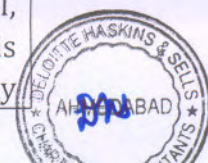


FORM B

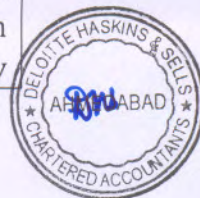
(Pursuant to Clause 31 of the Listing Agreement)


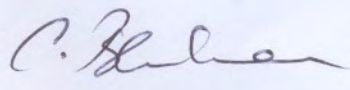
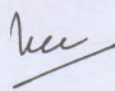
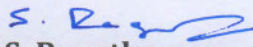
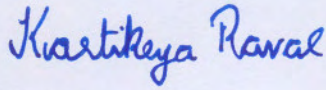
Format of covering letter of the Audit Report to be filed with the Stock Exchange

1.	Name of the Company	DIGJAM Limited
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of Audit qualification	<p>Qualified.</p> <p>The Auditors in their report dated May 30, 2015 at page no. 27 of the Annual Report have under the para entitled 'Basis for Qualified Opinion' stated:</p> <p>Attention is drawn to Note 12 to the financial statements which describes the dispute with regard to possession of property. In the absence of necessary evidence, we are unable to comment upon the ultimate recoverability of Capital Advances given by the Company towards purchase of the property carried in the Balance Sheet at Rs. 8,80,62,934 (As at 31st March, 2014: Rs. 8,80,62,934), which are considered good by the management. This matter was also qualified in our report on the financial statements for the year ended 31st March, 2014.</p>
4.	Frequency of qualification	The remark regarding Capital Advances of Rs. 8,80,62,934 appearing in the Auditors' Reports since the accounting period ended June 30, 2004
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Note No. 12 to the accounts for the year ended March 31, 2015 at page no. 36 of the Annual Report states as under:</p> <p>"The Capital Advances represent Rs. 8,80,62,934 (Previous year: Rs. 8,80,62,934) towards building, the physical possession of which has been arbitrarily withheld by the developer. The Company has taken necessary legal steps to get the possession of the said building/recovery of amounts paid alongwith interest. Necessary recognition of interest etc., if any, will be made on settlement of the ongoing legal/arbitration proceedings. NSE vide letter dated April 28, 2014 had advised, based on recommendations of the Qualified Audit Review Committee of SEBI, that the qualification of the Auditors in this respect be suitably rectified, and the Company</p>



	<p>had responded to the same. The matter is sub-judice and the arbitration is presently at the stage of final arguments; the Company continues to take appropriate steps based on professional/legal advice.”</p> <p>The management response to the aforesaid comment as mentioned in the Directors’ Report for the aforesaid year is stated at page no. 6 of the Annual Report as under:</p> <p>“The observations of the Auditors regarding advances towards building are explained in the Note No. 12 to the Accounts; necessary legal steps have been initiated by the Company to get possession of the said building/recovery of amounts paid along with interest, and the advances are considered good. NSE had advised the Company, based on recommendation of the Qualified Audit Review Committee of SEBI, to suitably rectify the qualification in this regard and the Company had responded to the same. The matter is sub-judice and the arbitration is presently at the stage of final arguments; the Company continues to take appropriate steps based on professional/legal advice.”</p>
<p>6. Additional comments from the board/audit committee chair:</p>	<p>The Audit Committee has reviewed the position of the subject amount of Rs 8,80,62,934, shown under Capital Advance in the Balance Sheet as at March 31, 2015 and while noting the necessary legal steps taken by the Company to get possession of the building/recovery of the amount paid alongwith interest, and the matter being sub-judice/ under arbitration proceedings, considered the said advance of Rs 8,80,62,934 as good. The Committee also noted that necessary adjustment including for interest would be made on settlement of the ongoing proceedings.</p> <p>The Committee noted that the transaction for purchase of immovable property for which payments were made would have resulted in transfer of title thereof to the Company but for arbitrary actions of the vendor. The matter is sub-judice and the arbitration is presently at the stage of final arguments with the arguments on behalf of the Company having been already</p>



		concluded, the Committee felt that Company continue to take appropriate steps under professional/legal advice.
7.	<p>To be signed by -</p> <ul style="list-style-type: none"> ● CEO/Managing Director ● Asst. Vice President & Chief Financial Officer ● Audit Committee Chairman ● Auditors of the Company 	<p> Sri C Bhaskar Managing Director & Chief Executive Officer</p> <p> Sri Satish Shah Asst. Vice President & Chief Financial Officer</p> <p> Sri S. Ragothaman Chairman of the Audit Committee DIGJAM Limited</p> <p>Refer our audit report dated May 30, 2015 On the stand alone financial statements of the Company For Deloitte Haskins & Sells Chartered Accountants (Firm's Registration No. 117365W)</p> <p> Kartikeya Raval Partner (Membership No. 106189) Place: New Delhi, May 30, 2015</p>



Sri S. K. Birla
Chairman Emeritus

Board of Directors

Sri Sidharth Birla
Chairman

Sri Bharat Anand
Smt. Meenakshi Bangur
Sri G. Momen
Sri A. C. Mukherji
Sri S. Ragothaman
Sri C. L. Rathi
Sri C. Bhaskar
Managing Director & Chief Executive Officer

Company Secretary

Sri G. K. Sureka
Company Secretary & Executive Vice President (Legal)

Senior Executives

Sri R. K. Kedia
President & Chief Operating Officer

Sri P. K. Das
Vice President (Exports)

Sri Ravinder Sharma
Vice President (Sales & Marketing)

Sri Satish Shah
Asst. Vice President & Chief Financial Officer

Registered Office & Mills

Aerodrome Road,
Jamnagar 361 006, Gujarat

Tel.:+91-288-2712972/3

Fax:+91-288-2712991

e-mail: cosec@digjam.co.in

website: www.digjam.co.in

Corporate Identity Number

L17110GJ1948PLC000753

Registrars & Share Transfer Agents

MCS Share Transfer Agent Ltd.
12/1/5, Manoharpukur Road,
Kolkata 700 026

Auditors

M/s Deloitte Haskins & Sells
'Heritage', 3rd Floor,
Near Gujarat Vidhyapith,
Off Ashram Road,
Ahmedabad 380 014

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Sixty-fifth Annual General Meeting of the Members of the Company will be held on Tuesday, September 29, 2015 at 10.00 a.m. at the Registered Office of the Company at Aerodrome Road, Jamnagar 361 006 (Gujarat), to transact the following business:

1. To consider and adopt the Directors' Report and the audited Financial Statements of the Company for the financial year ended March 31, 2015 and the Auditors Report thereon.
2. To appoint a Director in place of Sri C. L. Rathi (DIN: 00012392), who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of Auditors of the Company made at the Sixty-fourth Annual General Meeting of the Company for a term of three years and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

"RESOLVED that the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, (Registration No. 117365W), Ahmedabad as the Statutory Auditors of the Company at the Sixty-fourth Annual General Meeting of the Company for the term from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors in consultation with M/s Deloitte Haskins & Sells be and is hereby ratified and confirmed."

Special Business

To consider and if thought fit, to pass with or without modification, the following Resolutions:

4. AS AN ORDINARY RESOLUTION

"RESOLVED that pursuant to Section 148 of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act read with the relevant Rules thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the payment of remuneration of Rs. 1,00,000/- (Rupees One Lac only) plus applicable Service Tax and reimbursement of out of pocket expenses to M/s N. D. Birla & Co., Cost Accountants, Ahmedabad (Firm Registration No. 28) appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending on March 31, 2016."

5. AS A SPECIAL RESOLUTION

"RESOLVED that pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company and the same be approved and adopted as the new Articles of Association of the Company.

FURTHER RESOLVED that the Board of Directors of the Company or any duly authorised Committee thereof be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. AS A SPECIAL RESOLUTION

"RESOLVED that pursuant to the provisions of Section 94(1)

and other applicable provisions of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and any other applicable Rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company for keeping the Register of Members of the Company and the respective Register of other security holders, if any, maintained under Section 88 of the Companies Act, 2013 together with the Index of Members and/or other security holders at the office of the Registrar and Share Transfer Agents of the Company viz. MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata - 700 026 and at such places within Kolkata in the State of West Bengal where the Registrar and Share Transfer Agent may shift its office from time to time, instead of keeping such Register of Members including Register of other securities holders, if any, at the Registered Office of the Company."

The Register of Members of the Company will remain closed from September 22, 2015 to September 29, 2015 (both days inclusive).

New Delhi
May 30, 2015

BY ORDER OF THE BOARD

G. K. Sureka

Registered Office:
Aerodrome Road,
Jamnagar 361 006
(Gujarat)
CIN: L17110GJ1948PLC000753

Company Secretary
e-mail: cosec@digjam.co.in
Tel.: +91-288-2712972
Fax: +91-288-2712991
website: www.digjam.co.in

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member.
2. The instrument appointing a proxy has to be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
3. For any further information regarding the above Accounts, advance intimation be given and the Members should ensure that it reaches the Company's Registered Office at Aerodrome Road, Jamnagar 361 006 (Gujarat) at least 10 days before the date of the ensuing meeting.
4. Under the Companies Act, 2013 ('the Act') and the Rules thereunder, the Company is permitted to serve on the Members documents including Annual Report and notices through, inter alia, the electronic mode. The Company may send to the Members the Annual Report and other documents/communications either physically to their registered address or by e-mail at the e-mail addresses registered with the Company/received through the respective Depository.
5. **Pursuant to the Green Initiative of the Ministry of Corporate Affairs, request to register e-mail addresses, changes therein and in the registered addresses including PIN CODE: Members holding shares in physical form are requested to register/update their e-mail addresses/registered addresses with the Company's Registrars and Share Transfer Agents, M/s MCS Share Transfer Agent Ltd., 12/1/5, Manoharpukur Road, Kolkata 700 026. Members holding shares in dematerialised form are requested to register their e-mail addresses, changes therein and in their registered addresses with the**

concerned Depository through their Depository Participant. In absence of e-mail address, the documents will be sent in physical mode.

