consent / declarations for her re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
IN ORDER THAT THE APPOINTMENT OF A PROXY IS EFFECTIVE, THE INSTRUMENT APPOINTING A PROXY MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

4. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total paid-up Share Capital of the Company carrying voting rights. A member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other Member.
5. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act 2013, are requested to send the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
6. Members, proxies and Authorized representative are requested to bring to the meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID / Folio No.
7. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company’s Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
9. The Register of Members and Share Transfer Books of the Company will be closed from 14th June, 2017 to 20th June, 2017 (both days inclusive).
10. E-VOTING: In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI Regulations, as amended from time to time, the Company is pleased to provide members remote e-voting facility to exercise their right to vote by electronic means. Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 13th June, 2017, may cast their votes by electronic means or in the AGM on all the items of the business. Details of user id and password for e-voting alongwith other information with respect to Voting process and instructions, forming part of this Notice, is enclosed with this Annual Report.
Only those /members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial owners maintained by the Depositories as on the cut-off date shall be entitled to vote. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut- off date i.e. 13th June, 2017.
11. Pursuant to Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules,

SHREE DIGVIJAY CEMENT COMPANY LIMITED

2014, the Annual Report for the financial year 2016-17 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company/ Depository Participants for communication purposes, unless any members has requested for physical copy of the same. For Members who have not registered their E-mail IDs with the Company/Depository Participants, a physical copy of the Annual Report for the year 2016-17 is being sent by the permitted mode.

The Notice of AGM and the Annual Report of the Company for the year ended 31st March, 2017 is uploaded on the Company's website www.digvijaycement.com and may be accessed by the Members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.

12. Pursuant to Section 107 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, voting through polling paper shall also be made available to those Members who attend the Annual General Meeting and have not already cast their vote by remote e-voting.

The Members who have casted their votes by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.

13. The Board of Directors in their Meeting held on 21st April, 2017 appointed Mr. Manoj Hurkat, Practicing Company Secretary, Ahmedabad of M/s Manoj Hurkat & Associates (Membership No.4287 & CP No. 2574) or failing him any other Practicing Company Secretary, as may be appointed by authorised officials, as a Scrutinizer for overseeing the voting and remote e-voting process in a fair and transparent manner.
14. The Scrutinizer shall submit his report to the Chairman. Results declared alongwith report of the Scrutinizer shall be placed on the website of the Company www.digvijaycement.com and on the website of CDSL www.evotingindia.com immediately after declaration of result by the Chairman or any person authorized by him in this behalf.

The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of requisite votes.

15. Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduce the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form should inform their DP and members holding shares in physical form should inform the Company their PAN details alongwith proof thereon.
17. Members holding shares in physical form are requested to forward all applications for transfers and all other share related correspondence (including intimation for change of address) to the Share Transfer Agents of the Company.
18. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.

By Order of the Board

Suresh Meher
Asst. Vice President (Legal)
& Company Secretary

Place : Mumbai
Date : 21st April, 2017

EXPLANATORY STATEMENT:

[Pursuant to Section 102 of the Companies Act, 2013 ("Act")]

As required by Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice dated 21st April, 2017

Item No.3: This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Ratification of appointment of Statutory Auditors and fixing their remuneration

M/s. Price Waterhouse, Chartered Accountants, Mumbai (Firm Registration No. 301112E) were appointed as the Statutory Auditors of the Company for a period of five years at the Annual General Meeting (AGM) of the Company held on 20th May, 2015. As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM. Accordingly, ratification of the Members is being sought for the proposal contained in the Resolution set out at Item No.3 of the accompanying Notice.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the aforesaid Resolution for the approval by the Members by way of Ordinary Resolution.

Item no.4

Ratification of Remuneration to Cost Auditor

The Board of Directors at their meeting held on 21st April, 2017, on the recommendation of the Audit Committee, has approved the appointment of M/s. Kiran J Mehta & Co, Cost Accountants, Ahmedabad as the Cost Auditors to conduct the audit of Cost records of the Company for the financial year ending on 31st March, 2018 on a remuneration of ₹ 1,25,000/- plus out of pocket expenses actually incurred for the purpose of such audit.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Kiran J Mehta & Co. has furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the previous year under the provisions of the Act.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for

remuneration to the Cost Auditor for the financial year ending on 31st March, 2018.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the aforesaid Resolution for the approval by the Members by way of Ordinary Resolution.

