



SHREE DIGVIJAY CEMENT CO. LTD.

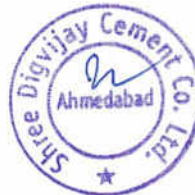
CERTIFIED TRUE COPY OF THE EXTRACT OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF SHREE DIGVIJAY CEMENT COMPANY LIMITED HELD ON 27TH MARCH, 2018 AT REGISTERED OFFICE OF THE COMPANY AT DIGVIJAYGRAM, VIA JAMNAGAR – 361 140 :

“RESOLVED FURTHER THAT the undertaking with regard to the non-applicability of requirements prescribed in paragraph (I)(A)(9) of the SEBI Circular, be and is hereby accepted and approved, and Mr. KK Rajeev Nambiar, CEO & WTD and Mr. Suresh Meher, Company Secretary, be and are hereby severally authorized to sign the said undertaking and forward the same to the Statutory Auditors for obtaining their certificate.”

Certified to be True

FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED

SURESH MEHER
AVP (Legal) and Company Secretary



Phone: +91 288 234 4272-75
Fax: +91 288 234 4092

SHREE DIGVIJAY CEMENT CO. LTD.

CIN L26940GJ1944PLC000749

Regd. Office Post Digvijaygram
361 140 Jamnagar | Gujarat | INDIA

E-mail: info.sdcccl@vcimentos.com
Web: www.digvijaycement.com



Annexure M



SHREE DIGVIJAY CEMENT CO. LTD.

CERTIFIED TRUE COPY OF THE EXTRACT OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF SHREE DIGVIJAY CEMENT COMPANY LIMITED HELD ON 27TH MARCH, 2018 AT REGISTERED OFFICE OF THE COMPANY AT DIGVIJAYGRAM, VIA JAMNAGAR – 361 140:

RESOLVED FURTHER THAT the BSE Limited ("BSE") be authorized to act as the designated stock exchange for the purpose of coordinating with SEBI for the Scheme and matters connected therewith.

Certified to be True

FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED

SURESH MEHER
AVP (Legal) and Company Secretary



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Annexure N

Brief particulars of the transferee/resulting and transferor/demerged companies

Particulars	Applicant Company (SDCCL)
Name of the company	SHREE DIGVIJAY CEMENT COMPANY LIMITED
Date of Incorporation & details of name changes, if any	The Company is incorporated on 6 th of November, 1944. No changes in name made.
Registered Office	Post-Digvijay Gram, Via-Jamnagar, Digvijay Gram Jamnagar- 361140 , Gujarat
Brief particulars of the scheme	The purpose of the Scheme is to internally restructure the Company's capital and other reserves by rationalizing its Reserve and Surplus as on 1 st April, 2017 by setting off accumulated losses to the extent of Rs. 46,80,05,982 as on 31 st March, 2017 and creating Business Development Reserve to the extent of Rs. 40,75,37,262. The amount of Capital Reserve to the extent of Rs. 86,87,782 (not arising out of Capital Profit recognized in cash) shall remain the same in the books of accounts of the Company. Thus, this scheme of Arrangement is between SHREE DIGVIJAY CEMENT COMPANY LIMITED and its Equity Shareholders for restructuring of the Company
Rationale for the scheme	i. As on 31st March, 2017, on one hand, the Company has accumulated carry forward losses to the extent of Rs. 46,80,05,982 and on the other hand, the Company has capital reserve to the extent of Rs. 87,86,86,782, Capital redemption reserve of Rs. 35,00,000/- and Securities Premium Account of Rs. 20,43,244. ii. The Company issued 87,00,000 6% Non-Cumulative Compulsorily Convertible Preference Shares of Rs. 100 each to its then promoters viz. Cimpor Inversiones S.A., on a preferential basis, which were due for conversion on 8th September, 2010. However, to prevent a reduction in the proportion of public shareholding below the minimum threshold specified under the provision of erstwhile Listing Agreement, the promoters allowed their conversion rights to lapse. Consequently, the sum of Rs. 87.00 Crores was transferred to Capital Reserve Account on extinguishment of 6% Non-Cumulative Compulsorily Convertible Preference Shares held by promoters of the Company in the financial year ended on 31st December, 2010. Thus, the capital reserve to the extent of Rs. 87.00 Crores was not



	arising out of revaluation of assets or any other notional profit. iii. The Company proposes to utilize Capital redemption reserve of Rs. 35,00,000 and Securities Premium account of Rs. 20,43,244 and Capital Reserve of Rs. 46,24,62,738 in writing off the accumulated losses of Rs. 46,80,05,982 as on 31st March, 2017. This reduction of accumulated losses/various reserves/capital is proposed done as an integral part of the Scheme of Arrangement. iv. The remaining amount of capital reserve (arising out of total capital profit recognized in cash amounting to Rs. 87.00 Crores as per clause ii supra after utilizing for writing off accumulated losses as per clause iii supra) to the extent of Rs. 40,75,37,262/- is proposed to be transferred to Business Development Reserve to be created under the Scheme and to be utilized, as more particularly specified in the Scheme. v. This treatment will facilitate the Company to bring reality in its financial statements by wiping out the accumulated losses on one hand and restructuring the amount of various Reserves on the other hand. The Company will be able to use the amount of Business Development Reserve created under the Scheme for its further transfer to General Reserve Account or any other Reserve Account with such other nomenclature as may be decided by the Board of the Company..
Date of resolution passed by the Board of Director of the company approving the scheme	27 th March, 2018
Date of meeting of the Audit Committee in which the draft scheme has been approved	27 th March, 2018
Appointed Date	1 st April, 2017
Name of Exchanges where securities of the company are listed	Bombay Stock Exchange (BSE)
Nature of Business	The Company is engaged in manufacturing and selling of Cement and its related products. The Company has one manufacturing facility at Sikka with installed capacity of



	1.20 Million Tonnes per annum
Capital before the scheme	Authorised Capital: 1. Equity Share Capital: Rs. 1,50,00,00,000 /- [15,00,00,000 equity shares of Rs. 10 each] 2. Preference Share Capital: Rs. 1,000,000,000 /- [10,000,000 preference shares of Rs. 100 each] Paid up Share Capital 1. Equity Share Capital: Rs. 1,413,742,780 /- [141,374,278 equity shares of Rs. 10 each]
No. of shares to be issued	NA
Cancellation of shares on account of cross holding, if any	NA
Capital after the scheme	Same as Before
Net Worth	(Rs. in crores)
Pre	183.00
Post	183.00
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	As there is no change in the shareholding pattern of the Company under the proposed scheme, there is no need to obtain valuation report in this matter as per Clause I A (4)(b) of the SEBI circular No.: CFD/DIL3/CIR/2017/21 dated 10 th March, 2017.
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Not applicable
Fair value per shares	Not Applicable
Exchange ratio	Not Applicable



Name of Merchant Banker giving fairness opinion	As there is no valuation of assets/ shares required to be done under the proposed scheme and as there is no valuation report of Independent Chartered Accountant required to be obtained in this matter as per Clause I (A) (4) (b) of the SEBI Circular, the Company has not obtained Fairness opinion of an Independent Merchant Banker.			
Shareholding pattern	Pre		Post	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	106030708	75%	106030708	75%
Public	35343570	25%	35343570	25%
Custodian	Nil	Nil	Nil	Nil
TOTAL	141374278	100%	141374278	100%
No of shareholders	23153			
Names of the Promoters	1. Votorantim Cimentos EAA Inversiones S.L. 2. Votorantim Cimentos S.A.			
Names of the Board of Directors	1. A.K. Chhatwani 2. Arcot Kumaresan 3. Persio Morassutti 4. Meike Albrecht 5. KK Rajeev Nambiar 6. Jorge Alejandro Wagner			
Details regarding change in management control if any	There will be no change in the management control of the Company after approval of the said Scheme of Arrangement between Shree Digvijay Cement Company Limited and its respective shareholders			

FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED


SURESH MEHER

AVP (Legal) and Company Secretary





SHREE DIGVIJAY CEMENT CO. LTD.

26th April, 2018

To,

The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001

Subject: Net Worth Certificate

Reference: Scrip Code: 502180

Dear Sir,

Pursuant to the requirements of Regulation 37 of the Listing Regulations, 2015, Pre-arrangement Networth and Post-arrangement Networth of the Company as on 31-03-2017 is as under:

(Amount in Lakhs)			
Sr. No.	Particulars	Pre-arrangement	Post-arrangement
1.	Paid up Equity Share Capital	141,37,42,780	141,37,42,780
2.	Capital Reserve	87,86,86,782	86,86,782
3.	Capital Redemption Reserve	35,00,000	
4.	Securities Premium Account	20,43,244	-
5.	General Reserve / Business Development Reserve	-	40,75,37,262
6.	Profit & Loss Account (Debit balance)	(46,80,05,982)	-
	Net Worth	182,99,66,824	182,99,66,824

Thanking you,
FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED

[Signature]
SURESH MEHER
AVP (Legal) and Company Secretary

Certified by:



WE CERTIFY,
MAHARISHI & CO.
Chartered Accountants

[Signature]
(Ankit Gokani)
Partner
M. No. 133 391

17 MAY 2018

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SHREE DIGVIJAY CEMENT CO. LTD.

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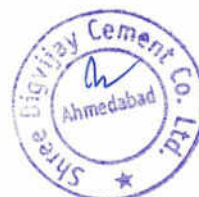
Web: www.digvijaycement.com



Annexure P

Details of Capital evolution of the **Shree Digvijay Cement Company Limited:**

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
November 6, 1944	7	100/-FV	Initial subscriber to the Memorandum of Association		Listed
1944	59,675	100/-FV	Public Issue	59,682	Listed
August 30, 1955	30,000	NA	Right Issue	89,682	Listed
October 30, 1956	45,000	NA	Right Issue	134,682	Listed
August 27, 1962	13,500	NA	Preferential allotment	148,182	Listed
April 25, 1963	50,000	NA	Right Issue	198,182	Listed
April 25, 1963	1,500	NA	Preferential allotment	199,682	Listed
August 28, 1966	49,878	NA	Bonus Issue	243,799	Listed
June 21, 1978	49,876	NA	Bonus Issue	299,255	Listed
April 01, 1982	40,000	100/- FV at par	Scheme of Amalgamation	339,255	Listed
March 23, 1992	339,255	100/-FV at par	Right Issue	678,510	Listed
March 23, 1992	16,961	100/- FV at par	Allotted to Employees	695,471	Listed
June 30, 1995	6,954,710		Sub-division of the face value of each equity shares from Rs.100 to Rs.10	6,954,710	Listed
October 01, 1995	500,000	10/- at par	Loan Conversion	7,454,710	Listed
July 25, 2006	133,846,380	10/- at par	Right Issue	141,301,090	Listed
September 21, 2006	11,520	10/- at par	Right Issue-earlier kept in abeyance	141,312,610	Listed



January 18,2007	25,668	10/- at par	Right Issue-earlier kept in abeyance	141,338,278	Listed
September 18,2007	36,000	10/- at par	Right Issue-earlier kept in abeyance	141,374,278	Listed
				141,374,278	

FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED



SURESH MEHER
AVP (Legal) and Company Secretary





SHREE DIGVIJAY CEMENT CO. LTD.

To,

The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Arrangement between Shree Digvijay Cement Company Limited ("Company") and its shareholders

Dear Sir,

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of ~~amalgamation/ arrangement/merger/reconstruction/ reduction of capital etc.~~ to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, regulations and guidelines made under these Acts, and the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 or the requirements of BSE Limited.
- b) In the explanatory statement to be forwarded by the Company to the shareholders u/s 230 read with Section 102 of the Companies Act, 2013 or accompanying a proposed resolution to be passed u/s 230(3) of the Companies Act, it shall disclose:
 - i) the pre and post-arrangement ~~or amalgamation~~ (expected) capital structure and shareholding pattern and
 - ii) the "fairness opinion" (if any) obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company.
 - iii) The Complaint report as per prescribed format.
 - iv) The observation letter issued by the BSE Limited.

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SHREE DIGVIJAY CEMENT CO. LTD.

- c) The draft scheme of amalgamation/ arrangement together with all documents mentioned in Para I(A)(7)(a) of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, has been disseminated on Company's website as per Website link given hereunder:
<http://www.digvijaycement.com/SitePages/Investors.aspx>
<http://www.votorantimcimentos.co.in/SitePages/Investors.aspx>
- d) The Company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- e) The Company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting. Further, the Company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it (if applicable).
- f) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- g) There is no unlisted transferor Company involved in the scheme of Arrangement. Hence, there will be no question of alteration in the Share Capital of the unlisted transferor Company from the one given in the draft scheme of amalgamation/ arrangement.

FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED


RAJEEV NAMBIAR
 CEO & Whole-time Director


SURESH MEHER
 AVP (Legal) &
 Company Secretary

Phone: +91 288 234 4272-75
 Fax: +91 288 234 4092

SHREE DIGVIJAY CEMENT CO. LTD.

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Web: www.digvijaycement.com



Price Waterhouse

Chartered Accountants

Auditors' Certificate

The Board of Directors,
Shree Digvijay Cement Co Limited
P.O. Digvijaygram – 361140
Via – Jamnagar (Gujarat)
India

- 1) This certificate is issued in accordance with the terms of our agreement dated April 17, 2018.
- 2) We, the statutory auditors of Shree Digvijay Cement Co Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 8 of the Draft Scheme of Arrangement between the Company and its Equity Shareholders, as approved by the Board of Directors in their meeting held on March 27, 2018, in terms of the provisions of Sections 230 and 231 read with Section 66 and other applicable provisions of the Companies Act, 2013 (the "2013 Act") (the Draft Scheme) with reference to its compliance with the Companies (Indian Accounting Standards) Rules 2015 that is the applicable Accounting Standards specified under Section 133 of the 2013 Act, (the 'applicable Accounting Standards') and other generally accepted accounting principles.

Management's Responsibility

- 3) The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Company.

Auditors' Responsibility

- 4) Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and other generally accepted accounting principles and the relevant sections of the 2013 Act.
- 5) We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

- 7) Based on our examination and according to the information and explanations given to us, pursuant to the requirements of proviso to sub-section (7) of Section 230 and proviso to sub-section (3) of section 66 of the 2013 Act read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and circulars issued thereunder (as amended), we confirm that there is no specific accounting standard notified under Section 133 of the 2013 Act which deals with transactions involving capital reduction as covered under clauses 8.1 and 8.2 of the Draft Scheme, however the accounting treatment as mentioned in these clauses is in accordance with the generally accepted accounting principles.

Price Waterhouse, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex, Gate No. 3,
Western Express Highway, Goregaon East, Mumbai – 400 063
T: +91 (22) 61198000



Price Waterhouse

Chartered Accountants
Shree Digvijay Cement Co Limited
Auditors' Certificate
Page 2 of 2

- 8) Further, we would like to state that:
- as mentioned in the Clause 8 of the Draft Scheme the proposed accounting treatment will be with effect from the appointed date as specified in the Draft Scheme which is subject to approval by National Company Law Tribunal ("NCLT").
 - the proposed transfer of balance to Business Development Reserve as mentioned in clause 8.3 of the Draft Scheme from Capital Reserve and its subsequent utilization, as stated in clause 8.4 of the Draft Scheme, as per the Company's Board's resolution by transferring to General Reserve/other reserve does not conflict with the applicable Accounting Standards and other generally accepted accounting principles; however, such transfers can only be made if approved by NCLT.

Restriction on Use

- Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
- This Certificate is issued at the request of Company pursuant to the requirements of the 2013 Act for onward submission to the relevant NCLT. This Certificate should not be used for any other purpose without our prior written consent.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Sachin Parekh
Partner
Membership Number: 107038

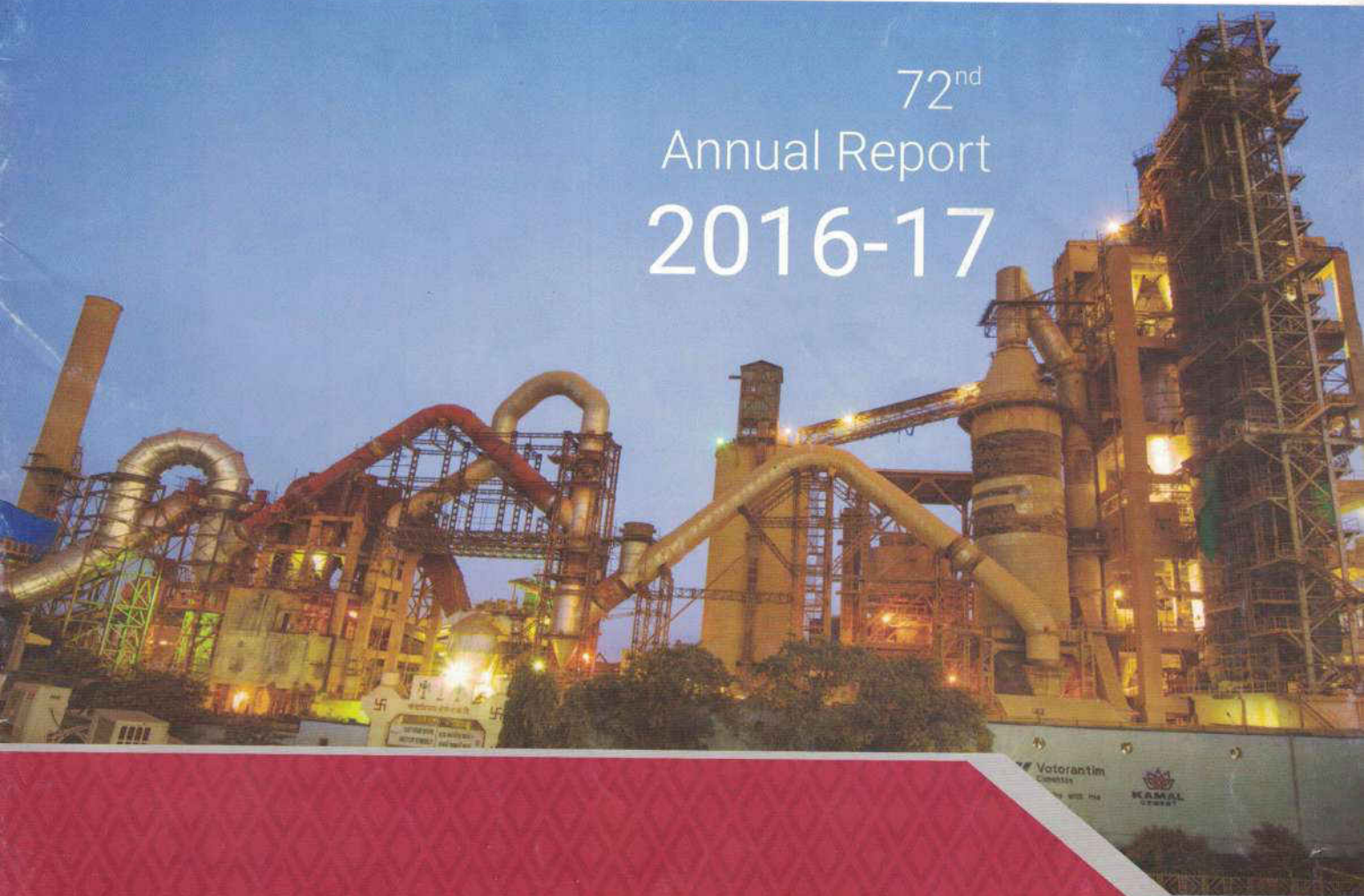
Place: Mumbai
Date: April 18, 2018

Encl: Copy of Draft Scheme initialed by us for identification purposes.