6. Members may note that the Notice of the 65th Annual General Meeting and the Annual Report for year 2014-15 will also be available on the Company's website www.digjam.co.in for their download. 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 upto and including the date of the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrars and Share Transfer Agents.
8. In view of the provisions of Section 125 of the Companies Act, 2013, the sale proceeds of fractional shares arising out of the Scheme of Arrangement in 2006 lying unpaid Rs. 9,840 with the Company will be transferred to the Investor Education and Protection Fund once the aforesaid provisions come into force.
9. **Voting through electronic means**

- I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the 65th Annual General Meeting (AGM) by remote e-voting. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under:

The facility for voting either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 65th AGM and the Members attending the same shall be able to exercise their voting rights accordingly at the AGM provided they have not already cast their vote through remote e-voting. Such Members who have already voted through remote e-voting may attend the AGM but shall not be entitled to vote again thereat.

- II. **The e-voting period commences on Saturday, September 26, 2015 (9.00 a.m.) and ends on Monday, September 28, 2015 (5.00 p.m.), both days inclusive. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2015, may cast their vote electronically.** The e-voting module shall be disabled by CDSL for voting thereafter.

- a. The Shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- b. Click on "Shareholders" tab.
- c. Now, Enter your User ID:
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- f. However, if you are a first time user, please follow the steps given below:

For Members holding shares in Demat / Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>*Members who have not updated their PAN with the Company/Depository Participant are requested to enter in the PAN field the Sequence Number (SQ) consisting of total 10 characters printed on the address label (for e.g.: RA00073142). In case you have received this communication through email, the Sequence Number (SQ) is furnished therein next to your DP ID/Client ID/Folio No.</p> <p>Any person having become a shareholder after the dispatch of AGM notice would invariably have their updated PAN with the Company/Depository in which case the Sequence Number is not required.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth in dd/mm/yyyy format as recorded in your demat account or in the company records in order to login.</p> <p>*If both the details are not recorded with the Depository or Company, please enter the member id/folio number in the Dividend Bank Details field as mentioned in instruction (c) above.</p>

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant Company for which you choose to vote i.e. DIGJAM LIMITED.

- k. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the "Resolutions File Link" if you wish to view the entire Resolution details.
- m. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.
- n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the vote cast by clicking on "Click here to print" option on the Voting page.
- p. If a demat account holder has forgotten the login password then enter the User ID and the image verification Code and click on Forgot Password & enter the details as prompted by the system.
- q. Note for Non Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- r. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. You can also contact the helpdesk on the toll free number: 1800-200-5533.
- III. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 22, 2015.
- IV. The Practising Company Secretary, Sri Viral Sanghavi, Prop. Viral Sanghavi & Associates, (Membership No. 24951 & CP No. 9035) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same and thereafter, the Chairman or the person so authorised shall declare the Results of the voting forthwith.
- This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and communicated to NSE and BSE immediately.
10. **EXPLANATORY STATEMENT** pursuant to Section 102 of the Companies Act, 2013 ('the Act')/SEBI Code for Corporate Governance:
- Item No. 2:** A brief resume of the Director offering himself for re-election is given below:
- Sri C.L. Rathi**, aged 69 years, is a Commerce and Law Graduate as well as Fellow Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has vast expertise in managing the affairs of large industrial undertakings and has experience of about 45 years in manufacturing industries like textiles, plastics, edible oil, light engineering, etc. at top management levels in India and abroad. He has served the Company in various capacities over a long period including as Managing Director of the Company. He is a Director in Drap Leasing & Finance Pvt. Ltd., Drap Plastics Pvt. Ltd. and VXL Technologies Ltd. He is the Chairman of Stakeholders Relationship Committee of the Company. He is member of Audit Committee of VXL Technologies Ltd.
- Sri C.L. Rathi does not hold any Equity Share in the Company.
- Except for Sri C.L. Rathi, being the appointee and his relatives to the extent of their shareholding, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the aforesaid Resolution.
- Item No. 3:** Pursuant to Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, the Company had at its 64th Annual General Meeting appointed M/s Deloitte Haskins & Sells, Ahmedabad as its Statutory Auditors for three years commencing from the aforesaid Annual General Meeting. The said Section also provides for ratification of such appointment by Members at every Annual General Meeting. Accordingly, a Resolution is being proposed and is recommended for your approval.
- None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the said Resolution.
- Item No. 4:** The Board of Directors on the recommendation of the Audit Committee has appointed M/s N.D. Birla & Co., Cost Accountants, as the Cost Auditors for audit of cost accounting records of the Company for the financial year 2015-16 at a remuneration of Rs. 1,00,000/- (Rupees One Lac only) besides applicable service tax and reimbursement of out of pocket expenses. In terms of the provisions of Section 148(3) of the Act read with Companies (Audit and Auditors) Rules, 2014, the Members are required to ratify the remuneration payable to the Cost Auditors and accordingly, the consent of the Members of the Company is solicited for the remuneration as set out in the Resolution in Item no. 4

which is accordingly commended for approval by the Board of Directors.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the said Resolution.

Item No. 5: The existing Articles of Association (AOA) of the Company are based on the 'previous company law' and several regulations in the existing AOA contain references to various provisions thereof. Besides, some regulations in the existing AOA are no longer in conformity with the Act. With the enactment of the Companies Act, 2013, several regulations of the existing AOA require alteration and/or deletion. In the light thereof, it is considered expedient to replace the existing AOA with a new AOA. The new AOA to be substituted in place of the existing AOA is based on Table F of Schedule I of the Act which sets out the model AOA for a company limited by shares. The draft AOA is available for inspection by the Members on the Company's website www.digjam.co.in and at the Registered Office of the Company. You can also write to the Company for a physical copy of the same free of cost prior to the date of the Annual General Meeting.

The Resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the aforesaid Resolution.

Item No. 6: Section 94(1) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable Rules framed thereunder allow the Company to keep the Register of Members together with Index of Members at a place other than the Registered Office of the Company, if approved by the Members by way of Special Resolution.

Presently more than one - tenth of the total number of Members of the Company is residing in the city of Kolkata

in the State of West Bengal. Accordingly, the Board seeks approval of the Members to keep the Register of Members and all relevant documents/registers pertaining thereto, maintained by the Company either physically or electronically, at the Kolkata office of the Registrar & Transfer Agents of the Company. As required, an advance copy of the proposed resolution is being filed with the Registrar of Companies, Gujarat at Ahmedabad.

The Resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in this Resolution.

Inspection of Documents

All the documents including the draft Articles of Association referred to in the notice and explanatory statement including the Memorandum and Articles of Association of the Company are open for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day prior to the date of the Annual General Meeting.

New Delhi
May 30, 2015

Registered Office:
Aerodrome Road,
Jamnagar 361 006
(Gujarat)
CIN: L17110GJ1948PLC000753

BY ORDER OF THE BOARD

G. K. Sureka
Company Secretary
e-mail: cosec@digjam.co.in
Tel.: +91-288-2712972
Fax: +91-288-2712991
website: www.digjam.co.in

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

We present herewith our Annual Report along with the Audited Accounts of the Company for the year ended March 31, 2015.

FINANCIAL RESULTS

	(Rs. Lacs)	
	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Operations for the year resulted in Profit before Interest and Depreciation of		
Depreciation of	1,75.45	16,96.92
less: Finance Costs	12,35.34	12,79.78
less : Depreciation	4,03.85	3,88.35
(Loss)/Profit Before Tax	(14,63.74)	28.79
less: Taxation	—	—
(Loss)/Profit After Tax	(14,63.74)	28.79
add: Balance brought forward	(83,08.95)	(83,37.74)
less: Transition adjustments	46.14	—
leaving a Balance of which is carried forward	(98,18.83)	(83,08.95)

The Directors do not recommend any dividend.

REVIEW OF KEY BUSINESS MATTERS

The Indian macro-economic outlook is turning positive with a marked decline in inflation and a comfortable external position helped by positive government policies and fall in global crude oil prices. Changes adopted in GDP reporting based on an updated base year, wider coverage of goods and services and the inclusion of tax data showed a more robust economic performance than projected earlier, with initial estimates for 2014-15 showing growth accelerated to 7.4% as industry and service sectors expanded. GDP growth is projected at 7.8% in 2015-16 and expected to further rise to 8.2% by 2016-17. Government efforts towards regulating general inflation, a pro-investment attitude, improvement in fiscal and current account deficit, and movement on resolving structural bottlenecks are steps in the right direction. A global economic slowdown, barring some positive signs in U.S.A., does however create stresses and increases complexities in our economic environment. Challenges to economic prospects include possible rise in oil prices, uncertain monsoons, and slow revival of customer confidence.

Despite improving fundamentals in, and continuing strong potential, of our economy, the financial year was marked by generally weak customer sentiment. Globally, the woollen textiles market also continued to be depressed. Some traditionally strong U.S. businesses remained weak buyers due to their own reorganisation/restructuring. Increasing competition from synthetic fabrics and cotton, and cheaper supplies from China, worked to influence customer preference in their favour. A marked shift to ready-mades is also impacting overall superior fabric demand at home. Wool and polyester prices were soft during the year aided by a relatively stable rupee.

In these overall conditions the Company could achieve a revenue from operations of Rs.132 crores against Rs.150 crores last year. Domestic volumes were marginally lower. Export sales were lower by 30% and were also impacted by the fall in the value of the Euro, rendering some exports uneconomic. Average sales realisations improved due to a richer wool product-mix. Costs and overheads were largely controlled and operational efficiencies improved. The Company continues to take steps to broaden its

markets and take measures to improve operations, trim overheads and strengthen liquidity.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Sri C.L. Rathi, non-executive (non-independent) Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (hereinafter "the Act"), at the Sixty-fourth Annual General Meeting held on September 5, 2014, Sri A.C. Mukherji and Sri G. Momen were appointed as Independent Directors to hold office until the third consecutive Annual General Meeting of the Company and Sri S. Ragothaman and Sri Bharat Anand were appointed as Independent Directors to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company i.e. until the conclusion of the Sixty-seventh/Sixty-ninth Annual General Meetings of the Company respectively. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Upon completion of his term on December 31, 2014, the Board on the recommendation of the Remuneration & Nominations Committee, re-appointed Sri C. Bhaskar as Managing Director & Chief Executive Officer, for a period of three years w.e.f January 1, 2015. The Members of the Company at the Extraordinary General Meeting of the Company held on March 25, 2015 approved the aforesaid appointment and remuneration payable to Sri Bhaskar as Managing Director & Chief Executive Officer. Sri Satish Shah was during the year designated as the Chief Financial Officer of the Company under the provisions of the Act.