Item no.5

Adoption of a new set of Articles of Association of the Company

The existing Articles of Association ("AoA") of the Company are not in full conformity with the Companies Act, 2013. With the coming into force of 2013 Act, several regulations of AoA require alteration/deletion. Given this position, it is considered expedient to adopt a new set of Articles of Association (primarily based on Table F set out under Schedule I to the Companies Act, 2013) in place of existing AoA, instead of amending it by alteration/incorporation of provisions of 2013 Act. In terms of Section 14 of the Companies Act, 2013, consent of Members by way of a Special Resolution is required for adoption of a new set of Articles of Association. The entire set of proposed new Articles of Association is available on the website of the Company i.e. www.digvijaycement.com. The Members of the Company can also obtain a copy of the same from the Company's Registered Office.

A copy of the proposed new set of the articles of association of the Company would be available for inspection at the registered office of the Company situated at Digvijaygram, Jamnagar-Gujarat on all working days between 8.30 a.m. and 12.30 p.m. upto the date of Annual General Meeting of the Company.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the aforesaid Resolution for the approval by the Members by way of Special Resolution.

Item No. 6

Transactions with Related Parties

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Companies (Meetings of Board and its Powers) Rules, 2014, all material related party transactions require approval of the shareholders. Transaction(s) with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during the financial year exceeds 10% of the annual turnover

SHREE DIGVIJAY CEMENT COMPANY LIMITED

of the Company as per last audited financial statements of the Company.

Section 188 of the Act provides that if transactions with the related parties are not in the ordinary course of business or not at arm's length basis, such transactions are required to be approved by the Board of Directors or Shareholders, depending upon the materiality of the transactions. In other words, approval of Board or shareholders, as the case may be, is not required under the Act, if a particular transaction is in the ordinary course of business and at arm's length basis.

Accordingly, the Company has got the approval of the Shareholders at the 70th Annual General Meeting of the Company held on 20th May 2015 under Section 188 of the Companies Act, 2013 and rules made there under for entering into certain transactions with related parties within the meaning of Section 2(76) of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014 (the "Act") and erstwhile Clause 49 of the Listing Agreement, as detailed in table below by way of Special resolution for the financial year 2015-16 to 2017-18:

Sr. No.	Name of the Related Parties	Nature of Relation	material terms of the contract etc.*	Monetary Value (in ₹ crores) per financial year from 2018-19 to 2022-23
1.	Votorantim Cimentos EAA Inversiones S.L. (VCEAAISL)	VCEAAISL is Company's holding Company	availing or rendering of any services whether technical and/or financial and/or both at arm's length basis	20.00
2.	Votorantim Cement Trading S. L. or other Votorantim Group Companies	Votorantim Cement Trading S. L. is a Group company of Company's holding company	sale, purchase, export, import or supply of any goods or materials, including but not limited to coal, gypsum, cement, clinker, and availing / provision of any services at arm's length basis	180.00
			Total	200.00

* i) Name of Director or Key Managerial Personnel who is related: None

ii) Any other information relevant or important for the members to make a decision on proposed transaction: None

The validity of the resolution, passed by the shareholders in their 70th AGM held on 20th May 2015, expires on 31st March 2018. It is proposed to seek shareholders' approval for entering into above transactions / contracts / arrangements by the Company with the aforesaid related parties for a period of 5 years from the financial year 2018-19.

In the opinion of the Board, the above transactions / contracts / arrangements by the Company with the above mentioned parties are in the ordinary course of business and at arm's length basis. However, considering the fact that the value of contracts / arrangements / transactions with the aforesaid related parties during a financial year may be material as defined under Regulation 23 of SEBI (LODR) Regulations 2015, it was proposed to seek the approval of Shareholders for the aforesaid arrangements / contracts / transactions for five financial years commencing from financial year 2018-19 to 2022-23. At the same time, it may be noted that transactions with VotorantimCimentos EAA Inversiones S.L. (VCEAAISL) are not material individually. The approval of the members is sought only by way of abundant caution.

A copy of the draft agreements, wherever applicable, with said related parties setting out the terms and conditions is/are

available for inspection without any fee to members at the Company's registered office during the normal business hours on all working days up to the date of the AGM.

The Members are further informed that no Member/s of the Company being a related party or having any interest in the resolution as set out at item No. 6 shall be entitled to vote on this Ordinary Resolution.

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way interested in the resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the aforesaid Resolution for the approval by the Members by way of Ordinary Resolution.

By Order of the Board

Suresh Meher
Asst. Vice President (Legal)
& Company Secretary

Place : Mumbai

Date : 21st April, 2017

Registration / Updating of Email IDs and Bank Details

Members are requested to support the “Green Initiative” by registering their email address with the Company, if not already done.