72nd
Annual Report
2016-17



 **Votorantim**
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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	



SHREE DIGVIJAY CEMENT COMPANY LIMITED



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;

- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2017 and the profit and loss of the Company for that Year;
- (c) the Directors have 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 have prepared the annual accounts of the Company on a going concern basis;
- (e) the Directors have laid down adequate internal financial control to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION

The Company has a "Nomination and Remuneration Committee of Directors" in place for nomination and appointment of Directors, Senior Management, Key Managerial Personnel and other employees in Senior Management category, who directly reports to CEO of the Company and, also process of deciding their remuneration. The Committee reviews and recommend to the Board the payment of remuneration to said Directors, Key Managerial Personnel and other employees in Senior Management category, who directly reports to CEO of the Company.

The Board of Directors of the Company follows the criteria for determining qualification, positive attributes, independence of Directors as per Nomination and Remuneration Policy and all appointments are in compliance with said policy and other applicable policies of Votorantim Group and of the Company.

Directors are appointed /re-appointed with the approval of the Members for a term in accordance with the provisions of the law and the Articles of Association. The initial appointment of CEO and Whole-time Director is generally for a period of three years. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise specifically provided under the Articles of Association or under any statute or terms of appointment. One third of the Directors who are liable to retire by rotation, retire at every annual general Meeting and are eligible for re-appointment.

CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

Details of Contracts/arrangement with the Related Parties are appearing under Note no. 32b and form part of this report. All related party transactions that were entered into during the year under report were on arm's length basis and were in the ordinary course of business. The related party transactions made by the Company with Promoter Company, have no potential conflict with the interest of the Company at large.

Related Party Transactions are placed before the Audit Committee as also to the Board, wherever required, for approval. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. The Company's management ensures total adherence to the approved Policy on Related Party Transactions to establish Arm's Length Basis without any compromise. Pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of material contracts and arrangements entered between the Company and the Related Parties are annexed hereto as **Annexure A**.

MATERIAL CHANGES AND COMMITMENTS

There have not been any material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company as on 31st March, 2017 and the date of this report i. e. 21st April, 2017.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information relating to conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo, required under Section 134 (3) (m) of the Companies Act, 2013 are annexed hereto as **Annexure B** and form part of this report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

- a) Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder are annexed hereto as **Annexure C**.

During the year under review, no employees, other than Whole-time Director, were in receipt of remuneration of not less than ₹ 75 Lakhs or ₹ 6.25 Lakhs per month during any part of the year. Though certain details on remuneration in respect of said Whole-time Directors are provided in Corporate Governance Report and forms part of this Report, in term of Section 136 of the Act, the Report and Account are being sent to the Members and others entitled thereto, excluding the aforesaid annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

- b) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for nomination and appointment of Directors, Senior Management, Key Managerial Personnel and their remuneration. The details of Remuneration Policy is stated in the Corporate Governance Report and annexed hereto as **Annexure D**.

The details of remuneration paid to the Managerial Personnel forms part of the Corporate Governance Report.

The Board of Directors of the Company follows the criteria for determining qualification, positive attributes,

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Independence of Directors as per Nomination and Remuneration Policy and all appointments are in compliance with said policy and the Board Diversity Policy of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The internal committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year under review, the Company has not received any complaints of sexual harassment.

RISK MANAGEMENT POLICY

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same. Your Company has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed.

CORPORATE SOCIAL RESPONSIBILITY [CSR]

Your Company aims to remain essential to the society with its social responsibility, strongly connected with the principle of sustainability, an organization based not only on financial factors, but also on social and environmental consequences. It is responsibility of your Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interest of Stakeholders.

The Company was the first industrial unit in the region, who started providing free drinking water, free medical amenities with free service of Maternity and Child Health, not only to its employees but to all nearby villagers, whosoever residing in the radius of more than 15 KMs.

As required under Section 135 of the Companies Act, 2013 and to demonstrate the responsibilities towards Social upliftment in structured way, the Company has formed a Policy. Details of the policy, CSR Committee, CSR spent during the year forms part of CSR Report and annexed hereto as **Annexure E**.

The CSR Committee is supported by an Executive Committee comprising of senior officers of the Company from different departments.

DIRECTORS

Ms.Meike Albrecht, Non-Executive and Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and, being eligible, has offered herself for re-appointment as the Director.

A brief resume of Ms. Meike Albrecht is attached to the Notice for the ensuing Annual General Meeting.

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 of the Companies Act, 2013 and provisions of the Listing Regulations stating that they meet the criteria of independence as provided therein.

DETAILS OF KEY MANAGERIAL PERSONAL (KMP)

During the year under report, Mr. MV Ramaswamy succeeded Mr. Arun Kamra and appointed as Chief Financial Officer (CFO) and as one of the key managerial personnel of the Company w.e.f. 3rd November, 2016. Mr. Arun Kamra ceased to be a CFO of the Company effective from 24th May, 2016, though he was associated with the Company as a full time employee till 30th September, 2016.

BOARD EVALUATION

The Board has adopted a "Policy on Evaluation of Performance of Directors and the Board" pursuant to the provisions of the Companies Act, 2013 and Regulation 27(2) of SEBI (LODR) Regulations 2015. In terms of this Policy, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees.

AUDITORS

Statutory Auditors and their Report

M/s. Price Waterhouse, Chartered Accountants were appointed as the Statutory Auditors of the Company at the 70th Annual General Meeting held on 20th May, 2015 until the conclusion of the 75th Annual General Meeting (AGM) to be held in 2020, subject to the ratification by the shareholders at each AGM till the year 2020.

M/s. Price Water House has confirmed their willingness and eligibility under Section 141 of the Act, and the rules framed thereunder for ratification of their appointment as Auditors of the Company.

The Audit Committee and the Board of Directors recommended the ratification of appointment of Price Waterhouse as Statutory Auditors of the Company for the financial year 2017-18.

The Auditors' Report to the shareholders for the year under review does not contain any qualification.

Cost Auditors and Cost Audit Reports

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of the Audit Committee appointed M/s. Kiran J. Mehta & Co., Cost Accountants, as the Cost Auditors of the company for the financial year 2017-18 and has recommended to the Shareholders the ratification of remuneration to Cost Auditors. M/s Kiran J Mehta & Co. have confirmed that their appointment is within the limits of the section 139 of the Companies Act, 2013, and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013.

The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length

relationship with the Company. Cost Audit Report for the financial year 2015-16 was filed with the Ministry of Corporate Affairs on 30th September 2016 vide SRN No. G12909164

Secretarial Auditor and Secretarial Audit Report

The Board had appointed M/s Manoj Hurkat & Associates, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2016-17. The report of the Secretarial Auditor is annexed as **Annexure F** to this Report. The report does not contain any qualification.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are annexed as **Annexure G** to this Report.

POSTAL BALLOT

During the year under review, the Company has successfully completed the process of obtaining approval of its Members through Postal Ballot on 12th January, 2017 on the Special Resolution for approval of Remuneration of Mr. KK Rajeev Nambiar as CEO & Whole-time Director.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has adequate internal financial control, which are constantly monitored by Finance Department.

The Finance Department monitors and evaluates operating systems, accounting procedures and policies at all locations of the Company. Based on the report of external Internal Auditors, the Audit Committee/ Board initiate corrective action in respective areas and thereby strengthen the controls. The scope, functioning, periodicity and methodology for conducting internal audit is as per terms agreed by the Audit Committee in consultation with the Internal Auditor and as approved by the Board. During the year under review M/s. Ernst & Young has acted as Internal Auditors of the Company. Significant audit observations and corrective actions thereon are periodically presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and SEBI (LODR) Regulations 2015. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

In terms of SEBI (Prohibitions of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct (Code) to Regulate, Monitor and Report Trading by Insiders. Any Insiders (as defined in Code) including designated employees and their

relatives are, inter-alia, prohibited from trading in the shares and securities of the Company or counsel any person during any period when the "unpublished price sensitive information" are available with them.

The Code also requires pre-clearance for dealing in the Company's shares and prohibits dealing in Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report forms an integral part of this Report, and is annexed hereto as **Annexure H**, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015.

HUMAN RESOURCES

Your Company encourages and provides regular training to employees to improve skills. Your Company has performance appraisal system for senior employees and junior management staff. In-house news-letters provide forum for information sharing. Rewarding individuals for their contribution is part of motivation towards Excellence. More details on this section is forming part of Management Discussion and Analysis Report.

HEALTH AND SAFETY/ INDUSTRIAL RELATIONS

The Company continues to accord high priority to health and safety of employees at all locations. During the year under review, the Company conducted safety training programs for increasing disaster preparedness and awareness among all employees at the plant. Training programs and mock drills for safety awareness were also conducted for all employees at the plant. Safety Day was observed with safety competition programs with aim to imbibe safety awareness among the employees at the plant.

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of following items as either there were no transactions on these items or these items are not applicable to the Company during the year under review:

- 1) No material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March 2017 and the date of this report.
- 2) No Company have become or ceased to be Subsidiary, Associate or joint venture of the Company during the year under review.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

- 3) No significant and material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

ENVIRONMENT SUSTAINABILITY

We believe in sustainable development. We regard social, economic and environmental responsibility as integral element of our business.

Your Company is ISO 14001 Environment Management system Certified and adhere to OHSAS 18001 standards of Safety and Occupational Health. Professional Environment Auditors such as Det Norske Veritas, the State Pollution Board's certified auditors and Environmental System Auditors conduct periodic in-depth environmental audit on our plant. The Audit Reports validate our commitment to environmental conservation. Large scale plantations in the mines, plant, colonies and surrounding areas provide a lush green cover and are reflection of our respect for the environment.

ACKNOWLEDGEMENT

Your Directors are thankful to the Central and State Government Departments, Organizations and Agencies for their continued guidance and co-operation. The Directors are grateful to all valuable Stakeholders, Dealers, Vendors, Banks and other business associates for their excellent support and help rendered during the year. The Directors also acknowledged the commitment and valued contribution of all employees of the Company.

Your Directors wish to place on record their appreciation for the support and guidance provided by its Parent Company, Votorantim Cimentos.

For and on behalf of the Board

Sven Erik Ooppelstrup Madsen
Director

K.K. Rajeev Nambiar
CEO & Whole-Time Director

Place : Mumbai
Date : 21st April, 2017

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC SCENARIO AND OUTLOOK

The Indian economy has certainly performed creditably compared to most developed and emerging markets of the world in the past year. The macroeconomic condition is stable; consumer price inflation is well under control and the wholesale price inflation is in negative territory.

The prospect for economic growth became buoyant with the agrarian and rural economy benefiting from a good monsoon after two successive rain-deficient years. The growth was affected in the last five months of the year by the impact of the demonetization scheme. The financial year is expected to end with GDP growth estimated at around 7.0%.

The year closed as a momentous year for the country marked by two landmark economic reforms even as the global economic scenario was indifferent.

The first is the Goods and Services Tax (GST), a single tax intended to replace the existing Central and State indirect taxes, which is expected to come into force from 1st July, 2017.

The second reform was the roll out of the demonetization scheme in early November. In the long run, this reform aims to usher in greater transparency in financial transactions and a transition towards a cashless economy.

The Cement sector which grew at over 6% in the first two quarters tapered off in the third quarter due to the effect of demonetization to end the year with growth of 5% in 2016-17, in the short term, it has squeezed liquidity and consumption across the economy, notably in the construction sector.

Thanks to historically low prices of crude oil, minerals and metals, input costs have reduced with the balance of payment situation being better than it has been in the last six years.

The Union Budget for 2017-18 was welcomed for its thrust on the rural sector, infrastructure development, housing and a

boost to the overall investment climate. If 2017-18 also experiences anormal monsoon, GDP growth is likely to rebounding the second half of the year. Better liquidity and improved tax collections will enhance government's ability to spend on infrastructure and other development projects, leading to faster growth.

INDUSTRY OVERVIEW

Cement is indispensable for nation building and has a direct linkage with the nation's health and growth. India's cement industry is a vital part of its economy, providing employment to millions of people, directly or indirectly. Ever since it was deregulated in 1982, the Indian cement industry has attracted huge investments, from both Indian and foreign investors, making it the second largest in the world. The industry has evolved over time to become more organised, efficient and structured; and has achieved substantial improvements in manufacturing technology. Innovation, increased use of blended cement, increased energy efficiency, advanced technology and use of alternative fuels have played an important role in protecting the environment and have helped the nation preserve its rich natural resources.

The Indian cement industry has an installed capacity of 375 million tonnes with the most modern cement plants coupled with latest technologies and are comparable to the best in the world. It is estimated that 60% of the cement demand comes from housing, 25% from infrastructure and remaining 15% from institutional and commercial sectors. While housing constitutes around 60% of the cement demand, the rural housing accounts for 40% of the total demand. India has the largest homeless population in the world and the rural housing offers a huge opportunity. The surge in the rural housing demand is expected mainly on account of strong wage growth.

With a stable growth-oriented perspective of development, aided by suitable government policies and also to the Union Budget 2017-18, which has given a boost to the critical areas of agriculture, education, rural development and infrastructure, particularly the road sector, the infrastructure and investment cycle is expected to pick up and simultaneously the demand for cement is expected to increase in FY 2017-18 as compared to FY 2016-17.

Though India has witnessed sustained cement consumption growth in last 16 years since 2001, the cement volume growth has been weakening in last 4/5 years, led by a slump in infrastructure, commercial and housing sector. While the capacity in the cement industry doubled in last decade, the growth in cement demand remained low when the capacity was getting added leading to surplus capacity. The industry has created capacity on the back of government's projection of potential cement demand arising out of thrust given to housing and infrastructure development of the country. However, cement demand, as projected, did not materialise while capacity was created.

The cement demand remained weak primarily due to low consumption from end-user sectors and procedural delays in clearance for industrial and infrastructure projects. Going forward, capacity addition is expected to be limited and the cement demand is expected to improve resulting in higher capacity utilisation.

COMPANY'S PERFORMANCE

During the year under review, the working results depict a setback in operation. The fall in turnover is attributable to low off take of Cement coupled with fall in unit realization with consequential impact on PBIDT.

Highlights of the Company's Operational & Financial Cost Management Performance

Operational Performance

	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)
Installed Capacity (Lakhs TPA)	10.75	10.75	10.75
Capacity equivalent for 15 months			13.44
Production (Lakhs TPA)			
Clinker	7.26	7.74	9.97
Cement	8.49	9.90	12.08
Effective Capacity utilization@	78.96%	92.13%	89.88%
Sales Volume (Lakhs Ton)			
Domestic - Cement	8.54	9.77	11.97
Net Cement Sales Realization (₹/ MT)	3687	3862	3878

@ Effective capacity utilization = Cement Production + Clinker sold / Installed capacity.

Financial Performance

(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)
Net Sales / Income from Operations	31606	37893	46639
Add: Other operating Income	308	838	919
Less: Total Expenditure	30858	35502	43691
Profit before other income, interest, Depreciation & Exceptional items	1056	3139	3867
Add: Other Income	893	398	564
Profit from operation (before interest, Depreciation & Exceptional items)	1949	3537	4431
Less: Interest	1147	1058	1326
Less: Depreciation	2219	1884	2580
Profit after interest & depreciation but before Exceptional items	(1417)	595	525
Profit from ordinary activities before tax	(1417)	595	525
Less: Tax Expenses	-	-	-
Net Profit (Loss) for the year after tax	(1417)	595	525

COST MANAGEMENT

During the year under review, the Company was able to achieve a lower operating cost backed by favorable fuel prices and excellence program undertaken by the Company with an aim to improving efficiency.

Power & Fuel

Power and fuel costs account for approximately 30% of the total expenses. Coal cost for kiln reduced by 23% as compared to previous year mainly to take advantage of softening global prices of petcoke, achieve a higher share of petcoke in the overall fuel mix and thus moderate the Company's dependence on imported coal.

This enabled the consumption of pet-coke to leap from a level of 14% in 2015-16 to as much as 49% in 2016-17.

The average cost of purchased power during the year was ₹ 6.91 per KWh as compared to ₹ 6.50 per KWh in the preceding year, effective cost of power reduced as compared to previous year mainly due to advantage of WHR power generation. Benefit of WHR offset by the increase in PGVCL cost by ₹ 0.64 per KWH due to increase in cross subsidy charges by the State Government.

Power Generation through Waste Heat Recovery System

The Waste Heat recovery system generated 50 Lakhs unit (Net basis) of electrical energy during the year. This resulted in financial savings of about ₹ 255 Lakhs.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Employee costs

Employee benefit costs during the year decrease by 6.51% (compared to 12 Months period of 2015-16). Cost of employee account for 8% of total expenses in 2016-17.

Use of Fly-ash

Keeping in line with the Company's philosophy of Sustainable Operations, a number of initiatives were undertaken to enhance fly ash consumption in PPC with quality.

OPPORTUNITY

The overall demand for cement has, only recently, shown signs of pick-up and if the momentum continues the margins of the Company will improve. Interest rates may soften in the coming months, helping retail home buyers. Factors like reduction in variable costs, including those of coal, Pet coke, slag and fly ash, as well as those of packaging material, are expected to contribute to the improved performance.

Limestone: As limestone is the primary raw material required in the manufacture of cement, the security of its uninterrupted long-term availability is critical, particularly in view of changing regulations.

Under the new Mines and Minerals (Development & Regulation) Amendment Act 2015 (MMDR), leases granted before the commencement of the Act, for captive use are extended for a further period of 50 years, or till the completion of their renewed period, whichever is later. Most of the Company's limestone leases thereby get an extension up to March 31, 2033 by virtue of this Act. For new leases, the period of lease will be fifty years from the date of grant.

With the new Act, the earlier policy of deemed renewal has been discontinued and all the mining leases will henceforth be allotted through an auction, which has made it difficult to retain existing leases /acquire new leases. Forest & Wild Life clearances are now a pre-requisite and land acquisition is becoming more challenging and expensive.

To address this risk, the Company plans to secure new mining leases for its plant. Further the Company continues to increase consumption of pet coke and additives which enables it to use low grade limestone and thereby conserve minerals and increase the life of the mine.

During the year, Company has been successful in securing three new limestone leases having 27 MT of high grade limestone reserve. These Lease areas were under dispute before Hon'ble Gujarat High Court and during the financial year 2016-17, Hon'ble Court has issued the Judgment in favour of Company thereby opening the route for grant of lease and subsequent lease deed execution, subject to obtaining Environmental Clearance. Company is in the process of obtaining Environmental, land and other clearances from appropriate authorities.