During the year, five Board Meetings were held as per details in the annexed Corporate Governance Report.

SHARE CAPITAL

Pursuant to the approval of Members at the Extraordinary General Meeting held on March 25, 2015, the Company with a view to strengthen the long term resource base of the Company, including to meet working capital requirements, issued on Private Placement basis under Section 42 and other applicable provisions of the Act, 10,00,000 – 8% Non-Convertible Redeemable Preference Shares of Rs. 100/- each for cash at par against which 5,00,000 - 8% Non-Convertible Redeemable Preference Shares of Rs. 100/- each aggregating to Rs. 5 Crores were allotted in the first tranche before the year end. The funds received have been utilised for the aforesaid purpose. The said shares are redeemable at par at the end of 10 years from the date of allotment viz. March 27, 2015 or earlier at the option of the Company.

STATUTORY INFORMATION AND OTHER MATTERS

Information as per the requirements of the Act, our report on Corporate Governance alongwith the Auditors' Certificate on Compliance and the Managements' Discussion & Analysis Report form part of this report and are annexed hereto.

The extract of the Annual Return in Form MGT-9 is attached herewith.

The Board has, on the recommendation of the Remuneration & Nominations Committee, framed a Policy for appointment and remuneration of Directors and Senior Managerial Personnel as well as criteria for determining independence and other relevant matters (policy and criteria annexed herewith). Pursuant to the

provisions of the Act and Clause 49 of the Listing Agreement, the Board carried out annual evaluation of its performance, and of individual Directors (including independent) as well as the evaluation of its Audit, Remuneration and Nominations, and Stakeholders Relationship Committees. The concerned Director did not participate in the meeting while being evaluated. A questionnaire was circulated to all the Directors. The Remuneration and Nominations Committee also evaluated the performance of every Director. The evaluation of the Chairman of the Board and the non-independent Directors was also carried out at the separate meeting of the Independent Directors.

The information on Conservation of Energy, Technology absorption, foreign exchange earnings and outgo is annexed hereto.

The Company has a system of periodical review of business risks. The Audit Committee and the Board are informed about the risks identified, assessment thereof and minimization procedures and identification of elements of risks which in the opinion of the Board may threaten existence of the Company.

The Company has an internal control system commensurate with its size of operations. The internal audit function is carried out by an external agency which report to the Chairman of the Audit Committee. During the course of internal audit, the efficacy and adequacy of internal control systems of the Company is also evaluated. Based on the reports, corrective actions are taken and the controls strengthened.

The Company has no subsidiary, joint venture or associate company. The Company has not invited/accepted any Fixed Deposits under Chapter V of the Act and there are none outstanding on March 31, 2015. The Company has not granted any loan or issued any guarantee or made any investment to which the provisions of Section 186 of the Act apply.

All transactions with related parties during the year were in the ordinary course of business on an arm's length basis. There are no such material transactions entered into by the Company which may have a potential conflict of interest with that of the Company and to which Section 188(1) of the Act applies and thus, disclosure in Form AOC-2 is not required to be annexed. In accordance with the provisions of the Act and Clause 49 of the Listing Agreement, all Related Party Transactions are placed before the Audit Committee for approval or for omnibus approval as necessary. The statement of all such transactions entered into is placed before the said Committee for their review. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the link <http://digjam.co.in/pdf/RPTpolicy.pdf>

There are no significant and material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

The Audit Committee constituted by the Company meets the requirement of Section 177 of the Act and Clause 49 of the Listing Agreement; details of its composition are furnished in the Corporate Governance Report. There was no instance during the year where the Board had not accepted any recommendation of the Audit Committee.

The Company has a vigil mechanism for Directors and employees to report genuine concerns in accordance with the Whistle Blower Policy; no employee is denied access to the Audit Committee in this regard. The said Policy provides for safeguards through Protected Disclosures against victimization of persons who use such mechanism, and is displayed on the Company's website. The details of the Whistle Blower Policy are also annexed herewith.

The Company had, before the Act came into force, already constituted a committee on Corporate Social Responsibility (CSR), the details of which are furnished in the Corporate Governance Report. While the statutory requirements on spending are not applicable to the Company in view of loss/inadequate profit, small steps have always been taken by the Company for social and inclusive development in its local area; however given the relatively small size and geographical spread, it has not been practical to yet undertake any significant projects beyond these. The CSR Policy of the Company is annexed herewith.

Information required pursuant to Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed.

The Company has set up a Committee to look into the complaints under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint relating to sexual harassment at work place has been received during the year.

The Managing Director & Chief Executive Officer and the Chief Financial Officer have certified as per the requirements of Clause 49(IX) of the Listing Agreement which has been reviewed by the Audit Committee and taken on record by the Board. Having taken reasonable and bonafide care pursuant to Section 134(5) of the Act, the Directors indicate that (a) in the preparation of annual accounts, the applicable Accounting Standards had been followed alongwith proper explanations relating to material departures; (b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year; (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the 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 on a going concern basis; (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS' OBSERVATIONS

The observations of the Auditors regarding advances towards building are explained in the Note No. 12 to the Accounts; necessary legal steps have been initiated by the Company to get possession of the said building/recovery of amounts paid along with interest, and the advances are considered good. NSE had advised the Company, based on recommendation of the Qualified Audit Review Committee of SEBI, to suitably rectify the qualification in this regard and the Company had responded to the same. The matter is sub-judice and the arbitration is presently at the stage of final arguments; the Company continues to take appropriate steps based on professional/legal advice.

AUDITORS

M/s Deloitte Haskins & Sells, Chartered Accountants, had been appointed as the Statutory Auditors of the Company at the Sixty-fourth Annual General Meeting held on September 5, 2014 to hold office until the conclusion of the Sixty-seventh Annual General Meeting of the Company i.e. for a term of three years. As provided

in Section 139 of the Act, the said appointment is being placed for ratification at the forthcoming Annual General Meeting.

The Company had appointed M/s N.D. Birla & Co., Cost Accountants, Ahmedabad, to audit the cost accounts of the Company for the year ended March 31, 2014 and the Cost Audit Report for the said year had been e-filed in the XBRL format by the Cost Auditor on September 3, 2014, well within the due date. Further, the Board has, on the recommendation of the Audit Committee, appointed the said Cost Accountants for audit of cost records of the Company for the year ending March 31, 2016. In terms of Section 148(3) of the Act, the remuneration payable to them is required to be approved at the forthcoming Annual General Meeting.

Pursuant to the provisions of Section 204 of the Act, the Company had appointed Sri Viral Sanghavi (Proprietor: Viral Sanghavi &

Associates), Practising Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is attached herewith.

ACKNOWLEDGEMENTS

We place on record our sincere appreciation of the valuable cooperation and support received at all times by the Company from its bankers, other stakeholders, concerned Government Departments, other authorities, its channel partners, employees and shareholders.

For and on behalf of the Board

New Delhi
May 30, 2015

Sidharth Birla
Chairman

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Board has always followed the principles of good governance and emphasizes transparency, integrity and accountability. We believe that good governance is voluntary, self-disciplining with the strongest impetus coming from Directors and the management itself. The management and organization at DIGJAM Limited endeavors to be progressive, competent and trustworthy, for customers and stakeholders, while reflecting and respecting the best of Indian values in its conduct.

THE BOARD OF DIRECTORS

The Board presently consists of 8 Directors, of whom 4 are independent and 7 are non-executive. Current regulations require that the Company should have at least one Woman Director and that, if the non-executive chairman is from the promoter group at least 50% of the Directors should be independent; these criteria are met. Independent Directors play an important role in deliberations at the Board level, bring with them their extensive experience in various fields including banking, finance, law, administration and policy, and contribute significantly to Board committees. Their independent role vis-à-vis the Company implies that they have a distinct contribution to make by adding a broader perspective, by ensuring that the interests of all stakeholders are kept in acceptable balance and also in providing an objective view in any potential conflict of interest between stakeholders. Our Board has 4 independent Directors viz. Sri A.C. Mukherji (ex-CMD of New India Assurance Co.), Sri G. Momen (Businessman of repute), Sri S. Ragothaman (Company Director, formerly senior official at ICICI) and Sri Bharat Anand (Advocate & Solicitor and partner of Khaitan & Co. LLP).

Independent Directors are given a formal letter of appointment (copy available on Company's website) which, inter alia, explains their role, function, duties and responsibilities. The Company has drawn up a Familiarization Programme for Independent Directors with a view to familiarize them with the Company, their roles, rights and responsibilities in the Company, nature of industry in which the company operates, business model of the company etc. (weblink: <http://digjam.co.in/Pdf/FamProgID.pdf>). The Remuneration & Nominations Committee has laid down the criteria for performance evaluation of Independent Directors and such evaluation is done by the Board (excluding the Director being evaluated) and based on the evaluation, the Board determines the continuation/extension of the term. Performance evaluation of Non-Independent Directors and the Board as a whole and Chairman of the Company is also done by the Independent Directors as per relevant regulations.

