DECCAN CEMENTS LIMITED

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DCL:SECY:2016

24th September 2016

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

Scrip Code: 502137

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

Trading Symbol: DECCANCE

Sub: Proceedings of the 36th Annual General Meeting (AGM) held on 23rd September 2016.

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we wish to inform below proceedings of the 36th Annual General Meeting (AGM) of the Members of the Company held on Friday, 23rd September 2016, at 10:00 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 20th to 22nd September 2016. He further informed that the Company has also arranged for voting through polling paper on all the 6 (Six) Resolutions forming part of the Notice of the AGM. He informed that Mr. Tumuluru Krishnamurthy, Practicing Company Secretary had been appointed as the Scrutinizer to scrutinize the remote e-voting and ballot 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 address (copy enclosed) explaining the performance of the Company during the financial year 2015-16 and the present business scenario of the Cement Industry and its future outlook.

Brief of the agenda items approved by the Members are:

ORDINARY BUSINESS

1. Adoption of Audited Balance Sheet as at 31st March 2016 and Statement of Profit & Loss for the Year ended on that date together with the Reports of the Directors' and Auditors' thereon - Ordinary Resolution.

2. Confirmation of payment of interim dividend as final dividend for the Financial Year 2015-16 - Ordinary Resolution.

3. Appointment of a Director in place of Mr. P Venugopal Raju (DIN: 00016548) who retires by rotation and being eligible offers himself for re-appointment - Ordinary Resolution.

4. Ratification of appointment of M/s. M Bhaskara Rao & Co, Chartered Accountants as the Statutory Auditors of Company and fixation of their remuneration - Ordinary Resolution.

SPECIAL BUSINESS

5. Ratification of remuneration to the Cost Auditors for the Financial Year 2016-17 - Ordinary Resolution.

6. Approval to deliver documents through particular mode as may be sought by any member of the Company - Ordinary Resolution

The Chairman clarified the queries raised by the members.

The Company Secretary requested the Members to deposit their duly filled up and signed polling papers into the Polling Box.

The meeting ended with votes of thanks to the Chair by the Managing Director.

This is for your information and records.

Thanking you,

Yours faithfully
for Deccan Cements Limited

S K Mishra
Company Secretary

Chairman's Speech

Dear Members,

I have great pleasure in welcoming you all to our company's 36th Annual General Meeting.

At, Deccan Cements Limited, we had a good last year, I am sure that you all will be happy about the performance of the company.

I would like to touch upon the salient features of the Company's performance during the year under review. Net Sales figures grew by 32.3% from Rs. 437.78 Crore to Rs. 579.07 Crore. Profit before Tax jumped from Rs. 21.34 Crore to Rs. 80.57 Crore, a growth of 277.6%. Net Profit after tax stood at Rs. 45.56 Crore as compared to previous year net profit of Rs. 19.88 Crore, registering a growth of 129.2%. Growth was registered both in Sales as well as Profitability. Taking into account the performance, your Board has declared highest a dividend of 50% i.e. Rs. 5/- per share for the financial year 2015-16. Capacity utilization for the Cement Plant has also seen improvement from the previous year.

This improved performance was mainly contributed by the Cement. Contribution from the Power generation from the Company's Thermal, Mini Hydel and Wind Power Plant was comparatively lower than the last year. The Thermal Power Plant, generation from which is basically for captive consumption in the Cement Plant, quantum of sale of excess energy through Indian Energy Exchange (IEX) was minimal, as the prices were at low levels for most part of the year. Power generation from the Mini Hydel was very low because of continued dry spell for two continuous years. For the current year, as we have seen good rainfall, generation of power from the Hydel Power Plant is expected to be better. Generation form the Wind Power Plant was at reasonable levels and was sold to third parties for whole of the year.

I would take this opportunity to announce that the Railway Yard Project, connecting the existing Vishnupuram-Janpahad Railway line to the Cement Plant, which was started few years back, but could not be completed pending clearance from the concerned government authorities, will be completed by end of the coming quarter. The total cost of the project including railway line, rail over bridge, wagon tippler etc will be around Rs. 50 Crore out of which Rs. 34 Crore was spent till the end of last financial year. At present, the Company, for transport of materials and finished products through rail, uses Janpahad Railway Station, which is around 2 kms from the Cement Plant. This railway line, once operational will save cost in relation to transportation, loading & unloading, demurrage and also will bring efficiency & better control.

The Central Government's continued focus on nation building, infrastructure development and other developmental policies is expected to give rise in consumption of Cement. A good monsoon in the current year, should witness growth in the agriculture sector and demand in rural areas. Further implementation of the 7th Central Pay Commission will have its positive effect on the housing sector. Apart from the above, initiatives from the Government of Telangana such as 'Mission Bhageeratha', '2 BHK Houses for the Poor' and 'Mission Kakatiya' and construction of Capital City by the Government of Andhra Pradesh would result in a spur in demand for Cement.

I express a sincere appreciation to my colleagues on the Board, Management and employees at all level for their valuable contributions. I thank our Central and State Governments, Bankers, Business Associates, Customers and other Stakeholders for their support and cooperation. Last but not the least, my sincere gratitude to our shareholders, I look forward to your continued support.

Thank you

M. B. Raju

M B Raju
Executive Chairman

Hyderabad
September 23, 2016