THREATS, RISK & CONCERN

Increasing cost of material, freight and forwarding cost, duties & taxes are pushing the cost of production without a corresponding increase in the marketing scenario. This will pose a threat to improving the overall scenario in respect of cement.

Despite the initiatives announced by the Government, cement demand did not pick up as anticipated. Many projects / policies were announced / initiated by the government to support and aid the growth of the industry.

However the pace of investment and construction activities continued to remain low. Expectations and ground realities are yet to converge. With substantial surplus capacity, the cement industry is relatively at a low level of capacity utilization.

Non-availability of new limestone mines is and high incidence of taxes and duties are also the matter of concern for the industry.

The Indian Cement Industry is becoming intensely competitive, with the foray of new entrants and existing players expanding inorganically. This could potentially impact the sales volumes, market share and profitability.

The manufacture of cement is an energy intensive process requiring large quantities of electrical energy. The Industry continues to face rise in freight and forwarding costs, which have significantly increased over the past 3/4 years. Though, the coal and pet-coke prices have remained soft during the year, any major rebound in prices may increase the costs. To mitigate this risk the Company entering into firm contracts for part volume and balance on spot to capture opportunities, spreadout purchases throughout the year and explore long term offtake from local refineries.

INTERNAL CONTROL SYSTEM

The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use of disposition. Further, all transactions entered into by the Company are duly authorized and recorded correctly. M/s. Earnst & Young, Chartered Accountants were working as the Internal Auditors of the Company till 2016-17. However, as per Company's policy on rotation, Company has for next financial year appointed M/s. Deloitte Haskins & Sells LLP as the Internal Auditor of the Company to conduct internal audit of its various divisions / operations. The Internal Auditors submit reports to the Company on a Quarterly basis.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures 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.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

Human Resource department plays an important role for its engagement and leadership development processes in

nurturing talent necessary to keep the organisation's talent pool future ready. In line with this, the Company continued with efforts to ensure that its pool of human resources is "future ready" through its robust processes of learning & development, capability building and its development programmes. Efforts were taken to develop leadership lines as well as to enhance technical and functional capabilities with special focus on nurturing young talent, in order to face future challenges. Company organized several training and coaching program to develop the leadership, technical and management skills of employees. Employee engagement program were organized to create openness and sharing ideas by employees. This learning journey includes formal, informal and highly interactive components that would help in honing their leadership, and coaching skills. It will ensure that the development initiatives result not just in better skills but in enhanced performance and higher engagement.

In 2015, many employees were invited to participate in a Global Employee Climate Survey. Participation and feedback from employees of the Company was overwhelming and highly appreciated. Looking at the success and outcome of

this survey, Climate Survey is again proposed to be undertaken during the financial year 2017-18.

The total number of employees in the rolls of the Company as on 31st March, 2017 was 286 (Previous year as on 31st March, 2016, number was 301)

Industrial relations during the year under report remained cordial.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations, tax laws, natural calamities, litigation and industrial relations, monsoon, economic developments within the country and other factors.

ANNEXURE " A "

FORM NO. AOC -2

Particular of contracts / arrangement made with related parties

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangement or transaction entered into during the year ended 31st March 2017, which are not at arm's length basis and not in the ordinal course of business.

2. Details of material contracts or arrangements or transactions at arm's length basis:

The details of material contracts or arrangement or transaction conducted at arm's length and in the ordinal course of business for the year ended March 31, 2017 are as follows:

Name (s) of the Related Party & Nature of Relationship	Nature of contracts/ arrangements/ transaction	Duration ³	Salient Terms	Amount (₹ in lakhs)
Votorantim Cimentos EAA Inversion (VCEAA) (Holding company)	License for providing technological know-how and technical assistance	Ongoing	a) availing of technological know-how services and technical assistance from VCEAA b) Company shall pay VCEAA a sum equal to 2% of the net sales of Company per quarter as royalties.	632.12
	Guarantee commission	Ongoing	a) VCEAA to act as Guarantor for financial assistance taken by Company from third parties. b) Company shall pay VCEAA, an annual remuneration on quarterly basis @ 1.5% over the total amount guaranteed by VCEAA.	167.63

3. Shareholders' approval was taken at 70th AGM for a period of three financial years, considering that above contracts / transactions are material in nature as defined under erstwhile clause 49 of Listing Agreement and under the SEBI Listing Regulations (LODR). Prior approval of the Audit Committee was taken for all of these transactions. Specific approval of the Board of Directors under Section 188(1) of the Companies Act, 2013 was not required as the transactions were at arm's length basis and in the ordinal course of business. As regards justification of the related party transactions, it may be noted that all such transactions are at arm's length price, and provide maximum security and guarantee from Group, which are in the best interest of Company and as per corporate strategy and policy.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 21st April, 2017

A.K. Chhatwani
Chairman

SHREE DIGVIJAY CEMENT COMPANY LIMITED

ANNEXURE "B"

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Information Under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ending 31st March, 2017.

CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy	• Installation of LED lights in plant and colony to conserve electricity (Saving of 15 kW in load). • Installation of Astro timers to fine tune on-off the lights. • Increase in fly-ash consumption (by improving fly-ash quality) to improve Clinker-Cement ratio and thus reduction in power consumption (Saving of around 10.92 Lacs kWh annually). • Optimization of voltage in Grid in-comer transformer to reduce losses. • Improvement of Power Factor on grid to 0.985 from 0.978 • Installation of VFD in Boiler feed pump of Waste Heat Recovery Power Plant (Saving of 60 kW in load). • Replacement of worn RM bypass duct, GCT bottom hopper, arresting false air in other areas and improvement in sealing of cooler inter-compartments to reduce thermal and power consumption (Saving of 1077 MT coal annually). • Supply of compressed air of RM & Kiln Bag Filter from plant compressor to stop the dedicated compressor of the bag filter (Saving of 20 kW in load). • Various steps to decrease the cement grinding power by 2 kWh/Ton. - Grinding media sorting in ball mill - Replacement of table liner of Pre-Grinder • Auto start-stop of clinker transport belts with clinker hopper level (Saving of around 1.09 Lakhs kWh annually). • Energy Audit got conducted to establish thermal energy saving potentials. • Optimization of compressed air by continuous monitoring and survey and arresting of leakages. • Combustion and raw mix optimization to use Pet-coke to the level of 50%. • Effective implementation of Preventive, Predictive and Condition Based maintenance to improve plant reliability.
(ii) The steps taken for utilizing alternate sources of energy	Revamping of Waste Heat Recovery Generating plant (WHRP) which as on date generate 3 MW (Gross) power. Steps are being taken to further improve the performance and output from WHRP.
(iii) The capital investment on energy conservation equipment	₹ 550.8 Lakhs spent on revamping Waste Heat Recovery System.

TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption.	- Trials with different Grinding Aids to optimize cost and improve the quality. - Optimization of Gypsum usage and quality by monitoring of SO3 content. - Optimization of Raw Mix by installing Online Cross Belt analyzer before stock-pile. - Increased fly-ash absorption to level of 32% and study on usage of Pond Ash available in nearby power plants. - Study carried out on use of alternate raw material. Start using spent catalyst available from nearby refinery plants. - Modification in internals of cooler ESP. Modification in inlet duct and GD screen to be taken-up in next opportunity based on CFD study to reduce emission. - Better quality of filter bags to be installed in bag house of Pre- Grinder to reduce emission.			
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.	- Improved cement quality and enhancement of fly-ash usage. - Reduction in clinker factor to reduce CO₂ emission. - Reduction in production cost. - Improvement in MTBF and Specific Power Consumption.			
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – (a) The details of technology imported; (b) The year of import; (c) Whether the technology been fully absorbed; (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	- Pet-coke Grinding mill. - VFD - Coriolis Feeders for coal firing. - Bag Filter for Kiln and Raw Mill circuit. - Online Gas Analyzers for kiln inlet, Pre-heater and Pre-Calcliner outlet and Bag Filter inlet. - Fuse Bead machine - Bom Calorimeter			
(iv) the expenditure incurred on Research and Development	1	Capital Expenditures		NIL
	2	Recurring Expenses (₹ In Lakhs)		2016-17 (April 16 to Mar 17) 2015 -16 (Jan 15 to Mar 16)
		a	Technical Royalty	632.12 932.79
		b	R & D Cess	31.61 46.64
		c	Contribution to Cement Cess	- 9.05
	3	Total R&D Expenditure as a percentage of total turnover		2.08% 2.08%

FOREIGN EXCHANGE EARNINGS & OUTGO

₹ in Lakhs

	2016-17	2015-16
Foreign Exchange earned	NIL	NIL
Foreign Exchange used	866.93	1221.20

SHREE DIGVIJAY CEMENT COMPANY LIMITED

ANNEXURE "C"

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of the remuneration of each Director / Key Managerial Personnel (KMP) to the median remuneration of all the employees of the Company for the Financial Year.

Median remuneration of all the employees of the Company for the Financial Year 2016-17 (in ₹)	4,65,629
Percentage increase in the median remuneration of employees in the Financial Year	10%
Number of permanent employees on the rolls of the Company as on 31 st March, 2017	286

Sr.	Name of the Director / KMP ¹	Designation	Ratio of remuneration to median remuneration of All employees	% Increase in remuneration in the FY 2016-2017
1.	Mr.A.K.Chhatwani	Director (Independent)	4.03	NA
2.	Mr.A. Kumaresan	Director (Independent)	3.76	NA
3.	Mr.K.K.Rajeev Nambiar	CEO & Whole-time Director	31.64	4.50
4.	Mr. Arun Kamra ²	CFO	4.09	NA
5.	Mr. M.V. Ramaswamy ²	CFO	1.26	NA
6.	Mr. Suresh Meher ³	A.V.P. (Legal) & Company Secretary	7.88	14.72

Notes

1. The ratio of remuneration of each Director and KMP to the median remuneration is based on the remuneration paid during the year 2016-17 in their respective capacity as such Director or KMP. Other Directors were not paid any remuneration during the financial year.
2. Mr. M.V. Ramaswamy and Mr. Arun Kamra were associated with the Company only for the part of the financial year. Mr. M.V. Ramaswamy was appointed as CFO w.e.f. 3rd November, 2016 and Mr. Arun Kamra ceased to be CFO & KMP effective from 24th May, 2016 (though he was associated with the Company as a full time employee till 30th September, 2016). The ratio of remuneration and increase in the percentage of remuneration of Mr. M.V. Ramaswamy and Mr. Arun Kamra are, therefore, not comparable.
3. Percentage increase in remuneration of Mr. Suresh Meher also includes the proportionate hike due to update in his employment conditions effective from 1st January, 2017. Incentives paid to him for taking up additional responsibilities as HR Director during the year is not taken into account while calculating ratio of remuneration or percentage increase his salary.

ii. Average percentile increase made in the salaries of employees other than the Managerial Personnel and its comparison with the percentile increase in the Managerial Remuneration and justification thereof:

On an average an employee receives an annual increase of 9%, which also include wage increments for unionized employees due to wage settlements. The wage revision for staff cadre employees is done annually as per Company's and Group Policy. In order to ensure that remuneration reflects Company performance, the performance pay & annual increment are also linked to organization performance, apart from an individual's performance. The individual increments for staff cadre employees are based on Cost to Company (CTC) consisting of Annual Base Salary and the performance/ variable pay. The percentage increase in remuneration of Mr. Rajeev Nambiar, CEO & Whole-time Director during the year is mentioned in table above.

Average increase in the remuneration of the employees other than the Managerial Personnel and that of the Key Managerial Personnel is in the line with the industry practice and industry trends. Average increase in the remuneration is also guided by factors like economic growth, inflation, mandatory increases, external competitiveness and talent retention. Whilst the Company endeavors on cost effective initiatives including employees cost being one of the key areas of cost monitoring and control, the results of any structural initiatives needs to be measured over a long term horizon and cannot be strictly compared only with annual performance indicators.

iii. Relationship between average increase in Remuneration and Company Performance:

The compensation policy at Company is to provide remuneration that is market competitive and linked to performance of both the Company and the Individual. The average increase in remuneration during Financial Year 2016-17 was 9% as compared with previous financial year. Net revenue of the Company during the financial year was ₹ 35,280 lakhs as against ₹ 42,386 lakhs in the corresponding 12 months period previous year. Employee costs during the year decreased by 6.51% (compared to 12 months period during previous financial year). The total employee cost as a percentage of total expenses in 2016-17 was 8%. The performance of the Company was under pressure due to market conditions and the challenges it faced during the year. These are explained in detail in the operations and performance section of the Director's Report and the Management Discussion & Analysis Report.

iv. Comparison of the remuneration of the KMP against the performance of the Company:

The remuneration of the KMP is as per the Remuneration Policy of the Company and Group. The remuneration is benchmarked against market and also based on the performance of the Company and the individual. Given the Company performance and performance ratings of the KMP, appropriate reward by way of merit increase and variable pay has been awarded to the KMP for the year.

v. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company to the rate at which the Company came out with the last public offer:

Variation in the market capitalisation: The market capitalisation was ₹ 32,799 lakhs as at 31st March, 2017 as compared to ₹ 23,468 as at 31st March, 2016, i.e. an increase of almost 40%.

Price earnings ratio: The price earnings ratio for 31st March, 2017 is negative due to loss during the year.

Percentage increase in the market quotation of shares of the Company as compared to the rate of last public offer:

The closing price of Company's equity shares on BSE Limited as of 31st March, 2017 was ₹ 23.20 as compared to ₹ 16.60 as at 31st March, 2016. The Company has not made any public offer in the recent past and accordingly, comparison of Public Offer Price and the current market price of the Company's shares will not be relevant.

vi. The key parameters for any variable component of remuneration availed by the directors

Performance assessment is based on the Company performance and individual performance. Based on the performance assessment, the variable remuneration is approved by the Nomination & Remuneration Committee and recommended to the Board for their approval within the overall limits as permitted under the law and as approved by the Members. Other than, CEO & Whole-time Director, no other Director is in receipt of any variable components of remuneration.

vii. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable

viii. The remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 21st April, 2017

A.K. Chhatwani
Chairman

SHREE DIGVIJAY CEMENT COMPANY LIMITED

ANNEXURE "D"

Nomination and Remuneration Policy

1. Preface

Shree Digvijay Cement Company Ltd. (the "**Company**"), a Votorantim Cimentos Group company, is committed to excel in every sphere of its activity by attracting and retaining qualified, talented and experienced professionals through efficient selection and evaluation mechanism and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintains a high performance work force.

The Board of Directors of the Company (the "**Board**") has constituted Nomination and Remuneration Committee (the "**Committee**"), which inter alia may formulate a Policy on nomination, appointment and remuneration of all Directors, Key Managerial personnel and Senior Management Personnel (being the direct reportees to the CEO i.e. the persons holding the positions namely, CFO, CS, HR-Head, Technical Head, Marketing Head and SCM-Head) of the Company in terms of Section 178 of the Companies Act, 2013 & Rules made thereunder, including any amendment thereof (the "**Act**") and Listing Agreement, including any amendment thereof (the "**Listing Agreement**"). The categorization of the previous positions for the purpose of determining remuneration will be done following the Company Global Grading Methodology.

This Policy, effective from 1st January, 2015, inter alia, sets out the guiding principles for determining the nominations of Directors & Key Managerial Personnel, and remuneration of Whole-time Director(s), Managing Director and other Executive Directors ("Executive Directors") & other Directors, Senior Management Personnel and other employees, which is aligned with the Corporate Global System, based on HAY Grades.

2. Criteria for identification of Directors and Key Management Personnel

While recommending to the Board the appointment of Directors and Key Managerial Personnel, the Committee will consider and take care of the criteria as specified in the Act, Listing Agreement and as per Corporate Global System & Group policy.

3. Principles, Process and Criteria for determining Remuneration

The Policy on remuneration is formulated on the principles as prescribed under the Act and on the criteria followed under Corporate Global System & Group Policy.

The Board shall, on recommendation of the Committee, review and approve the remuneration payable to the Executive Directors on their appointment / reappointment, which shall be within the overall limits prescribed under the Act.

The Board shall, on recommendation of the Committee, review & approve the remuneration payable to the Key Managerial Personnel (KMP) of the Company at the time of their appointment. Any revision or annual increment in remuneration of KMP shall be as per the criteria laid down under this Policy. The remuneration for all Senior Management Personnel, other than KMP, both existing and new appointee, including any revision of such remuneration shall be as per the criteria laid down in this Policy. Provided that before fixing and finalizing any remuneration, including annual revision in salary and variable pay, for Senior Management Personnel, feedback/recommendation of the Committee be taken into consideration. Such revised remuneration and variable pay will either be approved by the Committee at its meeting or through circular resolution and to be ratified at its next Committee and the Board meetings.

Remuneration for all Non-Executive Directors (including Independent Directors) shall be within the over all limits prescribed under the Act. Independent Directors shall be entitled to sitting fees for attending each meeting of the Board and committees thereof as per limits as approved by the Board from time to time.

The remuneration payable to the Executive Directors, Senior Management Personnel and other employees shall comprise of fixed and performance based components as detailed below:

Fixed Remuneration:

- The Annual Fix Remuneration is referred to the Annual Gross Base Salary of the employee (ABS).
- The ABS is determined taking into account 1) the Job Description of the position, 2) the Job Evaluation of the position, 3) the resulting HAY Grade, and 4) the ABS positioning with respect to the Market, through the corresponding Salary Bands linked to the HAY Grades.
- The ABS will be reviewed on an annual base following the Company's Performance Appraisal System.

Performance Based Remuneration & Recognition:

(a) Corporate Variable Pay System:

The Annual Short Term Incentive System (also known as Annual Variable Pay System) is a Corporate Global System to foster the alignment between the Company Goals and the Individual Targets. It is structured through the Balance Scorecard Methodology, ensuring the proper cascading down of the goals from Top Levels to Junior Levels. The Company shall reward Executive Directors, Senior Management Personnel and other employees based upon the Company's performance and their own individual performance to create a strong

relationship between performance and remuneration. The percentage of performance based remuneration / variable pay under Corporate Variable Pay System in the total remuneration package of each employee shall be determined according to his / her Pay Grade in the organization so as to ensure that the remuneration package is fairly balanced to attract, retain and motivate skilled professionals.

The variable pay shall be divided into two parts, i.e.

- 1) Company Financial Goals and,
- 2) Operational and Individual Goals.

(b) Long Term Retention Plan:

Performance Evaluation System (PES):

The Company has a detailed and structured PES, which is aligned with Global Performance Appraisal System. Based on the review of performance through the PES process, the Company shall assess the employees' competencies, eligibility for promotion and increment of Senior Management Personnel, KMP and other employees. The CEO shall in consultation with VCEAA Corporate Head Quarter from time to time decide the annual increments / revisions to be given to employees, including Senior Management Personnel and KMP as per the guidelines given in this Policy.