The position of the Chairman is non-executive, non-managerial in nature. The management of the Company is vested in executive director(s) appointed for the purpose, subject to the general supervision, control and direction of the Board. Sri C Bhaskar is the Managing Director & Chief Executive Officer accountable to the Board for actions and results and is the only executive director. Sri Sidharth Birla and Smt. Meenakshi Bangur represent promoters and are related to each other; none of the other Directors are related to each other or to promoters. Sri C.L. Rathi is a non-executive (non-independent) director. The Board had conferred the title of Chairman Emeritus to the past Chairman Sri S.K. Birla and he is invited to be present at Board Meetings. Details are given below by category, attendance, shareholding, fees and total Directorships besides Memberships and Chairmanships of Board Committees.

Director	Category*	Board attendance **	Attendance at last AGM	B/C/Ch+	Sitting Fees Paid Rs.	Shares held as on March 31, 2015
Sri Sidharth Birla	P	5/5	No	5/-	1,40,000	50,000
Sri Bharat Anand	I	2/5	No	1/1/-	75,000	—
Smt. Meenakshi Bangur	P	3/5	No	1/-	75,000	324
Sri G. Momen	I	4/5	No	8/4/1	2,05,000	—
Sri A.C. Mukherji	I	4/5	No	4/3/2	2,35,000	116
Sri S. Ragothaman	I	3/5	Yes	9/5/3	1,65,000	25,723
Sri C. L. Rathi	NE	5/5	No	2/1/1	1,45,000	—
Sri C. Bhaskar	E	5/5	Yes	4/2/-	—	2,100

* : P = Promoter, I = Independent, E = Executive, NE = Non-Executive.

** : For the period under review (attendance data relates to relevant meetings while a Director)

+ : B = Board Membership (public limited companies only), C/Ch = Membership/Chairmanship of SEBI specified Board Committees.

Appointment and remuneration of any Executive Director require approval of shareholders and such appointments are made for not more than five years and, when eligible, they can be re-appointed at the end of the term. Independent Directors, as required under the Companies Act, 2013 ('the Act'), are appointed for a term of upto 5 years in Annual General Meeting, and are eligible for re-appointment but cannot hold office for more than two consecutive terms (becoming eligible again after the expiry of three years from ceasing to be an independent director). 1/3rd of the other Directors retire every year and, when eligible, qualify for re-appointment. Nominee Directors, if any, are not considered independent and do not usually retire by rotation.

All specified details are provided in the notice for appointment or re-appointment of a Director.

RESPONSIBILITIES

The Board's principal focus is on strategic issues and approval, policy and control and delegation of powers and it has specified a schedule of major matters (covering those required under law or SEBI Code) that are reserved for its consideration and decision, including, inter alia, review of corporate performance, reporting to shareholders, approving annual budget including capital budget, monitoring the implementation and effectiveness of the governance practices, appointing key executives and monitoring their remuneration, monitoring and managing potential conflicts of interest, ensuring integrity of Company's accounting and financial reporting system and that appropriate systems of control are in place, reviewing Board evaluation framework, setting up corporate cultural values and high ethical standard, treating all shareholders fairly and exercising objective independent judgment on corporate affairs.

The respective roles of the Board and the Management are clearly demarcated. The Management is required to (a) provide necessary inputs and basis to support the Board in its decision making process in respect of the Company's strategy, policies, performance targets and code of conduct (b) manage day-to-day affairs of the Company to best achieve targets and goals approved by the Board (c) implement all policies and the code of conduct, as approved by the Board (d) provide timely, accurate, substantive and material information, including on all financial matters and exceptions, if any, to the Board and/or its Committees (e) be responsible for ensuring strict and faithful compliance with all applicable laws and regulations and (f) implement sound, effective internal control systems and the Risk Management Procedure framed by the Board. The Board requires that the organization conducts business and develops relationships in an honest and responsible manner. To establish a policy framework to promote and adhere to the spirit, a Code of Conduct for all employees of the Company has been instituted and the Board has adopted a Business Code of Conduct for Directors and Senior Executives. In accordance with the requirements, the Board has laid down the Whistle Blower Policy and Policy for Prevention of Sexual Harassment at Work place. The Board has also laid down the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as well as the Code of Conduct to Regulate, Monitor and Report Trading by Employees & other Connected Persons under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The overall management of the Company is vested in the Managing Director, subject to general supervision, control and direction of the Board. Sri C. Bhaskar who was re-appointed with effect from January 1, 2015 as the Managing Director & Chief Executive Officer of the Company holds the qualifications of B. Tech (Chem.), PGDM (IIM-Cal) MIMA, FIPI and has about 36 years of consultancy

and industrial experience. The day-to-day working of the plant at Jamnagar is looked after by experienced officers reporting to the President & Chief Operating Officer, who is responsible for the overall operations of the plant and reports to the Managing Director & Chief Executive Officer. The Assistant Vice President & Chief Financial Officer heads the finance function discharging the responsibility entrusted to him under regulations and by the Board. They are collectively entrusted with ensuring that all management functions are carried out effectively and professionally.

BOARD MEETINGS AND COMMITTEES

Board Meetings are held at varying locations and are usually scheduled in advance. The Board generally meets at least once a quarter to, *inter-alia*, review all relevant matters and approve the quarterly financial results. Independent Directors are required to meet at least once a year without the presence of non-independent directors and the management to, *inter alia*, discuss prescribed matters. The Board sometimes meets on an ad-hoc basis to receive presentations about and deliberate upon the strategic and operational plans of the management. The Agenda for meetings is prepared by the Company Secretary, in consultation with the Chairman and papers are circulated to all Directors in advance. Directors have access to the Company Secretary's support and all information of the Company and are free to suggest inclusion of any relevant matter in the Agenda. Senior Officers are called to provide clarifications and make presentations whenever required. The Board met 5 times on May 8, July 30, November 6, 2014, January 31 & February 25, 2015. To enable fuller attention to the affairs of the Company, the Board delegates specified matters to its committees, which also prepare groundwork for decision-making and reports to the Board. However, no matter is left to the final decision of any committee, which under law or the Articles may not be delegated by the Board or may require its explicit approval.

Independent Directors separately met on January 31, 2015 to, *inter alia*, discuss matters prescribed under Company Law and Clause 49 of the Listing Agreement. The meeting was attended by Sri A.C. Mukherji, Sri S. Raghathan and Sri G. Momen and leave of absence was granted to Sri Bharat Anand.

Audit Committee

The terms of reference of the Audit Committee, as specified by the Board in writing, include the whole specified in the SEBI Code and the Companies Act, including a review of audit procedures and techniques, financial reporting systems, reviewing and approving related party transactions and disclosure thereof, scrutiny of inter corporate loans & investments, reviewing the functioning of Whistle Blower mechanism, review of Management Discussion & Analysis Report, reviewing internal control systems and procedures, management letters/letters of internal control weakness from Auditors, Internal Audit Report related to internal control weaknesses besides ensuring compliance with regulatory guidelines. The committee members are all Independent Directors collectively having requisite knowledge of finance, accounts and company law. The Committee recommends the appointment of CFO, external, internal and cost auditors and their fees and other payments and also takes an overview of the financial reporting process to ensure that financial statements are correct, sufficient and credible. Any financial report of the Company can be placed in the public domain only after review by the Audit Committee. The reports of the statutory and internal auditors are regularly reviewed along with management's comments and action-taken reports. The committee has explicit authority to investigate any matter within its terms of reference and has full access to the

information, resources and external professional advice which it needs to do so.

The Committee comprises Sri S. Ragothaman (Chairman), Sri A.C. Mukherji, Sri G. Momen and Sri Bharat Anand and is mandated to meet at least four times in a year; to assess the final audited accounts and to review each quarter, the quarterly results and the limited review report before they are put up to the Board. The Committee met 5 times on May 8, July 29, November 5, 2014, January 31 and March 21, 2015 during the year attended by Sri S. Ragothaman (4/5), Sri A.C. Mukherji (4/5), Sri G. Momen (3/5) and Sri Bharat Anand (1/5). Sri G.K. Sureka, Company Secretary, acts as the Secretary to the Committee.

Remuneration & Nominations Committee

The Remuneration & Nominations Committee (which discharges the functions of the Nomination & Remuneration Committee as envisaged under Section 178 of the Act) comprises of non-executive Directors, majority of whom are independent. The Committee helps ensure that non-executive Directors make decisions on the appointment, remuneration, assessment and progression of Executive Directors and senior officers; any compensation of non-executive Directors is a subject only for the whole Board. The Committee has devised a policy on Board diversity and when required, makes recommendations to the Board on filling up Board vacancies that may arise from time to time or on induction of further Directors to strengthen the Board. The Committee has also formulated criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy for the remuneration of the Directors, Key Managerial Personnel and other employees as well as criteria for evaluation of Independent Directors and the Board (Remuneration Policy and the Evaluation criteria are annexed). The Committee presently comprises of Sri A. C. Mukherji (as Chairman), Sri Bharat Anand, Sri G. Momen (Independent Directors) and Sri Sidharth Birla (non-executive Promoter Director). The Committee met thrice during the year, on May 8, October 24, 2014 and January 31, 2015, attended by Sri A.C. Mukherji (3/3), Sri Bharat Anand (1/3), Sri G. Momen (2/3) and Sri Sidharth Birla (3/3).

The Board approved payment to each non-executive Director sitting fees of Rs.25,000 for every Board Meeting, Rs. 20,000 for every Audit Committee meeting, Rs.5,000 for Stakeholders Relationship Committee meeting and Rs. 10,000 for every other Committee meeting attended by him besides Rs. 25,000 for separate meeting of Independent Directors. No fee is paid for meetings of the CSR Committee. No commission is paid to any Director. As approved by the Shareholders at the Extraordinary General Meeting held on March 25, 2015, Sri C. Bhaskar was re-appointed as Managing Director & Chief Executive Officer for three years from January 1, 2015 on either a remuneration comprising of salary, commission (not exceeding 2% of net profits), perquisites and other benefits/allowances as may be decided by the Board from time to time, subject in aggregate to a maximum of 5% of the net profits of the Company as per relevant calculation or where in any financial year, the Company has no/inadequate profits, remuneration by way of salary, allowances and benefits as per the rules of the Company within the applicable limits (presently Rs. 7 lac per month) of Schedule V of the Act, whichever is higher. Accordingly he is paid a salary of Rs. 2,15,000 per month wef January 1, 2015 and benefits/perquisites as per the rules of the Company (well within the limits prescribed/approved by the Members). There are no severance fees (routine notice period not considered as severance fees), other benefits, bonus or stock options. The Company does not have any pecuniary

relationship or transactions with any non-executive Director; Sri Bharat Anand is a partner of Khaitan & Co. LLP, a reputed firm of Advocates, who also act for the Company from time to time and to whom the Company paid Rs. 5,51,000 during the year towards Retainership, fee and reimbursement of expenses on different matters but the Board has determined that the said amount is not material to the firm's overall income and therefore would not be deemed to affect his independence.

