DECCAN CEMENTS LIMITED

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DCL:SECY:2017

12th August 2017

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400 051

Scrip Code: 502137

Trading Symbol: DECCANCE

Sub: Proceedings of the 37th Annual General Meeting (AGM) held on 11th August 2017

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we wish to inform below proceedings of the 37th Annual General Meeting (AGM) of the Members of the Company held on Friday, 11th August 2017, at 11:00 AM at Bhaskara Auditorium, Birla Museum, Adarsh Nagar, Hyderabad 500 063.

Mr. M B Raju, Executive Chairman of the Company, chaired the proceedings of the Meeting.

Before commencing the formal proceedings of the AGM, the Company Secretary delivered a welcome address to the Members, the Directors and the Auditors and others present at the Meeting.

The Company Secretary informed the members that the Company had provided remote e-voting facility for which the e-voting platform was open for voting from 8th to 10th August 2017. He further informed that the Company has also arranged for voting through polling paper on all the 10 (Ten) Resolutions forming part of the Notice of the AGM and requested the Members to deposit their duly filled up and signed polling papers into the Polling Box. He informed that Mr. Tumuluru Krishnamurthy, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and polling process in a fair and transparent manner and report the voting results. He also informed that the results of the voting will be submitted to the Stock Exchanges within forty eight hours of conclusion of this meeting and will also be displayed on the websites of the Company and of Karvy Computershare Private Limited. He informed that the Members including proxies those who had not voted through remote e-voting are entitled to vote through the polling papers.

The Chairman started proceedings of the meeting by welcoming the Members.

He then delivered his speech (copy enclosed) explaining the performance of the Company during the financial year 2016-17, economic development and its effect on the Company.

Brief of the agenda items transacted by the Members are:

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements for the Financial Year ended 31st March 2017 together with the Reports of the Board of Directors' and Auditors' thereon - Ordinary Resolution.

2. Declaration of dividend @60% (Rs.6/-) per equity share for the Financial Year 2016-17 - Ordinary Resolution.

3. Appointment of a Director in place of Mr. R Gopalakrishnan (DIN: 00296413) who retires by rotation and being eligible offers himself for re-appointment - Ordinary Resolution.

4. Appointment of M/s. M. Anandam & Co., Chartered Accountants, Secunderabad, as the Statutory Auditors of the Company in place of retiring Auditors M/s. M. Bhaskara Rao & Co. - Ordinary Resolution.

SPECIAL BUSINESS

5. Ratification of Cost Auditor's remuneration for the Financial Year 2017-18 - Ordinary Resolution.

6. Sub-division of Equity Shares of the Company of face value of Rs.10/- each into 2 equity shares of Rs.5/- each - Ordinary Resolution.

7. Amendment of Memorandum of Association of the Company - Ordinary Resolution.

8. Payment of commission to Non-Executive Directors of the Company - Special Resolution.

9. Reappointment of Mr. M B Raju (DIN: 00016652) as Executive Chairman for a period of five years - Special Resolution.

10. Reappointment of Ms. P Parvathi (DIN: 00016597) as Managing Director for a period of five years - Special Resolution.

The Chairman clarified the queries raised by the members.

Ms. P Parvathi, Managing Director offered votes of thanks to the Chair.

This is for your information and records.

Thanking you,

Yours faithfully
for Deccan Cements Limited

S K Mishra
Company Secretary

Encl: Chairman's Speech

Chairman's Speech

Dear Members,

I have great pleasure in welcoming you to the 37th Annual General Meeting of the Company. I take this opportunity to brief you about the Company's performance in the Financial Year 2016-17 and the prospects for the years ahead.

Financial performance of 2016-17 is more or less in similar lines to that of 2015-16. Net Sales recorded at Rs. 557.83 Crore in comparison to previous year's figure of Rs. 579.07 Crore. Profit before Tax stood at 73.25 Crore from Rs. 80.57 Crore to the year before, down by about 10%. However Net Profit after Tax registered a growth, though small, of about 2% at Rs. 46.6 Crore as compared to previous year's Rs. 45.56 Crore. Taking into account the relatively better performance, your Board has recommended highest dividend of 60% i.e. Rs. 6/- per share for the financial year 2016-17. Capacity utilization for the Cement Plant continues to be in similar level as of the previous year.

Power generated from the Thermal Power Plant was mostly consumed captively in the Cement Plant. Because of lower tariff scenario throughout the year quantum of sale of excess energy through Indian Energy Exchange (IEX) was at negligible level. Income from power generation from the Company's Mini Hydel Plant was much lower than the previous year. However there was marginal increase in the power generated from the Wind Project. Power generated from the Hydel and Wind Power Plants was completely sold to third parties for the whole year.

The Government's initiative on demonetization during the year affected the economic activity of the nation and has impacted our business, with moderate decline in sales for few months. Demonetization led to temporary de-circulation of money but our dealers have adopted to the new payment methods with ease. On similar lines Government's recent implementation of Goods and Service Tax (GST), a landmark tax reform to give

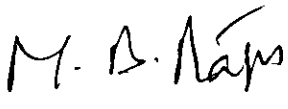
'One Nation One Tax', has subsumed Central Excise, Service Tax, VAT and other local levies to create a uniform market. Cement is put at the highest tax slab of 28% under GST. These are path breaking steps taken by the Government, but had immediate disruptions on the functioning; at the same time steps like these are expected to boost GDP, avoid tax evasion and would bring in real growth and development of the nation as a whole.

Commencement of operation of Railway Siding of the Company has brought efficiency and time saving both in terms of unloading of coal and loading of cement. This is definitely a long term value addition to the Company. Further your Company has received Award for Fastest Growing Cement Company (Small Category) from Indian Cement Review. While we are pursuing our business, we are also watching the industry trends to identify growth opportunities.

The proposed sub-division of existing 1 equity share of the Company of face value of Rs.10/- each into 2 number of equity shares of Rs. 5/- each should bring in liquidity and affordability of the shares in the stock exchanges.

We remain dedicated and committed towards the success of your Company and seek cooperation from all the stakeholders involved. I express sincere appreciation to my colleagues on the Board, Management and Employees at all level for their valuable contributions. I thank Central and State Governments, Bankers, Business Associates, Customers and other Stakeholders for their support and cooperation. Last but not the least, once again my sincere gratitude to our shareholders; I look forward to your continued support.

Thank you
Hyderabad
August 11, 2017



M B Raju
Executive Chairman