Other terms & benefits:

The Company shall also extend additional benefits to employees depending upon their position and duties, which will be as per HR policy of the Company & Group. Payment of retirement benefits such as Provident Fund, Superannuation, Leave Encashment and Gratuity will be as per relevant laws, applicable from time to time. The Company at present has no stock options plans. All other payments shall be made as per employment contract.

(c) People Development:

Company supports professional development of people by job enlargement and job enrichment and also by sharing best practices of Votorantim Cimentos Group. Exchange of best practices will be supported by project assignment, whether short term assignment (STA) or long term assignment (LTA).

4. Others

The Board on recommendation of Committee will carry out evaluation of every Director's performance as per the Act and Listing Agreement. It is the responsibility of the Board to oversee that plans are in place for orderly succession for appointments to the Board and to Senior Management positions.

5. Amendment

The above criteria and the Policy may be subject to review by the Committee and the Board of the Company.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

ANNEXURE " E "

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

CSR Policy is stated herein below:

Web Link: <http://digvijaycement.com/csr/>

2. The Composition of the CSR Committee

Mr. A.K.Chhatwani Chairman (Independent Director)

Mr. A.Kumaresan Member (Independent Director)

Mr. KK Rajeev Nambiar Member (Whole-time Director)

During the year, the committee met once on May 24, 2016, and required quorum was present at the meeting.

3. Average net profit of the company for last three financial years: (₹ In Lakhs)

Particulars	2013	2014	2015-16
Net Profit	(3464.05)	374.52	539.16

Average net profit of the Company for last three financial years is negative at ₹ 850.14 Lakhs

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above) : ₹ NIL

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year : ₹ NIL

(b) Amount un-spent, if any : Not Applicable

(c) Manner in which amount has been spent during the financial year 2016-17 is below given:

Sr.	Title of the Project	CSR Activities and areas where spent	Spent in ₹*
1	Promoting Health Care, Hygiene and Sanitation	Company conducted various immunization programs, Blood donation Camp, Family Welfare Education, Health Care, Safe as well as periodical Health Check-up and improvement in sanitation in and around Sikka Digvijaygram, and Gop mines	38,798
2	Promotion of Education	Company manages a full-fledged Primary/Secondary School at Digvijaygram and at Gop (Mine Area) and also runs Technical School for the local people staying nearby areas. During the year, the Company contributed towards development of infrastructure facilities & renovation of Technical School Building including skill development, improvement of health & hygiene etc.	5,63,659
3	Contribution to Chief Ministers Fund	Motivation towards Girls Education & Shala Pravesh	1,49,145
4	Women Empowerment and Skill Development	Company had in 2015-16 distributed sewing machines and imparted training to women of Sikka and nearby villages. This year Company conducted refresher tailoring classes. It also conducted computer training, cooking classes etc. and involved in other activities in promoting gender equality and empowering women at Sikka and other nearby villages.	36,040
5	Other Social Welfare Activities	Promoting local art & culture, sports and activities by building, renovating cow shelter and other animal welfare activities at Sikka and other nearby villages.	2,43,098
Total			10,30,740

*As against spending obligations of ₹ NIL for 2016-17, the Company has voluntarily spent a sum of ₹ 10.31 lakhs towards CSR activities.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amounting its Board report :

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objective and Policy of the Company.

CSR Committee confirm that the implementation and monitoring of CSR Policy is in Compliance with CSR Objectives and policy of the Company.

Place : Mumbai
Date : 21st April, 2017

A.K. Chhatwani
Chairman- CSR Committee

K. K. Rajeev Nambiar
CEO & Whole-time Director

ANNEXURE "F"

SECRETARIAL AUDIT REPORT

[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 of
SHREE DIGVIJAY CEMENT COMPANY LIMITED
Digvijaygram - 361140
Via Jamnagar, Gujarat

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE DIGVIJAY CEMENT COMPANY LIMITED** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2017 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 thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder 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 to the Company:-
 - 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, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We 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 Equity Listing Agreements entered into by the Company with the BSE Limited and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. There are no other laws applicable specifically to the Company in respect of the business/activities carried out by the Company which are required to be reported under this clause.

We further report that:

- a) 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.
- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Directors 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.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period, there no events/actions which has taken place and have major bearing on the affairs of the Company in pursuance of

the above referred laws, rules, regulations, guidelines, standards etc.

For MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

MANOJ R HURKAT
Partner
FCS No. 4287
C P No.: 2574

Place : Ahmedabad
Date : 21st April, 2017

Note: This Report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this Report.

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT

To
The Members,
Shree Digvijay Cement Company Limited
Digvijaygram - 361140
Via Jamnagar, Gujarat

Our 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. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.

5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same 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 MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

MANOJ R HURKAT
Partner
FCS No. 4287
C P No.: 2574

Place : Ahmedabad
Date : 21st April, 2017

ANNEXURE "G"
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.
I REGISTRATION & OTHER DETAILS:

i	CIN	L26940GJ1944PLC000749
ii	Registration Date	6th November, 1944
iii	Name of the Company	Shree Digvijay Cement Company Limited
iv	Category/Sub-category of the Company	Public ,Listed Company having Share Capital
v	Address of the Registered office & contact details	Digvijaygram, Dist: Jamnagar, Gujarat -361140 Tel. No. 0288-2344272 -75 Fax No. 0288-2344092 email: investors.sdcl@vcimenots.com Website: www.digvijaycement.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-101, 247 Park Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai-400 083 Tel. No. 022-4918 6270 Fax No. 022-4918 6060

II 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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Cement	3242	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Votorantim Cimentos EAA Inversiones S.L. Calle Brasil 56, 36204 Vigo Spain	N.A.	Holding Company	73.36	2(46) of the Companies Act,2013
2	Votorantim Cimentos S.A. Rua Gomes de Carvalho 1.996 12, Pavimento - cj 122 0457-006, Sao-paulo-SP	N.A.	Intermediate Holding Company	1.64	2(46) of the Companies Act,2013

SHREE DIGVIJAY CEMENT COMPANY LIMITED

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category -wise Shareholding

Sr No	Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2016)				No. of Shares held at the end of the year (March 31, 2017)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0	0	0	0	0	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Sub Total (A)(1)	0	0	0	0	0	0	0	0	0
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Bodies Corporate	105995344	35364	106030708	75	106030708	0	106030708	75	0
	Sub Total (A)(2)	105995344	35364	106030708	75	106030708	0	106030708	75	0
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	105995344	35364	106030708	75	106030708	0	106030708	75	0
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(f)	Financial Institutions / Banks	2410	3347	5757	0.004	2410	3347	5757	0.004	0
(g)	Insurance Companies	0	450	450	0.000	0	450	450	0.000	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	2410	3797	6207	0.004	2410	3797	6207	0.004	0
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.000	0	0	0	0.000	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 2 lakh.	18342363	689536	19031899	13.462	18613829	681373	19295202	13.648	0.186
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	10773063	23180	10796243	7.637	10253980	23180	10277160	7.269	-0.367

Sr No	Category of Shareholders	No. of Shares held at the beginning of the year (April 1,2016)				No. of Shares held at the end of the year (March 31, 2017)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
(c)	Employee Trusts	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Trusts	43790	0	43790	0.031	56290	0	56290	0.040	0.009
	Foreign Nationals	100	1000	1100	0.001	100	1000	1100	0.001	0.000
	Foreign Directors	0	500	500	0.000	0	500	500	0.000	0.000
	Indian Director	0	0	0	0.000	200	0	200	0.000	0.000
	Enemy Poperty	0	1250	1250		0	1250	1250	0.001	0.000
	Hindu Undivided Family	1704747	0	1704747	1.206	1829143	0	1829143	1.294	0.088
	Foreign Companies	0	0	0	0	0	0	0	0.000	0.000
	Non Resident Indians (Non Repat)	103241	2730	105971	0.075	112668	2730	115398	0.082	0.007
	Non Resident Indians (Repat)	1034151	0	1034151	0.731	1051677	0	1051677	0.744	0.012
	Clearing Member	286538	0	286538	0.203	312007	0	312007	0.221	0.018
	Bodies Corporate	2193554	137620	2331174	1.649	2259816	137620	2397436	1.696	0.047
	Sub Total (B)(3)	34481547	855816	35337363	24.996	34489710	847653	35337363	24.996	0.000
	Total Public Shareholding(B)= (B)(1)+(B)(2)+(B)(3)	34483957	859613	35343570	25.00	34492120	851450	35343570	25.00	0.00
	Total (A)+(B)	140479301	894977	141374278	100.00	140522828	851450	141374278	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0.000	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0.000	0
	Total Non Promoter -Non Public (C)	0	0	0	0	0	0	0	0.000	0
	Total (A)+(B)+(C)	140479301	894977	141374278	100.00	140522828	851450	141374278	100.000	

(ii) **SHARE HOLDING OF PROMOTERS (Including Promoter Group)**

SI No.	Shareholders Name	Shareholding at the beginning of the year (April 1 ,2016)			Shareholding at the end of the year(March 31,2017)			% change in share holding 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	Votorantim Cimentos EAA Inversiones S.L.	103709063	73.36	0	103709063	73.36	0	0
2	Votorantim Cimentos S.A.	2321645	1.64	0	2321645	1.64	0	0
	Total	106030708	75.00	0	106030708	75.00	0	0

SHREE DIGVIJAY CEMENT COMPANY LIMITED

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

Sl. No.		Share holding at the beginning of the Year (April 1,2016)		Cumulative Share holding during the year (April 1,2016 to March 31,2017)	
Sr.	Name of the shareholders	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Votorantim Cimentos EAA Inversiones S.L.				
	At the beginning of the year	103709063	73.36	103709063	73.36
	At the end of the year	103709063	73.36	103709063	73.36
2	Votorantim Cimentos S.A.				
	At the beginning of the year	2321645	1.64	2321645	1.64
	At the end of the year	2321645	1.64	2321645	1.64
	Total	106030708	75	106030708	75

IV. Shareholding Pattern of Top Ten Shareholders (other than Director, Promoters)

Sr No.	Name of the shareholders	Shareholding at the beginning of the year - April 1,2016		Cumulative Shareholding at the end of the year - March 31, 2017	
		No. of Shares held	% of Total Shares of the Company	No. of Shares held	% of Total Shares of the Company
1	Hitesh Ramji Javeri				
	At the beginning of the year	700000	0.50	700000	0.50
	Bought during the year	566476	0.40	1266476	0.90
	Sold during the year	0	0	1266476	0.90
	At the end of the year			1266476	0.90
2	Lal Tolani				
	At the beginning of the year	779861	0.55	779861	0.55
	Bought during the year	0	0	779861	0.55
	Sold during the year	0	0	779861	0.55
	At the end of the year			779861	0.55
3	Harsha Hitesh Javeri				
	At the beginning of the year	510000	0.36	510000	0.36
	Bought during the year	180889	0.13	690889	0.49
	Sold during the year	0	0	690889	0.49
	At the end of the year			690889	0.49
4	Kaliram Gupta				
	At the beginning of the year	411588	0.29	411588	0.29
	Bought during the year	233251	0.16	644839	0.45
	Sold during the year	200000	0.14	444839	0.31
	At the end of the year			444839	0.31
5	Shakuntala Gupta				
	At the beginning of the year	345204	0.24	345204	0.24
	Bought during the year	0	0	345204	0.24
	Sold during the year	0		345204	0.24
	At the end of the year			345204	0.24

Sr No.	Name of the shareholders	Shareholding at the beginning of the year - April 1, 2016		Cumulative Shareholding at the end of the year - March 31, 2017	
		No. of Shares held	% of Total Shares of the Company	No. of Shares held	% of Total Shares of the Company
6	Shakuntala Gupta				
	At the beginning of the year	214519	0.15	214519	0.15
	Bought during the year	0	0	214519	0.15
	Sold during the year	0		214519	0.15
	At the end of the year			214519	0.15
7	Poonam Soamani				
	At the beginning of the year	219358	0.16	219358	0.16
	Bought during the year	0	0	219358	0.16
	Sold during the year	0	0	219358	0.16
	At the end of the year			219358	0.16
8	Kewal Kumar Vohra				
	At the beginning of the year	238169	0.17	238169	0.17
	Bought during the year	58160	0.04	296329	0.21
	Sold during the year	137875	0.10	158454	0.11
	At the end of the year			158454	0.11
9	Ila Kiran Gadhia				
	At the beginning of the year	135666	0.10	135666	0.10
	Bought during the year	31929	0.01	167595	0.10
	Sold during the year	0	0	167595	0.10
	At the end of the year			167595	0.10
10	Ginni Finance Pvt. Ltd.				
	At the beginning of the year	0	0	0	0
	Bought during the year	148000	0.10	148000	0.10
	Sold during the year	0	0	148000	0.10
	At the end of the year			148000	0.10
11	Shahani Jagdish Nanikram				
	At the beginning of the year	300000	0.21	300000	0.21
	Bought during the year	95000	0.07	395000	0.28
	Sold during the year	300000	0.21	95000	0.07
	At the end of the year			95000	0.07
12	Renuka A Goel				
	At the beginning of the year	395000	0.28	395000	0.28
	Bought during the year	0	0	395000	0.28
	Sold during the year	395000	0.28	0	0
	At the end of the year			0	0
13	Namrata Jagdish Shahani				
	At the beginning of the year	230000	0.16	230000	0.16
	Bought during the year	80000	0.06	310000	0.22
	Sold during the year	230000	0.16	80000	0.06
	At the end of the year			80000	0.06
14	Zaki A Hajeerbhoy				
	At the beginning of the year	225000	0.16	225000	0.16
	Bought during the year	0	0	225000	0.16
	Sold during the year	155000	0.11	70000	0.05
	At the end of the year			70000	0.05

Notes: 1. The above information is based on the weekly beneficiary position received from Depositories

2. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 141374278 Shares.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

V) Shareholding of Directors and Key Managerial Personnel

Sr No.	Name of the Director	Shareholding at the beginning of the year - April 1,2016		Cumulative Shareholding during the year (April 1,2016 to March 31,2017)	
		No. of Shares held	% of total shares of the Company	No. of Shares held	% of total shares of the Company
1	Mr. A.K.Chhatwani				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
2	Mr. A. Kumaresan				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
3	Mr. Sven Erik Oppelstrup Madsen				
	At the beginning of the year	500	0	500	0
	At the end of the year	500	0	500	0
4	Mr. Persio Morassutti				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
5	Ms. Meike Albrecht				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
6	Mr. K. K. Rajeev Nambiar				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	200	0

Sr No.	Name of the Key Managerial Personnel	Shareholding at the beginning of the year - April 1,2016		Cumulative Shareholding during the year (April 1,2016 to March 31,2017)	
		No. of Shares held	% of total shares of the Company	No. of Shares held	% of total shares of the Company
1	Mr. M. V. Ramaswamy (w.e.f Nov.3,2016)				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
2	Mr. Suresh Meher				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	10	0

V INDEBTEDNESS

In ₹

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	1160000000	-	1160000000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	7014932	-	7014932
Total (i+ii+iii)	-	1167014932	-	1167014932
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	200000000	-	200000000
Net Change	-	200000000	-	200000000
Indebtedness at the end of the financial year				
i) Principal Amount	-	960000000	-	960000000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	243288	-	243288
Total (i+ii+iii)	-	960243288	-	960243288

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time Director and/or Manager:

In ₹

Sl. No	Particulars of Remuneration	Name of the Whole-time Director	Total Amount
		Mr. K. K. Rajeev Nambiar	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act 1961 (other than PF but including Superannuation)	13658315	13658315
	(b) Value of perquisites u/s 17(2) of the Income Tax Act 1961	1078137	1078137
	(c) Profit in lieu of salary under Section 17(3) of the Income Tax, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of Profit	-	-
	Others specify	-	-
5	Others please specify	-	-
	Total (A)	14736452	14736452
	Ceiling as per the Act	N.A.	N.A.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	Mr. AK Chhatwani	Mr. A. Kumaresan	
	(a) Fee for attending board committee meetings	1500000	1500000	3000000
	(b) Commission	375000	250000	625000
	(c) Others, please specify			
	Director Remuneration	0	0	0
	Director Remuneration	0	0	0
	Total (1)	1875000	1750000	3625000
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify.	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	1875000	1750000	3625000
	Total Managerial Remuneration			18361452
	Overall Ceiling as per the Act.*			1%

* Ceiling as per the Companies Act, 2013 is 5% of net profit for one Managerial Personnel in the category of Executive Director, and 1% of net profit for non-Executive Director. Commission paid to Non-Executive Independent Director pertain to previous year. Company has for the financial year, not paid any remuneration to Independent Director, other than sitting fees, nor payments made to any other Non-Executive Director, hence the limit of 1% is not applicable for them. In case of CEO and Whole-time Director, even though Company has inadequate profits, payment of remuneration is in accordance with the MCA Circular dated 12th September, 2016 and within the limits approved by the Shareholders.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

In ₹

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Arun Kamra (CFO)*	Mr. M. V. Ramaswamy (CFO)*	Mr. Suresh Meher (Company Secretary)**	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	584613	1775135	4814426	7174174
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	127313	-	127313
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	584613	1902448	4814426	7301487

* Mr. M.V. Ramswamy and Mr. Arun Kamra were associated with the Company only for the part of the financial year. While, Mr. M.V. Ramswamy was appointed as CFO w.e.f. 3rd November, 2016, Mr. Arun Kamra ceased to be CFO & KMP effective from 24th May, 2016. Therefore, above remuneration does not include the payments made to Mr. M.V. Ramaswamy during the period he was associated with the Company as Consultant and to Mr. Kamra after he ceased to be CFO.

** Remuneration paid to Mr. Suresh Meher also includes incentives of ₹ 11.43 lakhs paid to him during the year for taking up additional responsibilities as HR Director.

VII. PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

There were no instances of any penalties /punishment /Compounding of offences for the year ended March 31,2017

Type	Section of the Companies Act	Brief Description	Details of Penalty/	Authority [RD / NCLT/ Punishment/ Compounding fees imposed	Appeal made, if any COURT]	(Give details)
A.	COMPANY	NIL	Penalty			
	Punishment					
	Compounding					
B.	DIRECTORS		Penalty			
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT		Penalty			
	Punishment					
	Compounding					

SHREE DIGVIJAY CEMENT COMPANY LIMITED

ANNEXURE "H"

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2017.

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

At Digvijay Cement and Votorantim Group, Corporate Governance has been an integral part of the way we are doing our business. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding to our plant, transparency in decision making process, fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders.

It is governed by a set of principles, initiatives and management structures that confer an integrated vision and a great deal of agility in decision-making. It also employs the best practices and it prioritizes a long-term strategic vision of its businesses and the collective interest, focusing on results and a meritocracy. The way

the Votorantim Group operates is expressed in its Vision and its Values, in its Code of Conduct, and in its Sustainability Principles. Such elements are the organization's guidelines for its businesses, objectives and challenges.