Stakeholders Relationship Committee

The Committee is empowered to consider and resolve the grievances of security holders of the Company as well as to discharge all functions of the Board in connection with transfers and issue of certificates and record keeping in respect of the securities issued by the Company from time to time as well as to oversee the performance of the Registrar and Share Transfer Agents. Any shareholder grievance is referred to this Committee in the first instance for earliest resolution of a problem. The Company has more than 72,000 shareholders and with a view to expedite share transfers, the Registrar and Share Transfer Agent of the Company, MCS Share Transfer Agent Limited, has been authorised to effect share transfers/transmissions, etc. The Company Secretary, Sri G. K. Sureka, is appointed as Compliance Officer under relevant regulations. The Committee comprises of Sri C. L. Rathi (Chairman), Sri A. C. Mukherji and Sri C. Bhaskar. During the year, 27 complaints/queries were received and have all been resolved. No cases of physical share transfers and for dematerialization or re-materialization were pending on March 31, 2015.

Corporate Social Responsibility ("CSR") Committee

The Board of Directors have constituted a Corporate Social Responsibility ("CSR") Committee, in line with the provisions of the Companies Act, 2013 to (i) formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company; (ii) recommend the amount of expenditure to be incurred on such activities and (iii) monitor the implementation of the said CSR Policy from time to time. The Committee comprises of Sri G. Momen, as Chairman, Smt. Meenakshi Bangur and Sri C. Bhaskar as members. Sri R. K. Kedia, President & Chief Operating Officer of the Company is the management invitee at the meetings of the CSR Committee. The Committee met on January 31, 2015.

Committee of Directors

A Committee of Directors comprising of Sri Sidharth Birla, Chairman, Sri Bharat Anand, Smt. Meenakshi Bangur, Sri A.C. Mukherji and Sri C. Bhaskar attends to matters specified and/or delegated appropriately by the Board from time to time. Besides, the Board, from time to time, constitutes committees of Directors for specific purposes. These committees meet as and when necessary for discharge of their respective functions.

SHAREHOLDER INFORMATION & RELATIONS

The primary source of information for Shareholders is the Annual Report, which includes, inter-alia, the reports of the Board and the Auditors, audited Accounts, and the Management's Discussion and Analysis Report on operations and outlook. Management's statement on the integrity and fair presentation of financial statements is provided to the Board as part of the process of accounts approval. Shareholders are intimated via print media of quarterly financial results and performance besides significant matters, within time periods stipulated from time to time by Stock

Exchanges. Quarterly results are published in Financial Express, all editions (including Ahmedabad, in Gujarati).

General Meetings of the Company are held at its Registered Office at Aerodrome Road, Jamnagar 361 006, Gujarat. The last 3 Annual General Meetings were held on August 23, 2012, August 23, 2013 and September 5, 2014. The next AGM shall be held at the Registered Office as per the notice in this Annual Report and Book Closure will be as per the notice. Besides the Special Resolutions for private placement of Non-Convertible Redeemable Preference Shares aggregating to Rs.10 Crs. and for approval to the re-appointment and payment of remuneration to Sri C. Bhaskar as Managing Director and Chief Executive Officer of the Company for three years wef January 1, 2015 at the Extraordinary General Meeting held on March 25, 2015. Special Resolutions were approved at the AGMs held on August 23, 2012 for approving the appointment of and remuneration payable to Sri C. Bhaskar as Managing Director for the period from June 1, 2012 to December 31, 2014 and on September 5, 2014 granting consent to the Board of Directors to borrow u/s 180(1)(c) of the Act upto Rs. 750 Crores and for mortgaging and/or creating charge u/s 180(1)(a) of the Act. While the last Annual General Meeting was attended by Sri S. Ragothaman, Chairman of the Audit Committee and Sri C. Bhaskar, Managing Director and Chief Executive Officer, the Extraordinary General Meeting held on March 25, 2015 was attended by Sri Sidharth Birla, Chairman of the Board, Smt. Meenakshi Bangur, Sri C. L. Rathi and Sri C. Bhaskar. No Special Resolution was put through postal ballot during the period and there is no item in the notice for the forthcoming Annual General Meeting requiring postal ballot. Dividends have not been declared over the last 3 financial years and thus there was no date of mailing nor delay in payment. The Company keeps all shareholders informed via advertisements in appropriate newspapers of relevant dates and items requiring notice. **MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700 026 are Registrars and Share Transfer Agents (RTA) both for shares held in physical and dematerialized form.** The address for Shareholders' general correspondence is Company Secretary, DIGJAM Limited, Aerodrome Road, Jamnagar 361 006 (Gujarat); designated e-mail ID for grievance redressal is investors@digjam.co.in (of Compliance Officer) and mcssta@rediffmail.com (of Registrar and Share Transfer Agents). Shareholders may also write to Registrars directly in matters relating to transfers etc. The Company had published and shall continue to publish quarterly results etc. in English and relevant vernacular print media and hold Annual General Meetings, and pay dividends (if any) within the time limits prescribed by law or regulations. The relevant information is displayed on the Company's website: www.digjam.co.in.

No presentation has been made to institutional investors, etc. The financial year of the Company is from April 1 to March 31. The Company continues to upload from time to time necessary financial data on its website. There are no GDR/ADR, warrants or other secured convertible instruments issued or outstanding. The Company's Equity Shares are listed at National Stock Exchange of India Ltd., Mumbai (Stock Code 'DIGJAM') and BSE Ltd., Mumbai (Stock Code 503796). Company has paid the up-to-date listing fees for each of these Stock Exchanges. Equity Shares of the Company are compulsorily traded in dematerialized form since May 8, 2000. The Company has entered into agreements with NSDL and CDSL. The ISIN is INE471A01023. As on March 31, 2015, 8,65,91,628 Equity Shares representing 98.80% of the total Equity Shares were held in dematerialized form and 10,49,993 Equity Shares representing 1.20% were held in physical form. Out of the balance as on April 1, 2014 of the unclaimed 1,61,910

shares held by 6,648 shareholders credited in "DIGJAM Limited Unclaimed Suspense Account" in dematerialized form in accordance with the Listing Agreements with Stock Exchanges, 10 shareholders/heir have approached the Company during the year claiming the shares and accordingly, 331 shares were transferred in the said cases and the remaining 1,61,579 shares belonging to 6,638 shareholders remain unclaimed to the credit of this account. Voting rights in respect of the aforesaid 1,61,579 shares held in the Unclaimed Suspense Account will remain frozen till the time such shares are claimed by the concerned Shareholders.

Distribution of shareholding pattern of Equity Shareholding, high/low market price data and other information is given below:

Distribution of Equity Shareholding as on March 31, 2015

Shareholding range (Nos.)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	63,874	88.22	54,76,752	6.25
501 - 1000	3,964	5.47	34,42,033	3.93
1,001 - 2,000	2,113	2.92	34,21,252	3.90
2,001 - 5,000	1,453	2.01	50,16,867	5.72
5,001 - 10,000	510	0.70	39,21,812	4.48
10,001 and above	490	0.68	6,63,62,905	75.72
Total	72,404	100.00	8,76,41,621	100.00

This statement is on the basis of the Shareholding pattern as on March 31, 2015 submitted to the Stock Exchanges.

Pattern of Equity Shareholding as on March 31, 2015

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Banks, FIs,	43	0.06	1,14,17,907	13.03
Insurance Companies				
Domestic Companies	781	1.08	4,02,33,198	45.91
Mutual Funds (incl. UTI)	4	0.01	2,511	0.00
Non-residents	1,352	1.86	2,56,784	0.29
Resident Individuals/others	70,224	96.99	3,57,31,223	40.77
Total	72,404	100.00	8,76,41,621	100.00

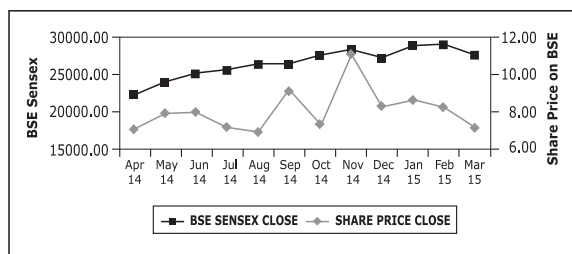
This statement is on the basis of Shareholding pattern as on March 31, 2015 submitted to the Stock Exchanges.

Aggregate of non-promoter shareholding : 56.00%

Monthly High and Low Market Price Data of Equity Shares (April 2014 to March 2015)

	BSE		NSE	
	High Rs.	Low Rs.	High Rs.	Low Rs.
Year 2014				
April	8.20	4.69	8.20	5.40
May	9.40	6.25	9.50	6.30
June	9.92	7.21	9.95	7.50
July	8.77	7.10	8.70	7.10
August	7.74	6.15	7.80	6.05
September	12.84	6.36	12.70	6.40
October	9.50	7.00	9.50	6.90
November	12.04	7.30	11.80	7.30
December	11.68	8.15	11.55	8.15
Year 2015				
January	11.15	7.93	11.20	7.95
February	9.28	7.50	9.30	7.45
March	10.34	7.07	10.50	6.55
During the year	12.84	4.69	12.70	5.40

Equity performance compared to BSE Sensex during April 1, 2014 to March 31, 2015



MANDATORY/NON-MANDATORY PROVISIONS

There have been no transactions of a material nature of the Company with its promoters, Directors or the management, their subsidiaries or relatives, etc. except for transactions of routine nature as disclosed in the notes on accounts. Accordingly, there have been no potential conflict(s) with the interests of the Company.