Those members who have changed their Email ID are requested to register their new Email ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is required to maintain Bank details of its Members for the purpose of payment of Dividend etc. Members are requested to register / update their bank details with the Company in case the shares are held in physical form and with their Depository Participant as well as the Company where shares are held in Dematerialization mode, to enable expeditious credit of the dividend, if any, to their bank accounts electronically through ACH / NECS.

INFORMATION/PROFILE ABOUT DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE 72ND ANNUAL GENERAL MEETING:

Name of Director	Ms. Meike Albrecht
Director Identification Number (DIN)	07123752
Date of Birth	5 th September, 1961
Nationality	German
Date of Appointment	26 th March, 2015
Qualification	Degree in Business Administration
Experience in specific functional area	Human Resource
List of outside Company Directorship held	None
Chairman/Member of the Committee of the Board of Director of the Company	Nomination & Remuneration Committee –Member Stakeholders Relationship Committee -Member
Other Directorship/Chairman/Member of the Committee of the Board of other Companies in which he is a Director	None
The number of Meetings of the Board attended during the year	Out of 5 Meetings, she attended 4 Meetings during the year
Relationship between Directors Inter –Se	None
No. of Shares held in the Company	NIL
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Since she is Non-Independent & Non-Executive Director there is no specific terms and conditions nor remuneration is payable to her, except that if re-appointed she will be liable to retire by rotation.
The remuneration last drawn by such person, if applicable	NIL

SHREE DIGVIJAY CEMENT COMPANY LIMITED

DIRECTORS' REPORT

Dear Shareholders

The Directors are pleased to present the 72nd Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

The financial highlights for the year under report are as under:

(₹ In lakhs)

	Current Year Ended 31.03.2017	Previous Year Ended 31.03.2016 (12 months- April 2015 to March 2016)*	Previous Year Ended 31.03.2016 (15 months- January 2015 to March 2016)
Gross Turnover	35280	42386	52131
Profit before Interest Depreciation, Exceptional Items & Tax [PBDIT]	1949	3537	4431
Less :Interest	1147	1058	1326
Less :Depreciation	2219	1884	2580
(Loss)/Profit after Interest & Depreciation but before Exceptional Item & Tax	(1417)	595	525
(Loss)/Profit from ordinary activities before Tax	(1417)	595	525
(Loss)/Net Profit for the year	(1417)	595	525
Balance brought forward from previous year	(3146)	(3741)	(3671)
Less :Provision for Mines Reclamation	(117)	-	-
(Loss) Carried Over	(4680)	(3146)	(3146)

(Previous figures have been regrouped wherever necessary)

*As per Tax audit record.

FINANCIAL PERFORMANCE

The Gross turnover of the Company during the year under report at ₹ 35280 lakhs was lower by about 20% against the turnover of ₹ 42386 lakhs during the corresponding 12 months period in the previous year.

The PBDIT has turned into negative as compared with the previous year. The reason is explained in Management Discussions and Analysis, forming part of the Report.

DIVIDEND

In view of the accumulated losses, your Directors does not recommend any dividend on Share Capital.

SHARE CAPITAL

The paid –up Equity Share Capital as on 31st March, 2017 was ₹ 14137 lakhs. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares to the Employees or Directors of the Company.

No disclosure is required under Section 67(3)(C) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

PRODUCTION AND SALES

Production and Sales during the year under review are as under:

(In lakhs MT)

	Current Year Ended 31.03.2017	Previous Year Ended 31.03.2016 (12 months- April 2015 to March 2016)	Previous Year Ended 31.03.2016 (15 months- January 2015 to March 2016)
Production:-			
- Clinker	7.26	7.74	9.97
- Cement	8.49	9.90	12.08
Sales:			
- Cement	8.54	9.77	11.97

During the year under review, Cement production was 8.49 lakhs MT as against 9.90 lakhs MT during corresponding 12 months period in previous year. Clinker production was 7.26 MT as against 7.74 lakhs MT during corresponding 12 months period in previous year. This decreased performance is mainly due to sluggish market conditions resulting into lower demand and stoppages of production.

There has not been any change in the nature of the business of the Company.

DEPOSITS

Your Company has neither accepted any deposits during the year under report nor did any deposits remain unpaid or unclaimed at the end of the year.

LOANS, GUARANTEES AND INVESTMENTS

Your Company has neither given any loan or guarantee nor has made any investment during the year under report attracting the provisions of Section 186 of the Companies Act, 2013.

NUMBER OF MEETINGS

The details of number of Meetings of the Board and committees thereof held during the financial year 2016-2017 forms part of the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134 (3) (c) read with sub section 5 of the Companies Act, 2013, Directors subscribe to the "Directors Responsibility Statement" and confirm that:

- in preparation of Annual Accounts for the financial year ended 31st March 2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;