The Company's corporate governance philosophy has been further strengthened through Votorantim Group and Digvijay Cement Business practices and also the Disclosure Practices.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

B) BOARD OF DIRECTORS:

Composition of the Board

The Board comprises six (6) Directors consisting of two (2) Non-Executive Independent Directors, three (3) Non-Executive Non-Independent Directors including a Woman Director and one (1) Executive Director. The Chairman is an Independent Director. The details of the Directors with regard to outside directorships, committee positions as well as attendance at Board/General Meetings are as follows:

Director	Executive/ Non- Executive/ Independent	No. of Outside Directorship(s) Held		No. of Outside Committee Positions Held		No. of Board Meetings (During tenure of respective Directors)*		Attended Last AGM [§]
		Public	Private	Member	Chairman	held	Attended	
Mr. A.K. Chhatwani	Independent	-	-	-	-	5	5	Yes
Mr. A. Kumaresan	Independent	-	1	-	-	5	5	Yes
Mr. Sven Erik Oppelstrup Madsen	Non-Executive	-	-	-	-	5	3	No
Mr. Persio Morassutti	Non-Executive	-	-	-	-	5	5	Yes
Ms. Meike Albrecht	Non-Executive	-	-	-	-	5	4	Yes
Mr. K. K. Rajeev Nambiar	Executive	-	-	-	-	5	5	Yes

[§] Last AGM was held on 4th August, 2016

* Includes meeting(s) attended through Video Conference.

NOTES:

- No Director is related to any other Director on the Board in terms of the provisions of the Companies Act, 2013
- Mr. Sven Erik Oppelstrup Madsen holds 500 (five hundred) equity shares and Mr. K. K. Rajeev Nambiar holds 200 (two hundred) equity shares of the Company

• **Board Meetings and Attendance of Directors**

Regular meetings of Board of Directors are convened and held to review the performance and to deliberate and decide on various business matters. Calendar of Board / Committee meetings for the year are agreed with the Directors well in advance to enable them to plan their schedule for effective participation in the meetings. The members of the Board are provided with the requisite information mentioned in the Listing Agreement / SEBI Regulations well before the Board Meetings. During the financial year ended on 31st March 2017, five meetings of the Board of Directors were held.

The details of Board Meetings held during the financial year ended on 31st March, 2017 are as follows:

Date of Board Meeting	Place	No. of directors attended (including Participation through Video Conference)
24 th May, 2016	Mumbai	5
17 th June, 2016	Mumbai	5
4 th August, 2016	Digvijaygram	6
3 rd November, 2016	Mumbai	5
25 th January, 2017	Mumbai	6

The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

• **Independent Directors:**

Meeting of Independent Directors: As required under the Companies Act, 2013, one meeting of the Independent Directors of the Company was held on 10th March, 2017.

Familiarization Programme of Independent Directors: The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company has, through presentations at regular intervals, familiarised and updated the Independent Directors with the strategy, operations and functions of the Company and the Cement Industry as a whole.

Regular visits to Company's plant and other business locations are organized for the Directors to enable them to understand the operations of the Company. They were regularly updated with the changes in the regulatory environment having significant impact on the operations of the Company.

During the financial year 2016-17 the Company has conducted various programmes, organized visits to plants and made presentations for familiarizing the Directors. The terms and conditions of appointment of Independent Directors and details of familiarisation programmes

imparted to Independent Directors have been placed on the website of the Company www.digvijaycement.com

Performance Evaluation for Board, Committees, Individual Directors (Independent and Non Independent Directors): The Evaluation of Board, its Committees, Individual Directors (Independent and Non Independent Directors) and Chairperson was carried out as per the process and criteria laid down by the Board of Directors based on the Policy on Performance Evaluation for Board, Committees, Individual Directors and Nomination & Remuneration Policy.

C) COMMITTEE OF DIRECTORS

1) AUDIT COMMITTEE:

- The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Regulations read with Section 177 of the Companies Act, 2013.
- Apart from all the matters provided in Regulation 18 of SEBI Regulations and Section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also re-views major accounting policies followed by the Company.
- The Audit Committee comprising three Directors, of these two (2) are Independent Directors and one (1) is Non-Executive Director. Presently the following are the members of the Audit Committee :
 - Mr. A. K. Chhatwani
 - Mr. A. Kumaresan
 - Mr. Persio Morassutti
 Mr. A. K. Chhatwani is the Chairman of the Committee.
- The previous Annual General Meeting of the Company was held on 4th August, 2016 and Mr. A.K. Chhatwani, Chairman of the Audit Committee, attended the previous AGM.
- During the financial year ended on 31st March, 2017, four Meetings of the Audit Committee were held i.e. on 24th May, 2016; 3rd August, 2016; 3rd November, 2016 and 25th January, 2017.
- The attendance of each member of the Audit Committee are given below:

Name	Designation	Category	Meetings Attended
Mr. A.K. Chhatwani	Chairman	Independent Director	4
Mr. A. Kumaresan	Member	Independent Director	4
Mr. Persio Morassutti	Member	Non-Executive Director	4

The CEO & Whole Time Director and Chief Financial Officer are permanent invitees to the Audit Committee. The Statutory,

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Internal as well as the Cost Auditors of the Company are also invited to the Audit Committee Meetings.

Mr. Suresh Meher, Company Secretary, acts as the Secretary to the Committee.

The necessary quorum was present at all the meetings.

The principal terms of reference of the Audit Committee, as approved by the Board and as updated from time to time by the Board are as under:

- I.
 - (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the Board's report;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by Management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
 - (5) reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
 - (6) reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) approval or any subsequent modification of transactions of the listed entity with related parties;
 - (9) scrutiny of inter-corporate loans and investments;
 - (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - (11) evaluation of internal financial controls and risk management systems;
 - (12) reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (14) discussion with internal auditors of any significant findings and follow up there on;
 - (15) reviewing the findings of any internal investigations by the internal auditors into matters 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;
 - (16) discussion with statutory auditors before the audit commences, about the nature and scope of as well as post-audit discussion to ascertain any area of concern;
 - (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - (18) to review the functioning of the whistle blower mechanism;
 - (19) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
 - (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- II. The Audit Committee mandatorily reviews the following information:
 - (1) Management discussion and analysis of financial condition and results of operations;
 - (2) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (3) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

- (4) Internal audit reports relating to internal control weaknesses; and
 - (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
 - (6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- III. In addition to the above, the Audit Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, Listing Agreement with stock exchanges or any other applicable law.
- IV. The Audit Committee may make recommendations to the Board on any matter within its purview, by passing appropriate resolutions in its meetings.

2) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee recommends the appointment of Directors and remuneration of such Directors. The level and structure of appointment and remuneration of all Key Managerial personnel and Senior Management Personnel (being the direct reportees to the CEO i.e. the persons holding the positions namely, CFO, CS, HR-Head, Technical Head, Marketing Head and SCM-Head) of the Company, as per the Remuneration Policy, is also overseen by this Committee.

During the financial year three Meetings of the Nomination & Remuneration Committee were held on 24th May, 2016; 3rd November, 2016 and 10th March, 2017.

The details of composition of the Committee & attendance record of the members at the meeting were as follows:

- The Nomination and Remuneration Committee comprising three Directors of these two(2) are Independent Directors and one (1) is Non-Executive Director. Presently the following are the members of Nomination and Remuneration Committee :
 1. Mr. A Kumaresan
 2. Mr. A.K. Chhatwani

3. Ms. Meike Albrecht

Mr. A. Kumaresan is the Chairman of the Committee.

- The previous Annual General Meeting of the Company was held on 4th August, 2016 and Mr. A. Kumaresan - Chairman of the Nomination and remuneration Committee, attended previous AGM.
- The details of attendance are as under:

Name	Designation	Category	Meetings Attended
Mr. A. Kumaresan	Chairman	Independent Director	3
Mr. A.K. Chhatwani	Member	Independent Director	3
Ms. Meike Albrecht	Member	Non-Executive Director	2

Mr. Suresh Meher, Company Secretary, provided secretarial support to the Committee.

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, Nomination and Remuneration Committee has the following principal terms of reference:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and senior employees as per Remuneration Policy;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, 2013, SEBI (LODR) / Listing Agreement with stock exchanges or any other applicable law / regulations from time to time or as may be assigned by the Board of Directors.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Remuneration of Directors:

The details of remuneration paid to the Directors for the financial year 2016-17 are given below:

(In ₹)

Name of Director	Designation	Salary	Commission*	Perquisites	Retirement Benefits	Sitting Fee	Total
Mr. A.K. Chhatwani	Independent Director	-	375000	-	-	1500000	1875000
Mr. A. Kumaresan	Independent Director	-	250000	-	-	1500000	1750000
Mr. Sven Erik Oppelstrup Madsen	Non-executive Director	-	-	-	-	-	-
Mr. Persio Morassutti	Non-executive Director	-	-	-	-	-	-
Ms. Meike Albrecht	Non-executive Director	-	-	-	-	-	-
Mr. K.K. Rajeev Nambiar	CEO & Whole-time Director	13658315	-	1078137	-	-	14736452
Total		13658315	625000	1078137	-	3000000	18361452

*Commission paid for financial year 2015-16, based on net profits of said financial year.

Apart from sitting fees for attending Board/Committee Meetings, no other fees/compensation has been paid to the Independent Directors nor have any significant material transactions been made with the Non-Executive Directors vis-à-vis the Company. Your Company does not have any stock option scheme for its Directors and employees.

The Non-Executive Directors, other than Independent Directors are not accepting any sitting fee for attending Board/Committee meetings.

Remuneration for the Senior Management Employees

In determining the remuneration of the Senior Management Employees and Key Managerial Personnel the criteria and guidelines mentioned in Remuneration Policy is followed. Remuneration Policy is annexed as part of Directors' Report.

3) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee considers and oversees resolution of grievances of security holders and investors of the Company.

During the year, the Committee met once on 25th January, 2017.

Stakeholder Relationship Committee comprising of three (3) Directors, of these two (2) are Independent Directors and one (1) is Non-Executive Director.

Presently the following are the members of Stakeholder Relationship Committee :

1. Mr. A. Kumaresan (Chairman)
2. Mr. A. K. Chhatwani
3. Ms. Meike Albrecht

Mr. A. Kumaresan, Independent Director is heading the Committee

Mr. Suresh Meher - Company Secretary is the Compliance Officer

The Details of attendance of the members at the meeting held on 25th January, 2017 are given below:

Name	Designation	Category	Meetings Attended
Mr. A. Kumaresan	Chairman	Independent Director	1
Mr. A.K. Chhatwani	Member	Independent Director	1
Ms. Meike Albrecht	Member	Non Executive Director	No

Complaints received and redressed by the Company during the financial year:

Sl. no	Particulars	Remarks
1	At the beginning of the year	NIL
2	Received during the year	NIL
3	Resolved during the year	NIL
4	At the end of the year	NIL

The Company has designated an exclusive e-mail ID investors.sdcl@vcimentos.com for redressal of shareholders' complaints/grievances.

4) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee, inter alia, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy. Implementations of decisions of Committee and CSR activities are undertaken by the Executive Committee consisting of officials from various departments of the Company.

Corporate Social Responsibility Committee comprises of three (3) Directors, of these two (2) are Independent Directors and one (1) is Executive Director.

- Presently the following are the members of Corporate Social Responsibility Committee :
 1. Mr. A. K. Chhatwani (Chairman)
 2. Mr. A. Kumaresan
 3. Mr. K. K. Rajeev Nambiar
- Mr. A.K. Chhatwani, Independent Director is the Chairman of the Committee

The Details of attendance of the members at the meeting held on 24th May, 2016 are given below:

Name	Designation	Category	Meetings Attended
Mr. A.K. Chhatwani	Chairman	Independent Director	1
Mr. A. Kumaresan	Member	Independent Director	1
Mr. K. K. Rajeev Nambiar	Member	Whole-time Director	1

The Annual Report on CSR activities carried out during the year 2016-17 is annexed to Directors' Report.

D) DISCLOSURES

Legal Compliances

The Company follows a formal system of legal compliance & reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any. There were no instances of material non-compliance and no penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

Code of Conduct

Code of Conduct adopted by the Company has been posted on the website of the Company. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code of Conduct for the effective period. The declaration by the CEO & Whole-time Director to that effect forms part of this report as **Annexure**.

Related Party Transaction

Pursuant to Regulation 23 of the Listing Regulations and applicable provisions of the Companies Act, 2013, the Company has formulated Related Party Transactions Policy for dealing with Related Party Transactions. Transactions with every Related Party are as per the provisions of the law and the Related Party Transactions Policy. All Transaction with related parties was in the ordinary course of business and at arm's length pricing basis. The policy on related party transaction has been placed on the company's website and can be accessed through <http://digvijaycement.com/downloads/material-related-party-policy.pdf>

CEO / CFO Certification

The CEO & Whole-time Director and Chief Financial Officer (CFO) of the Company gives an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The CEO & Whole-time Director and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

Vigil Mechanism / Whistle Blower Policy

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behaviour. The Company has adopted a Whistle Blower Policy as per the applicable laws and as per the standards, policies and procedures as laid down in Votorantim Group Code of Conduct ("Group Code") and Company's Code of Conduct ("Code") through which the Company has institutionalized a mechanism for the Stakeholders to disclose their concerns and grievances on unethical behaviour and improper / illegal practices and wrongful conduct taking place in the Company for appropriate action.

All Protected Disclosures concerning any alleged wrongful conduct or act should be addressed/ reported to the Local Conduct Committee through the Ethics Line as defined in the Group Code or as may be applicable for Company, for investigation. Where a Protected Disclosure relates to any wrongful conduct or act which involve its management, or any issue which surpasses Company's responsibility or has some impact on the other areas of the Group, such Protected Disclosure may be made by any Stakeholder directly to the Corporate Conduct Committee, also via the Ethics Line.

Through this Policy, the Company provides adequate safeguards to all Whistle Blowers for making Protected Disclosures in Good Faith and any Stakeholder assisting the investigation and also provides for direct access to the Chairman of the Audit Committee.

Commodity price risk and hedging activities

Most of raw materials that are used in the manufacturing operations of cement product of the Company are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company has Risk Management framework to pro-actively mitigate any risk.

Other Policies and Disclosures

During the year, the Company has also adopted other policies as required under SEBI Regulations and other applicable laws, circular and notifications.

The discretionary requirements as specified in Part E of Schedule II of SEBI Regulations, wherever applicable to the Company, have been adopted. Further the Company

SHREE DIGVIJAY CEMENT COMPANY LIMITED

has complied with disclosure requirements, wherever applicable, as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations.

Mandatory & Non-Mandatory Clauses

The Company has complied with all mandatory requirements laid down by SEBI Regulations. The non-mandatory requirements complied with has been disclosed at the relevant places.

E) GENERAL BODY MEETINGS

Details of Annual General Meeting (AGM) held during last three years are as under:

AGM	Financial Year	Location of the Meeting	Date & Time	No. of special resolutions passed
69 th	2013	Registered Office, Digvijaygram	23 rd April, 2014 2.15 p.m.	Two
70 th	2014	Registered Office, Digvijaygram	20 th May, 2015 9:00 a.m.	One
71 st	2015-16 (January 2015 to March 2016)	Registered Office, Digvijaygram	4 th August, 2016 9.30 a.m.	One

During the year under review, the Company sought approval from the shareholders by Postal Ballot for the following proposals:

Date of Notice	Proposal	No. & % of votes casts in favour	No. & % of votes casts against	Date of passing of resolutions
3 rd November 2016	Special Resolution pursuant to the provisions of Sections 149, 152, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 for approval of remuneration of Mr. K. K. Rajeev Nambiar as CEO & Whole-time Director of the Company.	106,094,548 (99.84)	1,65,353 (0.16)	10 th January, 2017

Mr. Manoj Hurkat, Practising Company Secretary, was appointed as Scrutinizer and has conducted the Postal Ballot for the aforesaid proposals.

The procedures prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 were duly followed for conducting the postal ballot process during the year for approving the resolutions mentioned above.

All of the aforesaid resolutions were passed by the shareholders by overwhelming and requisite majority.

At present there is no proposal to pass any resolution through postal ballot.

F) MEANS OF COMMUNICATION

During the year, un-audited quarterly and audited annual financial results of the Company were submitted to the stock exchanges soon after the approval at Board meeting and were published in leading newspapers viz The Financial Express in all edition of English language and The Financial Express in Gujarati language. These were also promptly put on the Company's website www.digvijaycement.com. All other relevant news are also displayed on Company's website. The Company plans to send soft copies of Annual Report 2016-17 to those shareholders whose email IDs are registered with the Depository Participants and / or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance", an initiative taken by the Ministry of Corporate Affairs.

G) GENERAL INFORMATION TO SHAREHOLDER

Financial Year	: 1 st April, 2016 to 31 st March, 2017
Dates of Book Closures	: 14 th June, 2017 to 20 th June, 2017 (both days inclusive)
Annual General Meeting	: 20 th June, 2017, at 9.30 a.m. at Digvijaygram, Gujarat, India

Tentative Financial Calendar for the year 2017-18

Financial Year	1 st April to 31 st March
Quarterly results and Limited Review for the quarter ending 30 th June, 2017	By 14 th August 2017
Quarterly/ Half-yearly results and Limited Review for the quarter ending 30 th September, 2017	By 14 th November 2017
Quarterly/ Nine-months results and Limited Review for the quarter ending 31 st December, 2017	By 14 th February 2018
Results for the Year ending 31 st March, 2018	By end of May 2018
Annual General Meeting for the year ending 31 st March, 2018	By end of 19 th September 2018

- Company's share are listed with BSE Limited, P.J. Towers, Dalal Street, Mumbai- 400 001
- Stock Code is 502180 and International Securities Identification Number (ISIN) is INE232A01011
- The Company has paid the annual listing fees for the year 2017-18 to BSE.