There has been no instance of non-compliance by the Company, nor any strictures or penalties imposed by the Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets. All mandatory requirements (except where not relevant or applicable) of the Clause 49 of the Listing Agreement have been adopted. Of the non-mandatory suggestions, those relating to a Chairman's Office, appointment of separate persons to the posts of Chairman and that of the Managing Director & CEO as well as reporting by Internal Auditor directly to Audit Committee have been adopted; sending six-monthly information to each shareholder household has not been adopted. The above represents the Company's philosophy on, and implementation of, its corporate governance. Auditor's certification as required forms a part of this Annual Report.

For and on behalf of the Board

New Delhi
May 30, 2015

Sidharth Birla
Chairman

AFFIRMATION OF COMPLIANCE WITH THE CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES

This is to confirm that the Company has received affirmation of compliance with "Code of Business Conduct for Directors and Senior Executives" laid down by the Board of Directors from all the Directors and Senior Management personnel of the Company, to whom the same is applicable, for the year ended March 31, 2015.

New Delhi
May 30, 2015

C. Bhaskar
Managing Director & Chief Executive Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Digjam Limited

We have examined the compliance of the conditions of Corporate Governance by **Digjam Limited** for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination

has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117365W)

New Delhi
May 30, 2015

Kartikeya Raval
Partner
Membership No. 106189

MANAGEMENTS' DISCUSSION & ANALYSIS REPORT

We submit herewith our Managements' Discussion & Analysis Report for the year ended March 31, 2015. We have included discussions on all specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's competitive position.

COMPANY & INDUSTRY STRUCTURE

The Company operates in the worsted textiles segment and runs a fully equipped composite mill (ISO 9001 certified) manufacturing high quality worsted fabrics at Jamnagar, Gujarat. The worsted industry in the country comprises of a few mills in the organized sector and a number of units in the unorganized sector. The Company has been a notable player in this industry in India for more than 60 years. Its commitment to quality and customer orientation reflects in its strong nationally recognized and valuable brand **DIGJAM**, supported by a well-established national distribution network. The Company has a proven track record of design and manufacture of high quality fabrics. The Company consistently takes steps to push forward its marketing efforts by enhancing its brand visibility, strengthening marketing organization and closer interaction with and expansion of its channel partners.

The Company has always laid stress on export markets and exploring new areas. It has an independent marketing team supported by an appropriate network abroad for export business. It exports a significant portion of its production to markets in Europe, USA, Canada, Middle East, Far East etc. The Company has received Oeotex Certification, which certifies that fabric is free from hazardous chemicals.

OPERATIONS

A summary of key operating indicators is given below; detailed performance may be viewed from financial statements and notes thereto in the Annual Report.

Product : Fabrics	2014-15	2013-14
Production (Lac Mtrs)	24.7	29.7
Sales (Lac Mtrs)		
- Domestic	27.1	28.9
- Exports	9.9	14.3
	37.0	43.2
Revenue (Lac Rs.)	132.5	150.2

The overall economic environment continues to be challenging with persisting uncertainty as to a timeline for full revival of consumer interest. In 2014-15, the Indian economy emerged as one of the largest economies with falling oil prices, a healthy external position, controlled inflation, the promise of sustained reforms supported by increased ease of doing business. Yet, on the economic front, GDP growth, consumer demand and investment plans did not fully reflect the general exuberance; flagging industrial growth and a weak capex cycle remain the downside to the economic outlook. Monthly industrial production estimates indicate a modest upturn, with production of capital goods expanding after three years, but consumer goods production generally reflect weak aggregate demand.

The textile industry remains one of the mainstays of the national economy, and a significant contributor to Indian exports. The Woollen and worsted textiles industry, however, increasingly faces challenges in the market from changing consumption patterns driven by cheaper synthetic fabrics and increased availability of cottons at lower prices. A slow recovery from the economic slowdown in key export destinations, particularly Europe, and corporate restructuring by a few major U.S. customers, and a continued increase in the competitiveness of China compounded the situation and exports were also impacted. The fallout of this overall scenario was reflected in our performance. Production was lower at 24.7 lac meters (29.7 lac metres in the previous year) and revenue from operations at Rs.132.5 Crores was 12% lower (against Rs.150.2 Crores in the previous year). Better product-mix, helped the Company achieve higher sales realisation, but operations, in the overall, resulted in an earnings before interest and depreciation of Rs.175 lacs against Rs.1697 lacs in the previous year. Finance costs were Rs.1235 lacs (Rs. 1280 lacs), Depreciation was marginally higher Rs.404 lacs (Rs.388 lacs) and accordingly yielded a loss before tax of Rs.1464 lacs against a profit of Rs.29 lacs in the previous year.

These results were achieved in the face of prevailing recessionary conditions, increased costs and a competitive environment, balanced by efforts towards cost control and productivity enhancements. We believe that our businesses are backed by necessary skills and expertise and remain cautiously optimistic that performance and profitability will improve with continuing

momentum of operational improvements and the expected upturn in the global and Indian economy and markets.

ENVIRONMENT & SAFETY

We are fully conscious of the need for both environmentally clean and safe operations. Our policy requires all operations to be conducted in a way so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources.

HUMAN RESOURCES

Management recognizes that employees represent our greatest assets and it is only through motivated, creative and committed employees that we can achieve our aims. Hence, the Company attempts to take care of welfare and betterment of employees.

OTHER MATTERS

There are no further or typical areas of risks or concerns outside the usual course of business foreseeable at this time. Internal control systems are regarded as being adequate and are continuously reviewed for further improvement. Our team is committed to the Board's dictates on standards of conduct as well as good governance and exercise of due diligence including compliance with all relevant regulations and laws. We record our appreciation of all our sincere employees, gratefulness to our Shareholders, lenders and banks and other stakeholders, concerned Government and other authorities and our channel partners for their continued support and to customers for their reposing faith and confidence in us.

CAUTIONARY STATEMENT

Statements in this "Managements' Discussion & Analysis" which seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. However, actual results could or may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations also include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's markets, changes in Government regulations, tax regimes, economic developments within India and countries with which the Company conducts business besides other factors, such as litigation and labour negotiations.

For and on behalf of the Management Team

New Delhi
May 30, 2015

C. Bhaskar
Managing Director & Chief Executive Officer

Annexure to the Directors' Report

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:	L17110GJ1948PLC000753
ii) Registration Date:	March 15, 1948
iii) Name of the Company:	DIGJAM Limited
iv) Category / Sub-Category of the Company:	Public Company - Limited by Shares
v) Address of the Registered office and contact details:	Aerodrome Road, Jamnagar 361 006, Gujarat Tel: 0288 – 2712972/73, Fax: 0288 – 2712991 Email: investors@digjam.co.in website: www.digjam.co.in
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Ltd. 12/1/5, Manoharpukur Road Kolkata 700 026 Tel: 033-4072 4051, Fax: 033 - 4072 4050 Email: mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY – Manufacture and Sale of Fabrics

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Weaving, manufacture of wool and wool mixture fabrics	171-1711-17117	31.37
2	Weaving, manufacturing of man-made fiber and man-made mixture fabrics	171-1711-17118	47.04
3	Wholesale of textiles, fabrics	513-5131-51311	19.28

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	87589	–	87589	0.10	87589	–	87589	0.10	0.00
b) Central Govt.	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	33176000	–	33176000	37.85	33590000	–	33590000	38.32	1.25
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other	4887881	–	4887881	5.58	4887881	–	4887881	5.58	0.00
Sub-total (A) (1)	38151470	–	38151470	43.53	38565470	–	38565470	44.00	1.09

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any other....	–	–	–	–	–	–	–	–	–
Sub-total(A)(2)									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	38151470	–	38151470	43.53	38565470	–	38565470	44.00	1.09
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2511	–	2511	0.00	2511	–	2511	0.00	0.00
b) Banks / FI	10579291	19395	10598686	12.09	10165285	19395	10184680	11.62	-3.91
c) Central Govt.	–	–	–	–	–	–	–	–	–
d) State Govt(s)	1234744	–	1234744	1.41	1234744	–	1234744	1.41	0.00
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	1233227	–	1233227	1.41	1233227	–	1233227	1.41	0.00
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1)	13049773	19395	13069168	14.91	12635767	19395	12655162	14.44	-3.17
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5070566	14888	5085454	5.80	5393564	14888	5408452	6.17	6.35
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18885132	980337	19865469	22.67	19078897	963176	20042073	22.87	0.89
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	10925632	–	10925632	12.47	10479866	–	10479866	11.96	-4.08
c) Others (specify)									
Directors & Relatives	71235	–	71235	0.08	71235	–	71235	0.08	–
Non-Resident Individuals	257240	53043	310283	0.35	204250	52534	256784	0.30	-17.24
Trusts	1000	–	1000	–	1000	–	1000	–	–
Digjam Ltd. Unclaimed Suspense Account	161910	–	161910	0.19	161579	–	161579	0.18	-0.20
Sub-Total(B)(2)	35372715	1048268	36420983	41.56	35390391	1030598	36420989	41.56	0.00
Total Public Shareholding (B) = (B)(1)+ (B)(2)	48422488	1067663	49490151	56.47	48026158	1049993	49076151	56.00	-0.84
C. Shares held by									
Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	86573958	1067663	87641621	100.00	86591628	1049993	87641621	100.00	0.00

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	S. K. Birla	37589	0.04	0.03	37589	0.04	0.03	0.00
2.	Sidharth Kumar Birla	50000	0.06	0.00	50000	0.06	0.00	0.00
3.	Janardhan Trading Co. Ltd.	1865518	2.13	1.34	1865518	2.13	1.34	0.00
4.	Janardhan Trading Co. Ltd.	34482	0.04	0.00	34482	0.04	0.00	0.00
5.	Central India General Agents Ltd.	13990649	15.96	0.00	14404649	16.43	0.00	2.96
6.	Central India General Agents Ltd.	2109351	2.41	2.41	2109351	2.41	2.41	0.00
7.	iPro Capital Ltd.	7000000	7.99	0.00	7000000	7.99	0.00	0.00
8.	Birla Eastern Ltd.	926000	1.05	0.33	926000	1.05	0.33	0.00
9.	Birla Holdings Ltd.	7250000	8.27	0.00	7250000	8.27	0.00	0.00
10.	Sukriti Education Society	4809881	5.49	0.00	4809881	5.49	0.00	0.00
11.	Sushila Birla Memorial Institute	78000	0.09	0.00	78000	0.09	0.00	0.00
12.	Smt. Sumangala Birla	-	-	-	-	-	-	-
13.	Smt. Madhushree Birla	-	-	-	-	-	-	-
14.	Nathdwara Investment Co. Ltd.	-	-	-	-	-	-	-
	Total	38151470	43.53	4.11	38565470	44.00	4.11	1.09

Note: The Company has during the year allotted 5,00,000-8% Non-Convertible Redeemable Preference Shares of Rs. 100 each aggregating to Rs. 5 Crores for cash at par solely to Central India General Agents Ltd.

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3,81,51,470	43.53		
	Date wise Increase/ Decrease in Promoters Shareholding (Central India General Agents Ltd.) during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	24.11.2014-4,14,000 (acquired)	0.47	3,85,65,470	44.00
	At the end of the year	3,85,65,470	44.00	3,85,65,470	44.00

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders Name, Date & Reason of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ICICI Bank Limited 28.11.2014 Transferred At the end of the year	9177381 414000 -	10.47 0.47 -	9177381 8763381 8763381	10.47 10.00 10.00
2.	Gujarat State Investment Limited At the end of the year	1234744 -	1.41 -	1234744 1234744	1.41 1.41
3.	Life Insurance Corporation of India At the end of the year	1127223 -	1.29 -	1127223 1127223	1.29 1.29
4.	IDBI Bank Limited At the end of the year	803046 -	0.92 -	803046 803046	0.92 0.92
5.	Sri Viivek Madanlal Jain HUF At the end of the year	500000 -	0.57 -	500000 500000	0.57 0.57

6.	Sri Hitesh Ramjibhai Javeri		400000	0.46	400000	0.46
	06.06.2014	Acquired	3000	0.00	403000	0.46
	30.09.2014	Transferred	211111	0.24	191889	0.22
		At the end of the year	–	–	191889	0.22
7.	Bank of India		355852	0.41	355852	0.41
		At the end of the year	–	–	355852	0.41
8.	Sri Nandu K Belani		325000	0.37	325000	0.37
	24.10.2014	Transferred	325000	0.37	0	0.00
		On the date of separation - 24.10.2014	–	–	0	0.00
9.	Sri Sanjay Lunawat		319000	0.36	319000	0.36
	01.08.2014	Acquired	8000	0.01	327000	0.37
	28.11.2014	Transferred	102500	0.12	224500	0.26
		At the end of the year	–	–	224500	0.26
10.	Transworld Securities Limited		349994	0.40	349994	0.40
	04.04.2014	Transferred	7094	0.01	342900	0.39
	11.04.2014	Transferred	16139	0.02	333855	0.38
	18.04.2014	Transferred	500	0.00	333355	0.38
	25.04.2014	Transferred	12297	0.01	321058	0.37
	02.05.2014	Transferred	14118	0.02	306940	0.35
	09.05.2014	Transferred	2694	0.00	304246	0.35
	16.05.2014	Transferred	3130	0.00	301116	0.34
	23.05.2014	Transferred	13633	0.02	287483	0.33
	30.05.2014	Transferred	21072	0.02	266411	0.30
	06.06.2014	Acquired	3019	0.00	269430	0.31
	13.06.2014	Acquired	2334	0.00	271764	0.31
	20.06.2014	Acquired	2097	0.00	273861	0.31
	30.06.2014	Acquired	20	0.00	273881	0.31
	11.07.2014	Transferred	8658	0.01	265223	0.30
	01.08.2014	Transferred	4087	0.00	261136	0.30
	08.08.2014	Transferred	12910	0.01	248226	0.28
	14.08.2014	Transferred	17696	0.02	230530	0.26
	22.08.2014	Transferred	11534	0.01	218996	0.25
	29.08.2014	Transferred	11866	0.01	207130	0.24
	05.09.2014	Transferred	448	0.00	206682	0.24
	12.09.2014	Acquired	525	0.00	207207	0.24
	19.09.2014	Transferred	2104	0.00	205103	0.23
	30.09.2014	Transferred	2162	0.00	202941	0.23
	10.10.2014	Acquired	13274	0.02	216215	0.25
	17.10.2014	Acquired	3711	0.00	219926	0.25
	24.10.2014	Acquired	5107	0.01	225033	0.26
	31.10.2014	Acquired	10200	0.01	235233	0.27
	07.11.2014	Transferred	5003	0.01	230230	0.26
	14.11.2014	Acquired	1511	0.00	231741	0.26
	21.11.2014	Acquired	597	0.00	232338	0.27
	28.11.2014	Acquired	2170	0.00	234508	0.27
	05.12.2014	Acquired	9228	0.01	243736	0.28
	12.12.2014	Acquired	8451	0.01	252187	0.29
	19.12.2014	Transferred	300	0.00	251887	0.29
	31.12.2014	Acquired	1050	0.00	252937	0.29
	09.01.2015	Acquired	1849	0.00	254786	0.29
	16.01.2015	Transferred	1100	0.00	253686	0.29
	23.01.2015	Acquired	6600	0.01	260286	0.30
	30.01.2015	Acquired	1508	0.00	261794	0.30
	06.02.2015	Transferred	4422	0.01	257372	0.29
	13.02.2015	Transferred	11767	0.01	245605	0.28
	20.02.2015	Acquired	55	0.00	245660	0.28
27.02.2015	Transferred	6885	0.01	238775	0.27	
06.03.2015	Transferred	4201	0.00	234574	0.27	
13.03.2015	Acquired	6167	0.01	240741	0.27	
20.03.2015	Transferred	900	0.00	239841	0.27	
27.03.2015	Transferred	4744	0.01	235097	0.27	
31.03.2015	Transferred	2619	0.00	232478	0.27	
	At the end of the year	–	–	232478	0.27	

v) *Shareholding of Directors and Key Managerial Personnel:*

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Sri Sidharth Birla	50,000	0.06		
2.	Sri A. C. Mukherji	116	0.00		
3.	Smt. Meenakshi Bangur	324	0.00		
4.	Sri S. Ragothaman	25,723	0.03		
5.	Sri C. Bhaskar	2,100	0.00		
6.	Sri G. K. Sureka	74	0.00		
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year				
1.	Sri Sidharth Birla	50,000	0.06	50,000	0.06
2.	Sri A. C. Mukherji	116	0.00	116	0.00
3.	Smt. Meenakshi Bangur	324	0.00	324	0.00
4.	Sri S. Ragothaman	25,723	0.03	25,723	0.03
5.	Sri C. Bhaskar	2,100	0.00	2,100	0.00
6.	Sri G. K. Sureka	74	0.00	74	0.00

V. INDEBTEDNESS

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

(Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	49,18,63,144	10,08,00,000	–	59,26,63,144
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	2,57,393	–	–	2,57,393
Total (i + ii + iii)	49,21,20,537	10,08,00,000	–	59,29,20,537
Change in Indebtedness during the financial year				
• Addition	–	19,16,25,745	–	19,16,25,745
• Reduction	10,65,79,588	15,00,00,000	–	25,65,79,588
Net Change	(10,65,79,588)	4,16,25,745	–	(6,49,53,843)
Indebtedness at the end of the financial year				
i) Principal Amount	38,55,40,949	13,63,00,000	–	52,18,40,949
ii) Interest due but not paid	–	24,06,280	–	24,06,280
iii) Interest accrued but not due	–	37,19,465	–	37,19,465
Total (i + ii + iii)	38,55,40,949	14,24,25,745	–	52,79,66,694

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Sri C. Bhaskar	-	-	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,71,667			35,71,667
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3,66,750			3,66,750
	(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 (A)	39,38,417			39,38,417
	Ceiling as per the Act	48,00,000			48,00,000

Note: Excludes contributions to Provident & Superannuation Funds in accordance with Schedule V to the Act but includes leave encashment at the end of the tenure.

B. Remuneration to other Directors:

(Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Sri B. Anand	Sri G. Momen	Sri A. C. Mukherji	Sri S. Ragothaman	
1.	Independent Directors					
	• Fee for attending Board/Committee meetings	75,000	2,05,000	2,35,000	1,65,000	6,80,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	75,000	2,05,000	2,35,000	1,65,000	6,80,000
2.	Other Non-Executive Directors					
	• Fee for attending Board/Committee meetings	Sri C. L. Rathi 1,45,000	Sri Sidharth Birla 1,40,000	Smt M. Bangur 75,000		3,60,000
	• Commission	-	-	-		-
	• Others, please specify	-	-	-		-
	Total (2)	1,45,000	1,40,000	75,000		3,60,000
	Total (B) = (1 + 2)	-	-	-		10,40,000
	Total Managerial Remuneration					49,78,417
	Overall Ceiling as per the Act					48,00,000 (excluding sitting fees paid to Directors)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS Sri G.K. Sureka	CFO Sri Satish Shah	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	*	27,07,560	13,37,560	40,45,120
			6,95,373	3,02,822	9,98,195
			–	–	–
2.	Stock Option		–	–	–
3.	Sweat Equity		–	–	–
4.	Commission - as % of profit - others, specify		–	–	–
5.	Others, please specify Tax exempt medical reimbursements		19,950	19,950	39,900
	Total		34,22,883	16,60,332	50,83,215

* The Managing Director is the CEO and the remuneration paid to him is furnished at VI.A above.