• Stock Price Data on BSE Limited :

The closing market price of equity share on 31st March, 2017 (last trading day of the year) was ₹ 23.20

The monthly movement of equity share prices during the year at BSE are summarized below:

Month	High Price (₹)	Low Price (₹)	Volume
April-2016	21.60	16.00	2710263
May-2016	21.25	17.40	1803763
June-2016	25.00	18.80	4331486
July-2016	25.40	22.25	2725826
August-2016	27.45	23.25	5047942
September-2016	26.70	21.20	2330330
October-2016	31.60	23.00	3907128
November-2016	31.30	18.05	2814692
December-2016	21.00	18.65	931789
January-2017	27.25	19.50	2729857
February-2017	24.40	21.20	1291988
March-2017	23.55	21.30	1575845

The performance of the equity share price of the Company vis-à-vis the S&P BSE Sensex is as under:

Month	Company's Share Price at BSE (₹)	S & P BSE Sensex	Relative Index for comparison purpose	
			Company Share price index	BSE Sensex
March-2016	16.60	25341.86	100.00	100.00
April-2016	18.95	25606.62	100.14	100.01
May-2016	19.15	26667.96	100.15	100.05
June-2016	24.10	26999.72	100.45	100.07
July-2016	24.80	28051.86	100.49	100.11
August-2016	26.15	28452.17	100.58	100.12
September-2016	22.95	27865.96	100.38	100.10
October-2016	30.60	27930.21	100.84	100.10
November-2016	21.10	26652.81	100.27	100.05
December-2016	19.80	26626.46	100.19	100.05
January-2017	22.45	27655.96	100.35	100.09
February-2017	21.30	28743.32	100.28	100.13
March-2017	23.20	29620.50	100.40	100.17

Registrar and Share Transfer Agents

M/s Link In-time India Pvt. Ltd.
C-101, 247 Park,
LBS Marg,
Vikhroli (W),
Mumbai – 400 083

Tel. No. +91 22 4918 6270
Fax No. +91 22 4918 6060

e-mail: rnt.helpdesk@linkintime.co.in/
Website: www.linkintime.co.in

Investors Correspondence

The Company Secretary
Shree Digvijay Cement Company Limited
[CIN: L26940GJ1944PLC000749]
Digvijaygram – 361 140
Dist. Jamnagar (Gujarat)

Telephone : (0288) 2344 272 -2344 275

Fax No. : (0288) 2344 092 & 2344 214

Website : www.digvijaycement.com

e-mail : investors.sdccl@vcimentos.com

Share Transfer System

a) The Share Transfers

Share transfers in physical form are processed and the share certificates are generally returned within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company / Registrar are complete in all respects.

b) Nomination facility for shareholding

As per the provision of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form, may write to the Company Secretary of the Company or download from the Company's website. Members holding shares in dematerialized form should contact their Depository Participant (DP) in this regard.

c) Permanent Account Number (PAN)

Members who holds shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN Card of the transferor(s), transferee(s), members, surviving joint holders /legal heirs be furnished to the Company, while obtaining the service of transfer, transposition, transmission and issue of duplicate certificates.

d) Subdivision of shares

The Company had subdivided the face value of its Equity shares from ₹ 100 to ₹ 10 in 1995. The old shares having face value of ₹ 100 are no longer tradable on the stock exchange. Members holding share certificates of the face value of ₹ 100 are requested to send the certificates to the Company Secretary of the Company for exchange with shares of the face value of ₹ 10 each.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

e) Pending Investors' Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

f) Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by an independent external Auditors (Practicing Company Secretary) with a view to reconcile the total share capital admitted with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and held in physical form, with the issued and listed capital. The Auditors Certificate in regard to the same is submitted to BSE Limited and also placed before the Stakeholders Relationship committee and the Board of Directors.

Distribution of shareholding as on 31st March, 2017:

Holdings	No. of Share holders	% age	No. of shares	% of share holdings
1 - 500	15767	67.31	3222583	2.28
501 - 1000	3270	13.96	2875771	2.03
1001 - 2000	1857	7.93	2938262	2.09
2001 - 3000	748	3.19	1903779	1.35
3001 - 4000	344	1.47	1249640	0.88
4001 - 5000	421	1.80	2014542	1.42
5001 - 10000	544	2.32	4080834	2.89
10001 to 9999999	474	2.02	19379804	13.70
10000000 & above	1	0.00	103709063	73.36
Total	23426	100	141374278	100

Dematerialization of shares and liquidity

As on 31st March 2017, 140522828 Equity shares of the Company representing 99.40% are in dematerialized form and the handling of physical transfer of shares are minimal.

100% of Promoters' Shareholding are in dematerialized form. No transfer of equity shares are pending as on 31st March, 2017.

Categories of Shareholding as on 31st March, 2017.

Category	No. of shares held	% of Shareholdings
Promoters	106030708	75.00
NR & NRI's	1169925	0.83
Financial Ins./Banks etc.	6207	0
Corporate	2397436	1.70
Public	31770002	22.47
Total	141374278	100

Registered Office & Works

Shree Digvijay Cement Company Limited

[CIN: L26940GJ1944PLC000749]

Digvijaygram – 361 140

Dist. Jamnagar (Gujarat)

Telephone : (0288) 2344 272 -2344 275

Fax No. : (0288) 2344 092 & 2344 214

Website : www.digvijaycement.com

e-mail : investors.sdcl@vcimentos.com

ANNEXURE TO CORPORATE GOVERNANCE REPORT

To
The Shareholders,
Affirmation of Compliance with Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Conduct from all the Directors and the Senior Management Personnel of the Company, as applicable to them, for the financial year ended 31st March, 2017.

For Shree Digvijay Cement Co. Ltd.

K. K. Rajeev Nambiar
CEO & Whole-time Director

Place : Mumbai
Date : 21st April, 2017

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
**The Members of
Shree Digvijay Cement Company Limited**

I have examined the compliance of conditions of corporate governance by **Shree Digvijay Cement Company Limited** ("the Company"), for the year ended 31st March, 2017, as specified in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations").

Management's Responsibility:

The Company's management also takes full responsibility of the Compliance of the conditions of Corporate Governance stipulated in the Regulations.

Auditors' Responsibility:

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.

I conducted my engagement in accordance with the "Guidance Note on Corporate Governance Certificate" issued by the Institute of Company Secretaries of India. My responsibility is to certify based on the work done.

Conclusion:

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 specified in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the aforementioned regulations.

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.

Restrictions on use:

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

DINESH KUMAR DEORA
COMPANY SECRETARY IN PRACTICE

MEMBERSHIP NO FCS 5683
COP NO 4119

Place : Mumbai
Date : 21st April, 2017

SHREE DIGVIJAY CEMENT COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SHREE DIGVIJAY CEMENT COMPANY LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Shree Digvijay Cement Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 Financial Statements

2. 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 to 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' 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. 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.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 A.

- (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 knowledge and belief and according to the information and explanations given to us:
- The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its financial statements – Refer Note 21 to the Financial Statements;
 - The Company did not have any long-term contracts including derivative contracts as at March 31, 2017;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 34 to the Financial Statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh
Partner

Place : Mumbai
Date : April 21, 2017

Membership Number: 055913

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Shree Digvijay Cement Company Limited on the financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

- We have audited the internal financial controls over financial reporting of Shree Digvijay Cement Company Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 Company 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 (ICAI). 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 Act.

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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 judgement, 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

SHREE DIGVIJAY CEMENT COMPANY LIMITED

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

7. 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

8. 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, 2017, based on the internal control over financial reporting criteria established by the Company 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 Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh
Partner
Place : Mumbai
Date : April 21, 2017
Membership Number: 055913

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Shree Digvijay Cement Company Limited on the financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register

maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of

- excise, value added tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax which have not

been deposited on account of any dispute. The particulars of dues of sales tax, service tax, duty of customs, duty of excise, value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	2,866.75	Financial years 2002-03, 2007-08 to 2010-11, 2013-14	CESTAT
		1,212.21	Financial years 2006-07 to 2015-16	Commissioner Appeal
The Finance Act, 1994	Service tax	942.62	Financial years 2004-05, 2009-10 to 2014-15	CESTAT
		401.91	Financial years 2005-06, 2011-12 to 2015-16	Commissioner (appeal)
The Custom Act, 1962	Custom Duty	100	Financial Year 2010-11	Commissioner Appeal
Gujarat Value Added Tax, 2003	Value Added Tax	124.40	Financial Year 2009-10 to 2011-12	Deputy Commissioner
Sales tax act of respective states	Sales Tax	2.41	Financial Year 1992-93 to 1994-95	Deputy Commissioner
		5.75	Financial Year 1995-96 and 1997-98	Commissioner of sales tax

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. 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.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 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.
- xiv. 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.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh
Partner

Place : Mumbai
Date : April 21, 2017

Membership Number: 055913

SHREE DIGVIJAY CEMENT COMPANY LIMITED

BALANCE SHEET AS AT MARCH 31, 2017

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholder's funds			
Share Capital	3	14,137.50	14,137.50
Reserves and surplus	4	4,162.23	5,696.26
		18,299.73	19,833.76
Non current liabilities			
Other long term liabilities	6	42.30	67.50
Long-term provisions	7	876.33	533.25
		918.63	600.75
Current liabilities			
Short-term borrowings	8	9,600.00	11,600.00
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	9	8.56	32.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	9	3,125.02	5,410.72
Other current liabilities	10	3,367.60	3,371.89
Short-term provisions	11	340.15	529.21
		16,441.33	20,944.22
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	12	21,702.99	21,608.00
Intangible assets	13	-	17.30
Capital work-in-progress		10.09	33.68
		21,713.08	21,658.98
Long term loans and advances	14	1,955.49	1,919.22
Other non current assets	15	1,029.84	237.81
		24,698.41	23,816.01
Current assets			
Inventories	16	6,970.48	9,664.72
Trade receivables	17	544.70	1,566.15
Cash and bank balances	18	2,385.91	5,258.32
Short-term loans and advances	19	978.01	892.06
Other current assets	20	82.18	181.47
		10,961.28	17,562.72
TOTAL		35,659.69	41,378.73
The notes are an integral part of these financial statements			

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse

Firm Registration No. : 301112E
Chartered Accountants

Arcot Kumaresan

Independent Director
DIN: 00149567

A. K. Chhatwani

Independent Director
DIN: 00016735

Partha Ghosh

Partner
Membership No.: 055913

Sven Erik Oppelstrup Madsen

Director
DIN: 06379898

K. K. Rajeev Nambiar

CEO & Whole Time Director
DIN: 07313541

Place: Mumbai

Date : 21st April, 2017

Suresh Kumar Meher

AVP (Legal) & Company Secretary

M. V. Ramaswamy

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
Revenue from operations (Gross)	23	35,587.93	53,050.43
Less : Excise duty		3,673.90	5,492.09
Revenue from operations (Net)		31,914.03	47,558.34
Other income	24	893.42	563.78
Total revenue		32,807.45	48,122.12
Expenses			
Cost of materials consumed	25	7,296.97	11,683.67
Changes in inventories of finished goods and work in progress	26	(395.94)	(1,128.99)
Employees benefit expenses	27	2,659.95	3,468.91
Power and Fuel		10,179.63	15,129.59
Finance costs	28	1,146.91	1,325.76
Depreciation and amortization expenses	29	2,218.56	2,580.30
Other expenses	30	11,118.65	14,540.25
		34,224.73	47,599.49
Less: Internal Consumption of Cement		0.37	2.39
Total expenses		34,224.36	47,597.10
Profit before tax		(1,416.91)	525.02
Tax Expenses			
Current Tax		-	-
Deferred tax		-	-
Total Tax Expenses		-	-
Profit for the year		(1,416.91)	525.02
Earnings per equity share (in ₹)	34		
(Nominal value per share ₹ 10)			
Basic earning per share (In ₹)		(1.00)	0.37
Diluted earning per share (In ₹)		(1.00)	0.37
The notes are an integral part of these financial statements			

This is the Statement of Profit & loss referred to in our report of even date

For Price Waterhouse

Firm Registration No. : 301112E
Chartered Accountants

Arcot Kumaresan

Independent Director
DIN: 00149567

A. K. Chhatwani

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CEO & Whole Time Director
DIN: 07313541

Place: Mumbai

Date : 21st April, 2017

Suresh Kumar Meher

AVP (Legal) & Company Secretary

M. V. Ramaswamy

Chief Financial Officer

SHREE DIGVIJAY CEMENT COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	(1,416.91)	525.02
Adjustments for:		
Depreciation	2,201.26	2,567.80
Amortisation	17.30	12.50
Provision for slow / non-moving stores & spares	51.42	84.76
Loss on sale / write-off of fixed assets (net)	62.59	236.29
Provision for doubtful debts and advances (net)	(31.33)	4.27
Interest Income	(334.53)	(400.07)
Interest and Finance Charges	1,146.91	1,325.76
Liability written back to the extent no longer required	(109.88)	-
Unrealized foreign exchange (gain) / loss on operating activities	(23.71)	(81.72)
Internal Consumption of Cement	(0.37)	(2.39)
Operating profit before working capital changes	1,562.75	4,272.22
Adjustments for:		
Increase / (Decrease) in trade payables	(2,311.03)	2,070.90
Increase / (Decrease) in short term provision	(189.06)	14.26
Increase / (Decrease) in other current liabilities	101.46	(23.91)
Increase / (Decrease) in long term provision	97.96	103.15
(Increase) / Decrease in trade receivables	1,052.78	(255.86)
(Increase) / Decrease in inventories	2,642.81	(3,671.54)
(Increase) / Decrease in short term loans and advances	(85.95)	(146.81)
(Increase) / Decrease in other current assets	97.66	(97.66)
(Increase) / Decrease in long term loans and advances	(1.96)	(98.05)
Cash generated from operations	2,967.42	2,166.70
Taxes paid (net of refunds)	94.68	(58.04)
Net cash generated from operating activities	3,062.10	2,108.66

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(2,295.86)	(4,150.00)
Sale of tangible assets	11.56	496.40
Interest received	322.69	390.04
Movement in Term Deposit with bank (Net)	(934.32)	13.55
Net cash (used in) investing activities	(2,895.93)	(3,250.01)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(11,600.00)	(8,600.00)
Proceeds from Borrowings	9,600.00	11,600.00
Interest paid	(1,194.34)	(1,328.02)
Net cash from financing activities	(3,194.34)	1,671.98
Net Increase in cash and cash equivalents (A+B+C)	(3,028.17)	530.63
Cash and cash equivalents at the beginning of the year	5,247.28	4,716.65
Cash and cash equivalents at the end of the year	2,219.11	5,247.28
Cash and cash equivalents comprise:		
Cash on hand	2.54	0.49
Balances with Banks	716.57	946.79
Demand deposits (less than 3 months maturity)	1,500.00	4,300.00
Total	2,219.11	5,247.28

For Price Waterhouse
Firm Registration No. : 301112E
Chartered Accountants

Arcot Kumaresan
Independent Director
DIN: 00149567

A. K. Chhatwani
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CEO & Whole Time Director
DIN: 07313541

Place: Mumbai
Date : 21st April, 2017

Suresh Kumar Meher
AVP (Legal) & Company Secretary

M. V. Ramaswamy
Chief Financial Officer

SHREE DIGVIJAY CEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 Background

Shree Digvijay Cement Company Limited (the 'Company') is a public limited Company domiciled in India and is listed on the Bombay Stock Exchange (BSE). It is engaged in Manufacturing and selling of cement. The Company has one manufacturing facility at Sikka (via Jamnagar) with installed capacity of 10.75 lacs MT per annum. The Company caters mainly to the domestic market.

2 Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rule, 2014, till the Standard of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standard) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 01, 2016. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialise.

2.3 a) Tangible Assets and Depreciation

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price including import duties & non-refundable taxes and expenses directly attributable to bringing the asset to its working condition for the intended use. Subsequent expenditure related to an item of fixed asset are added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Gains or losses arising from disposal or retirement of tangible fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful life as per technical evaluation. Estimated useful life of the assets/significant component thereof are as under:

Assets class	Useful life in years
Buildings	30 to 60
Railway Sidings	21
Plant and Equipment	5 to 21
Electric Installations	10
Rolling Stocks and Locomotives	19
Furniture and Fixtures	5 to 10
Office Equipments & Computers	3 to 6
Vehicles	8 to 10
Jetty and Wharf	21

Depreciation methods and useful lives are reviewed at each financial year end and adjusted if appropriate.
Amortisation of leased assets are over the Lease period.

b) Asset Retirement Obligation

Effective April 01, 2016, in accordance with Accounting Standard 10 (Revised), Property Plant and Equipment, the Company recognizes unavoidable obligations, legal or assumed, to restore the mines upon exhaustion of reserves/end of lease period whichever is earlier. These obligations represent the net present value of cash flows expected to be incurred for the restoration process and initially recognized as assets which are depreciated over its remaining useful life. The obligation is estimated on the basis of cash flows expected to be incurred as per applicable mining regulations, which mainly includes cost of plantation, fencing, biodiversity management, sustainable development, rainwater harvesting etc. The increase in liability due to unwinding of discount is recognised in the Statement of Profit and Loss under Finance cost. Subsequent adjustments to the obligation for changes in the estimated cash flows/disbursement period/discount rate, are made against fixed assets and depreciation is modified prospectively.

2.4 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis over their estimated useful lives as under:

Asset class	Useful life in years
Computer Software and Licenses	3 to 6

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2.5 Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.6 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

2.7 Revenue Recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.8 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

2.9 Foreign Currency Transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

2.10 Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.11 Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.14 Employee benefits

i) Defined-contribution plans

The Company contributes on a defined contribution basis to Employees' Provident Fund / Pension Fund and

Superannuation Fund. The contributions towards Provident Fund / Pension Fund is made to regulatory authorities and contribution towards Superannuation Fund is made to Life Insurance Corporation of India. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii) Defined-benefit plans

The Company has a Defined Benefit Plan namely Gratuity (the "Gratuity Plan") for all its employees, which is funded. The Company provides for gratuity covering eligible employees in accordance with the Gratuity Scheme. The Gratuity Plan provides lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise. The fund is recognised by the Income tax authorities and administered through appropriate authorities / insurers.

Gratuity Fund contributions are made to a trust administered by the Company. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

iii) Other employee benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Termination Benefits: Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

2.15 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals in respect of assets taken on operating leases are recognised in the Statement of Profit and Loss as per terms of the lease agreement.

(All amounts in ₹ lakhs, unless otherwise stated)

3	SHARE CAPITAL	As at March 31, 2017	As at March 31, 2016
	Authorised		
	150,000,000 (March 31, 2016: 150,000,000) equity shares of ₹ 10/- each	15,000.00	15,000.00
	10,000,000 (March 31, 2016: 10,000,000) preference shares of ₹ 100/- each	10,000.00	10,000.00
		25,000.00	25,000.00
	Issued		
	141,643,645 (March 31, 2016: 141,643,645) equity shares of ₹ 10/- each	14,164.36	14,164.36
	Subscribed and paid-up		
	141,375,398 (March 31, 2016: 141,375,398) equity shares of ₹ 10/- each fully paid	14,137.54	14,137.54
	Less: 1,120 Equity Shares of ₹ 10/- each forfeited	(0.11)	(0.11)
	Add: Forfeited Shares (amount originally paid-up on Equity Shares)	0.07	0.07
	TOTAL	14,137.50	14,137.50

SHREE DIGVIJAY CEMENT COMPANY LIMITED

- a) Reconciliation of the number of shares : Equity Shares (All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	141,374,278	14,137.50	141,374,278	14,137.50
Balance at the end of the year	141,374,278	14,137.50	141,374,278	14,137.50

- b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

- c) 265,212 equity shares (March 31, 2016: 265,212) are kept in abeyance out of the Rights Issue entitlement pending settlement of disputes.

- d) Shares held by holding company and ultimate holding company (All amounts in ₹ lakhs, unless otherwise stated)

Particular	As at March 31, 2017	As at March 31, 2016
Equity Shares:		
103,709,063 Shares (March 31, 2016: 103,709,063) held by Votorantim Cimentos EAA Inversiones S.L., the holding Company	10,370.91	10,370.91
2,321,645 Shares (March 31, 2016: 2,321,645) held by Votorantim Cimentos S. A., the Intermediate Holding Company	232.16	232.16

- e) Details of shareholder holding more than of 5% of the aggregate shares in the company

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Votorantim Cimentos EAA Inversiones S.L., the holding company	103,709,063	73.36%	103,709,063	73.36%
TOTAL	103,709,063	73.36%	103,709,063	73.36%

- f) There are no shares allotted either as fully paid up by way of bonus shares or under any contract without payment received in cash during 5 years immediately preceding March 31, 2017.

(All amounts in ₹ lakhs, unless otherwise stated)

4	RESERVES AND SURPLUS	As at March 31, 2017	As at March 31, 2016
	Capital Reserve	8,786.87	8,786.87
	Capital Redemption Reserve	35.00	35.00
	Securities Premium Account	20.43	20.43
	Deficit in Statement of Profit and Loss		
	Balance as at the beginning of the year / period	(3,146.04)	(3,671.06)
	Less: Provision for Mines Reclamation (Refer Note 36)	(117.12)	-
		(3,263.16)	(3,671.06)
	Add: Profit/(Loss) for the year / period	(1,416.91)	525.02
	Balance as at the end of the year / period	(4,680.07)	(3,146.04)
	TOTAL	4,162.23	5,696.26

(All amounts in ₹ lakhs, unless otherwise stated)

5	DEFERRED TAX LIABILITIES (NET)	As at March 31, 2017	As at March 31, 2016
	Deferred tax liabilities		
	Depreciation	3,551.16	3,157.16
	Deferred tax assets		
	Unabsorbed Depreciation	3,551.16	3,157.16
	TOTAL	<u>-</u>	<u>-</u>

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws. In the absence of virtual certainty supported by convincing evidence, deferred tax assets are recognised to the extent of deferred tax liabilities.

(All amounts in ₹ lakhs, unless otherwise stated)

6	OTHER LONG TERM LIABILITIES	As at March 31, 2017	As at March 31, 2016
	Trade Payables	-	25.20
	Others	42.30	42.30
	TOTAL	<u>42.30</u>	<u>67.50</u>

(All amounts in ₹ lakhs, unless otherwise stated)

7	LONG-TERM PROVISIONS	As at March 31, 2017	As at March 31, 2016
	Provision for employee benets (Refer note no. 27) :		
	Provision for gratuity	167.52	80.32
	Provision for compensated absences	408.55	397.79
	Other Provisions		
	Provision for Mines Reclamation (Refer note 36)	300.26	55.14
	TOTAL	<u>876.33</u>	<u>533.25</u>
	Note:		
	Movement in Provision for Mines Reclamation		
	Opening Balance	55.14	49.76
	Addition during the year	245.12	5.38
	Closing Balance	<u>300.26</u>	<u>55.14</u>

SHREE DIGVIJAY CEMENT COMPANY LIMITED

(All amounts in ₹ lakhs, unless otherwise stated)

8	SHORT-TERM BORROWINGS	As at March 31, 2017	As at March 31, 2016
	Unsecured:		
	From banks		
	Working Capital loan from Bank	9,600.00	11,600.00
	TOTAL	9,600.00	11,600.00

The above unsecured loan facilities are guaranteed by Votorantim Cimentos EAA Inversiones S.L., the holding company. These are repayable on demand and carry interest rate of 9.25% to 9.50%.

(All amounts in ₹ lakhs, unless otherwise stated)

9	TRADE PAYABLES (Refer note no. 40)	As at March 31, 2017	As at March 31, 2016
	a) total outstanding dues of micro enterprises and small enterprises; and	8.56	32.40
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,125.02	5,410.72
	TOTAL	3,133.58	5,443.12

(All amounts in ₹ lakhs, unless otherwise stated)

10	OTHER CURRENT LIABILITIES	As at March 31, 2017	As at March 31, 2016
	Interest accrued but not due on borrowing	2.43	70.15
	Security deposits from customers	737.82	759.70
	Advances from customers	439.71	354.13
	Payable to creditors related to fixed assets	323.07	251.22
	Employee benefits payable	187.81	224.00
	Statutory dues (including provident fund and tax deducted at source)	739.04	806.40
	Others	937.72	906.29
	TOTAL	3,367.60	3,371.89

(All amounts in ₹ lakhs, unless otherwise stated)

11	SHORT-TERM PROVISIONS	As at March 31, 2017	As at March 31, 2016
	Provision for employee benefits (Refer note no. 27) :		
	Provision for compensated absences	90.29	82.80
	Other provision		
	Provision for litigations and disputes (Refer note below)	249.86	446.41
	TOTAL	340.15	529.21
	Note:		
	Movement in Provision for litigations and disputes		
	Opening Balance	446.41	390.44
	Addition during the year	1.20	55.97
	Unused amounts reversed	197.75	-
	Closing Balance	249.86	446.41

Provision for litigations and disputes represents claims against the Company not acknowledged as debts that are expected to materialise in respect of matters in litigations.

12 TANGIBLE ASSETS

(All amounts in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block
		Opening as at April 01, 2016	Additions	Disposals	Closing as at March 31, 2017	Opening as at April 1, 2016	For the Year	Disposals	Closing as at March 31, 2017	As at March 31, 2017
	Own Assets									
1	Land Freehold (Refer note 1)	833.97	8.59	-	842.56	-	-	-	-	842.56
2	Lease hold Land (Refer note 1 & 2)	-	355.31	-	355.31	-	1.78	-	1.78	353.53
3	Mines Reclamation Assets (Refer Note 36)	-	107.72	-	107.72	-	5.09	-	5.09	102.63
4	Building	995.53	13.25	-	1,008.78	495.70	32.30	0.11	527.89	480.89
5	Railway Sidings	166.92	-	-	166.92	158.86	0.27	-	159.13	7.79
6	Plant and Equipment	32,255.99	1,790.46	492.12	33,554.33	12,792.00	2,003.73	429.97	14,365.76	19,188.57
7	Electric Installations	735.27	-	-	735.27	390.91	61.11	-	452.02	283.25
8	Rolling Stocks and Locomotives	34.95	-	-	34.95	33.26	-	-	33.26	1.69
9	Furniture, Fixtures and Office Equipments	644.94	65.26	23.06	687.14	401.58	56.35	22.20	435.73	251.41
10	Vehicles	129.25	29.81	18.99	140.07	45.59	11.84	7.74	49.69	90.38
11	Jetty and Wharf (Refer note 3)	547.44	-	-	547.44	418.36	28.79	-	447.15	100.29
	TOTAL	36,344.26	2,370.40	534.17	38,180.49	14,736.26	2,201.26	460.02	16,477.50	21,702.99

(All amounts in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block
		Opening as at January 1, 2015	Additions	Disposals	Closing as at March 31, 2016	Opening as at January 1, 2015	For the period	Disposals	Closing as at March 31, 2016	As at March 31, 2016
	Own Assets									
1	Land Freehold	34.68	799.29	-	833.97	-	-	-	-	833.97
2	Building	919.58	91.17	15.22	995.53	454.78	41.26	0.34	495.70	499.83
3	Railway Sidings	166.92	-	-	166.92	158.48	0.38	-	158.86	8.06
4	Plant and Equipment	34,075.96	3,319.57	5,139.54	32,255.99	14,947.56	2,289.30	4,444.86	12,792.00	19,463.99
5	Electric Installations	993.40	-	258.13	735.27	549.20	86.94	245.23	390.91	344.36
6	Rolling Stocks and Locomotives	74.63	-	39.68	34.95	70.95	-	37.69	33.26	1.69
7	Furniture, Fixtures and Office Equipments	644.91	27.22	27.19	644.94	334.07	93.10	25.59	401.58	243.36
8	Vehicles	76.87	59.81	7.43	129.25	32.94	13.44	0.79	45.59	83.66
9	Jetty and Wharf (Refer note 3)	547.44	-	-	547.44	374.98	43.38	-	418.36	129.08
	TOTAL	37,534.39	4,297.06	5,487.19	36,344.26	16,922.96	2,567.80	4,754.50	14,736.26	21,608.00

Notes:

- The Company is yet to obtain mining rights for Land aggregating ₹ 807.88 lakhs in free hold and Land aggregating to ₹ 355.31 lakhs in lease hold.
- Leasehold Land (in respect of which the Company pays Ground Rent) is not included above.
- The Gujarat Maritime Board holds the titles to the jetty / wharf in respect of which capital cost was paid by the Company, exclusively for use of company.
- There are no qualifying assets and accordingly no borrowing cost is capitalised during the year.

SHREE DIGVIJAY CEMENT COMPANY LIMITED

13 INTANGIBLE ASSETS

(All amounts in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Gross Block				Amortisation				Net Block
		Opening as at April 1, 2016	Additions	Disposals	Closing as at March 31, 2017	Opening as at April 1, 2016	For the Year	Disposals	Closing as at March 31, 2017	As at March 31, 2017
1	Own Assets (Acquired)									
	Computer Software and Licenses	345.94	-	-	345.94	328.64	17.30	-	345.94	-
	TOTAL	345.94	-	-	345.94	328.64	17.30	-	345.94	-

(All amounts in ₹ lakhs, unless otherwise stated)

Sr. No.	Particulars	Gross Block				Amortisation				Net Block
		Opening as at January 1, 2015	Additions	Disposals	Closing as at March 31, 2016	Opening as at January 1, 2015	For the period	Disposals	Closing as at March 31, 2016	As at March 31, 2016
1	Own Assets (Acquired)									
	Computer Software and Licenses	345.94	-	-	345.94	316.14	12.50	-	328.64	17.30
	TOTAL	345.94	-	-	345.94	316.14	12.50	-	328.64	17.30

(All amounts in ₹ lakhs, unless otherwise stated)

14	LONG TERM LOANS AND ADVANCES	As at March 31, 2017	As at March 31, 2016
	(Unsecured, considered good unless otherwise stated)		
	Capital Advances	172.35	43.36
	Security deposits with government authorities and others	1,619.30	1,617.34
	Advance Income Tax (Net of provision of Nil, March 31, 2016: 1,049.97 lakhs)	163.84	258.52
	TOTAL	1,955.49	1,919.22

(All amounts in ₹ lakhs, unless otherwise stated)

15	OTHER NON CURRENT ASSETS	As at March 31, 2017	As at March 31, 2016
	Long term deposit with bank with maturity period more than 12 months	1,013.67	235.11
	Interest receivable on fixed deposit	16.17	2.70
	TOTAL	1,029.84	237.81

Term deposit amounting to ₹ 1013.67 lakhs (March 31, 2016: ₹ 233.51 lakhs) are lien marked against Bank Guarantees.

(All amounts in ₹ lakhs, unless otherwise stated)

16	INVENTORIES	As at March 31, 2017	As at March 31, 2016
	Raw materials	600.00	1,066.46
	Work in progress (Refer note below)	2,711.55	2,220.60
	Finished Goods (Refer note below)	409.68	514.45
	Stores and spare parts	1,385.16	1,658.99
	Packing materials	97.35	89.18
	Fuels	1,766.74	4,115.04
	TOTAL	6,970.48	9,664.72

Opening and closing inventory of work-in-progress and nished goods comprises of cement and clinker.

(All amounts in ₹ lakhs, unless otherwise stated)

17	TRADE RECEIVABLES	As at March 31, 2017	As at March 31, 2016
	Secured, considered good		
	Outstanding for a period exceeding six months from the date they are due for payment	1.56	-
	Others	539.35	505.42
	Unsecured, considered good		
	Outstanding for a period exceeding six months from the date they are due for payment	-	2.91
	Others	3.79	1,057.82
	Unsecured, considered doubtful		
	Outstanding for a period exceeding six months from the date they are due for payment	128.38	161.18
	Others	1.47	-
	Less: Provision for doubtful debts	(129.85)	(161.18)
	TOTAL	544.70	1,566.15

(All amounts in ₹ lakhs, unless otherwise stated)

18	CASH AND BANK BALANCES	As at March 31, 2017	As at March 31, 2016
	Cash and Cash equivalents		
	Cash on hand	2.54	0.49
	Banks Balance :		
	In Current accounts	716.57	946.79
	Demand deposits (less than 3 months maturity)	1,500.00	4,300.00
		2,219.11	5,247.28
	Other bank balance		
	Term deposit with maturity less than 12 months	166.80	11.04
	TOTAL	2,385.91	5,258.32

Term deposit amounting to ₹ 165.61 lakhs (March 31, 2016: ₹ 11.04 lakhs) are lien marked against Bank Guarantees.

(All amounts in ₹ lakhs, unless otherwise stated)

19	SHORT TERM LOANS AND ADVANCES	As at March 31, 2017	As at March 31, 2016
	(Unsecured, considered good unless otherwise stated)		
	Other loans and advances		
	Balances with statutory authorities	339.06	170.19
	Advance royalty	105.02	68.88
	Advance to employees	28.44	17.72
	Pre-paid expense	97.17	85.87
	Advances to suppliers		
	Considered good	408.32	521.40
	Considered doubtful	18.14	18.14
	Less: Provision for doubtful advances	(18.14)	(18.14)
	Others	-	28.00
	TOTAL	978.01	892.06

SHREE DIGVIJAY CEMENT COMPANY LIMITED

(All amounts in ₹ lakhs, unless otherwise stated)

20	OTHER CURRENT ASSETS	As at March 31, 2017	As at March 31, 2016
	(Unsecured, considered good)		
	Interest accrued on term deposits and others	82.18	83.81
	Other receivables from scrap buyers	-	97.66
	TOTAL	82.18	181.47

(All amounts in ₹ lakhs, unless otherwise stated)

21	Contingent Liabilities	As at March 31, 2017	As at March 31, 2016
	Claim against the Company not acknowledged as debts		
	a) Demand contested by the Company		
	- Sales tax	209.49	163.36
	- Excise duty	4,110.98	3,934.62
	- Service tax	1,416.66	869.76
	- Custom duty	451.55	451.55
	- Labour cases	107.40	147.60
	- Other Cases	217.23	202.70
	b) A sum of ₹ 309.84 lakhs (March 31, 2016: ₹ 309.84 lakhs) on account of arrears, rent, service charges, way leave fees of certain leasehold property, consequent to the Order of the Estate Officer of Mumbai Port Trust (MPT) dated February 28, 2007, has not been provided for as the said property was assigned in an earlier year to M/s Dinbandhu Estate Pvt. Ltd. (the Assignee). The assignment was subject to the approval of MPT which was to be arranged by the Assignee. The Company is contesting the said Order before the High Court. It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.		

22 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account is ₹ 176.69 lakhs (March 31, 2016: ₹ 330.66 lakhs), against which advances paid aggregate ₹ 172.35 lakhs (March 31, 2016: ₹ 43.36 lakhs).

(All amounts in ₹ lakhs, unless otherwise stated)

23	REVENUE FROM OPERATIONS	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Sales of Product		
	Cement Sales	35,279.79	52,131.04
	Other Operating Revenues		
	Scrap Sales	308.14	919.39
		35,587.93	53,050.43
	Less: Excise Duty	3,673.90	5,492.09
	TOTAL	31,914.03	47,558.34

(All amounts in ₹ lakhs, unless otherwise stated)

24	OTHER INCOME	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Interest Income	334.53	400.07
	Liability written back to the extent no longer required	109.88	-
	Provision Written Back to the extent no longer required	197.75	-
	Claims received from Insurance company	-	0.67
	Provision for Doubtful Debt written back (Net)	31.33	-
	Miscellaneous Income (Refer Note No. 37)	219.93	163.04
	TOTAL	893.42	563.78

(All amounts in ₹ lakhs, unless otherwise stated)

25	COST OF MATERIAL CONSUMED	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Raw material consumed		
	Opening inventory	1,066.46	288.69
	Add: Purchases and incidental expenses (including cost of raising and transporting lime stone 2,286.02 lakhs, Previous year ₹ 4,792.19 lakhs)	5,729.82	11,057.12
	Less: Closing inventory	600.00	1,066.46
	Cost of raw material consumed during the period	6,196.28	10,279.35
	Packing material consumed		
	Opening inventory	89.18	127.01
	Add: Purchases and incidental expenses	1,108.86	1,366.49
	Less: Closing inventory	97.35	89.18
	Cost of packing material consumed during the period	1,100.69	1,404.32
	TOTAL	7,296.97	11,683.67

(All amounts in ₹ lakhs, unless otherwise stated)

26	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	(Increase) / Decrease in stocks		
	Stock at the end of the year		
	Work in progress	2,711.55	2,220.60
	Finished Goods	409.68	514.45
		3,121.23	2,735.05
	Less : Excise duty on Finished Goods	43.88	53.62
	TOTAL A	3,077.35	2,681.43

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Contd..

(All amounts in ₹ lakhs, unless otherwise stated)

26	CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Less: Stock at the beginning of the year		
	Work in progress	2,220.60	1,293.25
	Finished Goods	514.45	292.03
		2,735.05	1,585.28
	Less : Excise duty on Finished Goods	53.64	32.84
	TOTAL B	2,681.41	1,552.44
	(Increase) / Decrease in stocks (B-A)	(395.94)	(1,128.99)

(All amounts in ₹ lakhs, unless otherwise stated)

27	EMPLOYEE BENEFITS EXPENSES	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Salaries, Wages and Bonus	2,287.90	2,983.05
	Contribution to Provident and Other funds		
	Provident fund [Refer note no. 27(i)]	91.15	114.22
	Pension fund [Refer note no. 27(i)]	39.18	51.00
	Superannuation fund [Refer note no. 27(i)]	29.03	47.15
	Gratuity [Refer note no. 27(ii)]	102.19	107.93
	Sta welfare expenses	110.50	165.56
	TOTAL	2,659.95	3,468.91

27 EMPLOYEE BENEFIT OBLIGATIONS:

i) Defined-Contribution Plans

The Company makes contribution to provident fund and pension fund under the provision of the Employees's Provident Funds and Miscellaneous Provisions Act, 1952 and to superannuation fund for the qualifying employees as per the Company's policy.

(All amounts in ₹ lakhs, unless otherwise stated)

Amount recognised in Statement of Profit and Loss	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
Provident Fund	91.15	114.22
Pension Fund	39.18	51.00
Superannuation Fund	29.03	47.15

ii) Defined-Benefits Plans

The company offers the gratuity under employee benefits scheme to its employees. The disclosure required by Accounting Standard 15 "Employee Benefits" is given below.

Present value of defined benefit obligation:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Gratuity (Funded Plan)	
	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	868.10	809.38
Current Service Cost	60.92	59.69
Interest Cost	66.42	76.54
Paid benefits	(75.48)	(172.36)
Actuarial (gain) / loss	6.87	94.85
Balance at the close of the year	926.83	868.10

Fair value of plan assets:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	787.78	781.05
Expected return on plan assets	60.26	63.85
Contributions by employer	15.00	55.94
Benefits paid	(75.48)	(172.36)
Actuarial gain / (loss)	(28.25)	59.30
Balance at the close of the year	759.31	787.78

Assets and Liabilities recognised in the Balance Sheet:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
Present Value of Obligations	926.83	868.10
Fair Value of Plan Assets	(759.31)	(787.78)
Net liability in the balance sheet	167.52	80.32
Recognised under		
Long term provisions (Refer note 7)	167.52	80.32

Expenses recognised in the Statement of Profit and Loss:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
Current service costs	60.92	59.69
Interest expenses	66.42	76.54
Expected return on investment	(60.26)	(63.85)
Net actuarial (gain) / loss	35.11	35.55
Excess fair value of plan assets over present value of defined benefit obligations not recognised in books in previous year.	-	-
Total Expenses	102.19	107.93

SHREE DIGVIJAY CEMENT COMPANY LIMITED

Return on plan assets:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
Expected return on plan assets	60.26	63.85
Actuarial gain / (loss)	(28.25)	59.30
Actual return on plan assets	32.01	123.15

Major Category of Plan Assets as a % of total Plan Assets

% Invested

Particulars	As at March 31, 2017	As at March 31, 2016
Government of India Securities	28.50	31.00
Corporate Bonds	29.80	54.00
Insurance managed Fund	7.38	4.00
Others	34.32	11.00
	100.00	100.00

Details of investments made by the Life Insurance Corporation of India have not been received by the Company.

Actuarial Assumptions:

Particulars	As at March 31, 2017	As at March 31, 2016
Discount Rate	7.60%	7.75%
Salary Growth Rate	8.00%	8.00%
Expected Return on Plan Assets	8.82%	8.00%
Attrition Rate	1 % to 3 %	1 % to 3 %

The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Amounts recognised in current year and previous four years:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	March 31, 2017	March 31, 2016	December 31, 2014	December 31, 2013	December 31, 2012
Defined Benefit Obligation	926.83	868.10	809.37	671.15	1,082.09
Plan Asset	759.31	787.78	781.04	743.74	1,065.42
Surplus / (Deficit)	(167.52)	(80.32)	(28.33)	72.59	(16.67)
Experience adjustment in plan liabilities	(1.79)	18.60	25.70	(113.17)	-
Experience adjustment in plan assets	(28.25)	59.30	11.32	(57.28)	19.29

Expected Contribution to the Fund in the next year:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
Gratuity	75.00	75.00

- iii) Liability for Compensated Absences (non funded) is ₹ 498.84 lakhs (March 31, 2016: ₹ 480.59 lakhs) recognised as under:
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2016	As at March 31, 2016
Long Term Provisions (Refer Note 7)	408.55	397.79
Short Term Provisions (Refer Note 11)	90.29	82.80
TOTAL	498.84	480.59

(All amounts in ₹ lakhs, unless otherwise stated)

28	FINANCE COSTS	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Interest on short term borrowings	957.32	1,134.15
	Unwinding of discount on provision (Refer Note No. 36)	20.29	5.38
	Other Finance cost	169.30	186.23
	TOTAL	1,146.91	1,325.76

(All amounts in ₹ lakhs, unless otherwise stated)

29	DEPRECIATION AND AMORTISATION EXPENSES	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Depreciation on tangible assets (Refer note no.12)	2,201.26	2,567.80
	Amortisation on intangible assets (Refer note no.13)	17.30	12.50
	TOTAL	2,218.56	2,580.30

(All amounts in ₹ lakhs, unless otherwise stated)

30	OTHER EXPENSES	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Consumption of stores and spare parts	1,295.67	1,880.01
	Repairs to Building	133.45	155.41
	Repairs to Machinery	1,000.19	1,447.68
	Repairs Others	83.14	101.12
	Sales Commission	672.30	786.24
	Cash Discount	125.85	206.68
	Freight, handling and other expenses	5,100.92	6,426.97
	Advertisement and Publicity expenses	175.02	129.09
	Insurance	121.50	194.14
	Rent (including lease rent)	79.91	149.94
	Rates and Taxes	44.87	53.60
	Printing, Stationery and Communications expenses	105.85	125.86
	Travelling Expenses	302.36	373.60
	Legal and Professional fees	1,141.53	1,316.97
	Equipment Hire Charges	190.20	255.79
	Provision for doubtful debts and advances (net)	-	4.27
	Loss on sale / write-off of fixed assets (net)	62.59	236.29
	Bad Debt Written Off	38.50	-
	Provision for slow / non-moving stores & spares	51.42	84.76
	Directors fees	36.59	30.93

SHREE DIGVIJAY CEMENT COMPANY LIMITED

(Contd..)

(All amounts in ₹ lakhs, unless otherwise stated)

30	OTHER EXPENSES	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
	Donation	0.21	0.72
	Net loss on foreign currency transactions and translations	32.65	219.68
	Payment to Auditors		
	As auditor:		
	Audit fees	49.00	51.50
	Tax audit fees	3.50	9.90
	Certification	0.40	0.40
	Reimbursement of expenses	1.52	0.77
	Expenditure towards Corporate Social Responsibility (CSR) activities	10.31	13.42
	Miscellaneous expenses	259.20	284.51
	TOTAL	11,118.65	14,540.25

31 SEGMENT INFORMATION

The Company has been operating in one business segment viz. Manufacturing and Sales of Cement and its only production facility is located in India. Therefore the disclosure requirements relating to primary and secondary segments required under Accounting Standard (AS) 17 are not applicable.

32a RELATED PARTY DISCLOSURES:

Names of the related parties and nature of relationship:

- Where control exists

Holding Company	: Votorantim Cimentos EAA Inversiones S.L.
Intermediate Holding Company	: Votorantim Cimentos S.A.
Ultimate Holding Company	: Hejoassu S.A.
- Other Related Parties with whom transactions have taken place during the period / previous year

Fellow Subsidiaries	
Cemento Cosmos S.A.	
Votoratim Cement Trading S.L.	
- Key Management Personnel

Mr. Rajeev Nambiar (CEO from June 02, 2015 and Whole Time Director from November 01, 2015)	
Mr. Chain Singh Jasol (Whole Time Director up to October 31, 2015)	

32b DETAILS OF TRANSACTIONS / BALANCES :

(All amounts in ₹ lakhs, unless otherwise stated)

Nature of Transactions	Holding Company	Other Related Entities		Key Management Personnel		Total
	Votorantim Cimentos EAA Inversiones S.L.	Cemento Cosmos S.A.	Votoratim Cement Trading SL	Mr. Chain Singh Jasol	Mr. K. K. Rajeev Nambiar	
Purchase of fuel	-	-	-	-	-	-
	-	-	7,249.21	-	-	7,249.21
Raw material gypsum	-	-	-	-	-	-
	-	-	1,136.88	-	-	1,136.88
Receiving of technical and other managerial services	632.12	2.50	-	-	-	634.62
	932.79	-	-	-	-	932.79

(Contd..)

Guarantee commission paid	167.63 185.30	- -	- -	- -	- -	167.63 185.30
Remuneration Paid	- -	- -	- -	- 97.45	147.36 110.39	147.36 207.84
Payables / (Receivable) as at the year / period end	478.19 169.59	2.46 -	- 2,991.81	- 5.50	0.15 -	480.80 3,166.90
Guarantee provided on behalf of the Company	10,687.13 12,765.46	- -	- -	- -	- -	10,687.13 12,765.46

Figures in italic relates to the previous year.

Gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

33 INFORMATION PURSUANT TO THE PROVISIONS OF SCHEDULE III TO THE COMPANIES ACT, 2013.

a) Raw materials consumed

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
Lime Stone (Outside purchase)	2,410.61	1,855.96
Lime Stone (Own mines)	2,286.02	4,792.19
Sand stone	149.58	231.15
Iron Ore	111.01	317.12
Gypsum	564.81	912.62
Fly Ash / Pozollona material	623.99	596.63
Purchased Clinker	-	1,548.71
Marl	49.85	24.97
Iron Sludge	0.41	-
Packing material	1,100.69	1,404.32
TOTAL	7,296.97	11,683.67

b) Value of imported and indigenous raw materials, packing materials, spare parts and components consumed:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2017				15 Month's period from January 1, 2015 to March 31, 2016			
	Raw & Packing Material (Outside Parties)		Stores, Spare Parts & Components		Raw & Packing Material (Outside Parties)		Stores, Spare Parts & Components	
	Amount	% of total Consumption	Amount	% of total Consumption	Amount	% of total Consumption	Amount	% of total Consumption
Imported	543.48	7.45	361.21	27.88	487.68	4.17	232.07	12.34
Indigenous	6,753.49	92.55	934.46	72.12	11,195.99	95.83	1,647.94	87.66
TOTAL	7,296.97	100.00	1,295.67	100.00	11,683.67	100.00	1,880.01	100.00

SHREE DIGVIJAY CEMENT COMPANY LIMITED

c) C.I.F.Value of Imports:

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31,2017	15 Month's period from January 01, 2015 to March 31, 2016
Coal	-	7,249.21
Gypsum	-	1,136.88
Stores, Spare Parts & Components	144.46	335.86
Capital Goods	266.20	350.72

d) Expenditure in foreign currencies (in rupee equivalent):

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31,2017	15 Month's period from January 01, 2015 to March 31, 2016
Travelling Expenses	8.43	8.78
Information Services	9.16	11.76
Technical & Professional Services	681.71	1,015.26
Financial Charges	167.63	185.30

e) Earnings in foreign currency:

F.O.B. value of Exports ₹ Nil lakhs (March 31, 2016 : ₹ Nil lakhs)

34 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	SBNs	Other Notes	Total
Closing cash in hand as on November 08, 2016	1.70	0.06	1.75
(+) Permitted receipts	-	6.64	6.64
(-) Permitted payments	-	2.26	2.26
(-) Amount deposited in Banks	1.70	3.63	5.32
Closing cash in hand as on December 30, 2016	-	0.81	0.81

35 EARNINGS PER SHARE

Particulars	Year ended March 31,2017	15 Month's period from January 01, 2015 to March 31, 2016
Profit after tax	(1,416.91)	525.02
Weighted average number of shares outstanding for Basic / Diluted EPS	1,416.44	1,416.44
Nominal value per share (in ₹)	10.00	10.00
Basic / Diluted Earning per Share (in ₹)	(1.00)	0.37

- 36** During the year, considering amendment to Accounting Standard AS 10 Property, Plant and Equipment which allows the recognition and capitalisation of decommissioning, restoration and similar liabilities and based on Mineral conservation and Development Rules, the Company has re-assessed the estimated cost required to be incurred for Mines Reclamation during the tenure and at the end of the lease period. On April 1, 2016, incremental Provision for Mines Reclamation Liability was recorded for ₹ 197.84 lakhs and Mines Reclamation Asset was recorded at ₹ 80.72 lakhs considering initial recognition date as March 31, 2007. The cumulative depreciation / amortization on the asset and unwinding of discount on liability upto April 1, 2016 aggregating ₹ 117.12 lakhs is recorded in retained earnings. During the financial year 2016-17, pursuant to adjustment of discount rate, additional Mines Reclamation Asset and corresponding liability of ₹ 27 lakhs is recognized. For the year 2016-17, depreciation / amortization on Mines Reclamation Asset aggregated ₹ 5.09 lakhs and finance cost on unwinding of discount on Mines Reclamation Liability aggregated ₹ 20.29 lakhs.
- 37** During current year, on the basis of advise of an independent tax consultant and certain judicial pronouncements, the Company has recognised Input tax credit (VAT) receivables on Petcoke and coal consumed in earlier years aggregating ₹ 163 Lakhs. These are shown as receivables under loans and advances by corresponding credit to Miscellaneous Income, disclosed in Note 24 – Other Income.

38 LEASES

As a lessee: Operating lease

The Company has operating leases for premises. These lease arrangements range for a period between 11 months and 20 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

(All amounts in ₹ lakhs, unless otherwise stated)

With respect to all operating leases:	Year ended March 31, 2017	15 Month's period from January 01, 2015 to March 31, 2016
Lease payments recognised in the Statement of Profit and Loss during the year	77.20	146.02

With respect to non cancellable operating leases, the future minimum lease payments are as follows:

(All amounts in ₹ lakhs, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016
Not later than one year	63.41	37.49
Later than one year and not later than five years	191.45	172.44
Later than five years	287.36	356.27

39 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2017			As at March 31, 2016		
	Amount	Foreign currency	Foreign Currency Amount in lakhs	Amount	Foreign currency	Foreign Currency Amount in lakhs
Trade Payable	480.66	EURO	6.93	188.37	EURO	2.50
	6.82	USD	0.11	3,001.35	USD	45.30
	-	JPY	-	1.84	JPY	3.12
Loans & Advances	11.80	USD	0.18	6.85	USD	0.11
	-	GBP	-	0.64	GBP	0.01
	3.25	EURO	0.05	-	EURO	-
	6.47	SGD	0.13	-	SGD	-
	-	JPY	-	58.56	JPY	103.12

SHREE DIGVIJAY CEMENT COMPANY LIMITED

40 DUES TO MICRO AND SMALL ENTERPRISES

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	8.56	32.40
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payment already made.	-	-
Further interest remaining due and payable for earlier years	-	-

There is no principal and interest overdue to Micro and Small enterprises. During the year on interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has relied upon by the auditors.

41 EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY

(All amounts in ₹ lakhs, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016
Gross amount required to be spent by the company during the year	-	13.42
Amount spent during the year on:		
i) Construction / acquisition of asset	-	4.21
ii) On purposes other than one above	10.31	9.21
Total	10.31	13.42

42 The accounting year of the company has been changed from January - December to April - March with effect from the previous year. Consequently, the previous year's financial statements are for the 15 months from January 1, 2015 to March 31, 2016. The current year's figures relate to the 12 months ended March 31, 2017.

In view of the above, the current year's figures are not comparable with those of the previous year. Previous year's figures have been regrouped wherever necessary.

The notes are an integral part of these financial statements.

For Price Waterhouse

Firm Registration No. : 301112E
Chartered Accountants

Partha Ghosh

Partner
Membership No.: 055913
Place: Mumbai
Date : 21st April, 2017



Arcot Kumaresan

Independent Director
DIN: 00149567

Sven Erik Oppelstrup Madsen

Director
DIN: 06379898

Suresh Kumar Meher

AVP (Legal) & Company Secretary

A. K. Chhatwani

Independent Director
DIN: 00016735

K. K. Rajeev Nambiar

CEO & Whole Time Director
DIN: 07313541

M. V. Ramaswamy

Chief Financial Officer

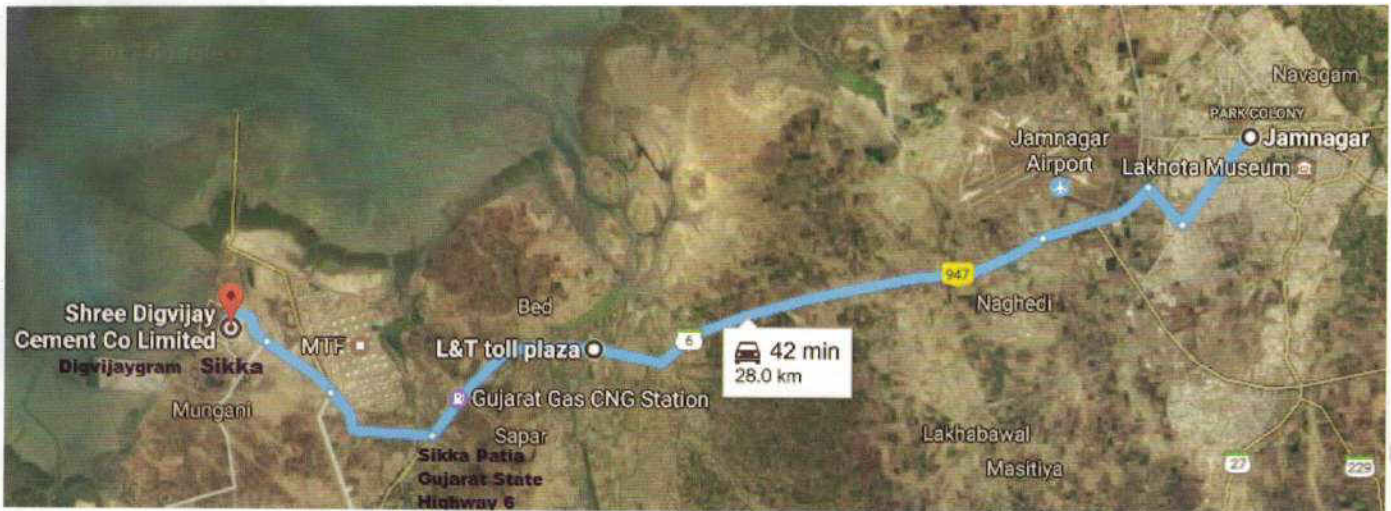
SHREE DIGVIJAY CEMENT COMPANY LIMITED



MAP SHOWING LOCATION OF THE VENUE OF 72ND ANNUAL GENERAL MEETING OF THE COMPANY

Venue:

Shree Digvijay Cement Co. Ltd.
Digvijaygram – 361 140
Jamnagar, Gujarat



Landmark:

MTF / Sikka Village

Distance / Direction:

- 28 km from Jamnagar City
- 22.9 km from Jamnagar Airport
- 10.7 km from L&T Toll Plaza, Bed
- 6.2 km from Sikka Patia / Gujarat SH 6 crossing (turn right at this point if coming from Jamnagar).





Regd. Office & Works

SHREE DIGVIJAY CEMENT CO. LTD.

P. O. Digvijaygram - 361140. Via - Jamnagar,
Gujarat, INDIA.

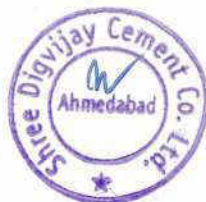
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Website: www.digvijaycement.com





SHREE DIGVIJAY CEMENT CO. LTD.

**DETAILS OF PAYMENT OF PROCESSING FEES FOR APPLICATION UNDER
REGULATION 37 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

Following is the details of payment made by Shree Digvijay Cement Company Limited for application under Regulation 37 of the SEBI (LODR) Regulations, 2015 for Scheme of Arrangement between the Company and its shareholders.

Value Date	Name of Beneficiary or Debit Party Name	Currency	Amount	UTR NO	Pmt or Addenda Details
15/05/2018	BSE LTD	INR	5,40,000*	CITIN18861146135	Scrip Code-502180, Application under Reg. 37 of SEBI -LODR

*The Payment calculation is as under:

Processing Fees	5,00,000
+ GST @ 18%	+90,000

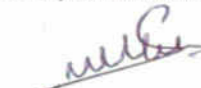
Total	5,90,000
- TDS	50,000

Payment made	5,40,000

Kindly take note of the same.

Thanking you,

FOR, SHREE DIGVIJAY CEMENT COMPANY LIMITED


SURESH MEHER

AVP (Legal) and Company Secretary

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SHREE DIGVIJAY CEMENT CO. LTD.

CIN L26940GJ1944PLC000749

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