Note: Excludes tax exempt contributions to Provident & Superannuation Funds.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Annexure to the Directors' Report

POLICY ON REMUNERATION TO EXECUTIVE DIRECTORS & SENIOR MANAGEMENT

This Policy concerns the remuneration and other terms of employment for the Company's Executive Directors and Senior Management (Key Management Personnel and others one level below the Board).

1. Guiding principles:

The objective of this remuneration policy is to outline a framework to support that the Company's remuneration levels are aligned with industry practices and are sufficient to attract and retain competent executives of the quality required, while allowing fair rewards for the achievement of key deliverables and enhanced performance.

The Remuneration & Nominations Committee (RNC) of the

Board (equivalent to the Nomination & Remuneration Committee in the Companies Act, 2013) determines individual remuneration packages for executive Directors and, where relevant, other senior non-director management personnel, taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

2. Remuneration:

a) Base Compensation (fixed salaries)

Must be competitive and reflective of the individual's role,

responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

b) Variable salary:

The RNC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

c) Severance pay:

There are, in the usual course, no severance fees (routine notice period not considered as severance fees) or other severance benefits.

3. Role of the Remuneration & Nominations Committee:

The Remuneration & Nominations Committee (RNC) of the Board discharges the functions of the Nomination and Remuneration Committee as envisaged under Sec.178 of the Companies Act, 2013. The RNC is responsible for

- a) formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this policy;
- b) advising the Board on issues concerning principles for remuneration, remuneration and other terms of employment for Executive Directors & Senior Executives;
- c) recommending to the Board, candidates and terms of employment for EDs and senior executives
- d) monitoring and evaluating programs for variable remuneration;
- e) monitoring and evaluating the application of this Policy; and
- f) monitoring and evaluating current remuneration structures and levels in the Company.

The RNC is also responsible for overseeing the Company's share option schemes and any long term incentive plans, which includes determination and recommendation to the Board of the eligibility for benefits.

4. Authority to decide on deviations from this Policy:

The Board of Directors may, in any individual or collective case, deviate from this Policy if there are, in its absolute discretion, particular reasons to do so.

5. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. No such amendment or modification will be however binding on the Employees unless the same is notified to the Employees in writing.

Annexure to the Directors' Report

CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTORS AND THE BOARD

The Company's Governance Code provides for review of the overall functioning of the Board and which has been regularly carried out by the Board. The Companies Act, 2013 mandates

performance evaluation of the Independent Directors by the Board, inter alia, to determine renewal/extension of tenure. The Act also provides for the Remuneration & Nominations Committee to evaluate every director's performance.

As required under Clause 49 of the Equity Listing Agreement, as amended, the Remuneration & Nominations Committee has laid down the following criteria for performance evaluation of Independent Directors as well as of the Board.

1. Broad understanding of the Company's business including financial, marketing, strategic plans and key issues;
2. Special skills/expertise contributing to the overall effectiveness and diversity of the Board;
3. Making measured and balanced contributions to Board discussions and deliberations after taking into consideration the interests of all stakeholders;
4. Standards of propriety;
5. Assisting the Company in implementing best Corporate Governance practices.

It is expected that while evaluating the Independent Directors on the aforesaid criteria, the Board will be able to record their relative satisfaction and also decide whether to extend or continue the term of appointment of the Independent Director. However, subject to applicable laws, the evaluation details shall be confidential.

Further, the important criteria for evaluating the Board may be:

1. Spread of talent and diversity in the Board;
2. Contribution to effective Corporate Governance and transparency in the Company's operations;
3. Deliberations/decisions on the Company's strategies, policies and plans and provision of guidance to the Executive Management.
4. Monitoring the implementation of the strategies and the executive management's performance;
5. Dialogue with the management.

Annexure to the Directors' Report

Information as per Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of Energy

- i. The steps taken or impact on conservation of energy:
Energy conservation receives priority attention on and on-going basis in the Company and continuous efforts are made to conserve and optimize use of energy with constant monitoring, regular maintenance and improved operating techniques. Some specific steps taken include:
 - Replacement of DC motors with AC motors and hydraulic systems with AC drives.
 - Electronic counter meters and proximity switches are being installed in place of electromechanical counter meters and switches.
 - Supply air fans have been replaced with FRP fans in the humidification plant.

- Maintenance of near unity Power Factor; Installation of capacitors to improve PF and reduce transmission losses.
 - Use of natural lighting wherever feasible; replacing of conventional lamps with energy efficient lighting.
- ii. The steps taken by the Company for utilizing alternate sources of energy:
- The Company is examining the usage of solar energy. Further, the Company is presently sourcing part of its power requirement through Indian Energy Exchange where some of the sellers are generating power through renewable resources.
- iii. The capital investment on energy conservation equipment: Financial impact not separately quantified.

B. Technology Absorption

- i. The efforts made towards technology absorption :
- Constant monitoring of process, technology and product up gradation globally and to offer similar products through in-house R&D as well as through progressive manufacturing activities;
- Continuous improvements being made in quality control methods and testing facilities;
- Regular interaction with foreign equipment designers and manufacturers and major raw material suppliers for improvements in processing and operating parameters;
- ii. The benefits derived:
- a. Fabrics certified in accordance with Oeko-Tex Standard 100 as meeting the human ecological standards for products with direct contact to skin.
 - b. Technology upgradation to meet the specifications of exportable products.
 - c. Increased range and variety of fabrics with finishes like bio-polishing, 100% wool washable fabrics and nano finished fabrics.
 - d. Improvement in quality and marketability of existing products.
 - e. Energy and water conservation.
 - f. Better and easier availability of materials leading to less dependence on imported items and saving of foreign exchange outgo.
 - g. Improved productivity and improved machine performance resulting in saving in process cost.
- iii. No fresh technology has been imported during the last three years.
- iv. The expenditure on Research and Development:
- Recurring expenditure: estimated at Rs. 15 lacs per annum

C. Foreign Exchange Earnings and Outgo:

	(Lac Rs.)	
	<u>2014-15</u>	<u>2013-14</u>
Total foreign exchange earned	4,018	5,456
Total foreign exchange used	2,227	3,110

Annexure to the Directors' Report

WHISTLE BLOWER POLICY

1. Preface

- a. The Company has adopted its Corporate Governance Regulations under relevant Regulation, Listing Agreement and Company Law as well as best practices relating thereto. The Board believes that the good governance is voluntary and self-disciplining, with the strongest impetus coming from Directors and the management itself. The management and organization at DIGJAM Limited aims to be progressive, competent and trustworthy, while reflecting and respecting the best of Indian values in conduct. The Board lays significant emphasis on integrity, transparency and accountability by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has formulated the Code of Conduct for Directors and Senior Management ("the Code"), which lays down the principles and standards that should govern the actions of the Company and their employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. This policy requires the employees to report violations, i.e., every employee of the Company shall promptly report to the management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company.
- b. Clause 49 (as amended vide SEBI Circular dated April 17, 2014) of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called 'Whistle Blower Policy' for directors, stakeholders, employees and their representatives to freely communicate their concerns about illegal or unethical practices/behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.
- c. Under the Companies Act, 2013 every listed company is required to establish a vigil mechanism for directors and employees to report genuine concerns.
- d. Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach the Audit Committee of the Company.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code/Company's Rules.

- a. **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b. **"Employee"** means every employee of the Company and their representative bodies including Directors of the Company.

- c. **"Investigators"** mean those persons authorized, appointed, consulted or approached by the Audit Committee and include the auditors of the Company and the police.
- d. **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- e. **"Company"** means DIGJAM Limited.
- f. **"Subject"** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- g. **"Whistle Blower"** means an Employee making a Protected Disclosure under this Policy.

3. Scope

- a. This Policy is an extension of the Code of Conduct for Directors & Senior Management, Code of Best Practices for the Board and Rules and Regulations of the Company. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- b. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Audit Committee or the Investigators.
- c. Protected Disclosure will be appropriately dealt with by the Audit Committee.

4. Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or its subsidiaries. Any such disclosure shall be made within a reasonable time from the occurrence of the alleged violation and in any case, not later than six months from alleged occurrence.

5. Disqualifications

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- c. Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

6. Procedure

- a. All Protected Disclosures should be addressed to the

Chairman of the Audit Committee of the Company. The contact details of the Chairman of the Audit Committee are:

*Sri S. Ragothaman,
C-3, Golden Gate Apartments,
New No. 33, Habibullah Road,
T. Nagar, Chennai - 600 017*

- b. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- c. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigator appointed for this purpose.
- d. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- e. The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure (and not in the Protected Disclosure itself). Anonymous disclosures will not be entertained by the Audit Committee as it would not be possible for it to interview the Whistle Blowers.

7. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Investigator, as directed by Audit Committee, who will investigate/oversee the investigations under the authorization of the Audit Committee.
- b. The decision to conduct an investigation taken by the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- c. Any member of the Audit Committee who may have a conflict of interest in respect of the matter under investigation/the protected disclosure, should recuse himself and the other members of the Committee shall deal with the matter.
- d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f. Subjects shall have a duty to co-operate with the Audit Committee or any of the Investigators during investigation to the extent that such co-operation sought does not merely require them to admit guilt.

- g. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrong doing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- k. The investigation shall be completed normally within 60 days of the receipt of the Protected Disclosure.

8. Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of Audit Committee (e.g. during investigations carried out by Investigators).
- b. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- c. Any violation of the above protection should be reported to the Chairman of the Audit Committee who shall cause the same to be investigated and recommend appropriate action, if required, to the management.

9. Investigators

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.

- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review which establishes that:
 - i. the alleged act constitutes an improper or unethical activity or conduct, and
 - ii. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

10. Decision

If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall direct the management of the Company to take such disciplinary or corrective action as the Audit Committee deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

11. Reporting

The Investigator shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

12. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of three years.

13. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

Annexure to the Directors' Report

CORPORATE SOCIAL RESPONSIBILITY POLICY

Having regard to the Company's size and scope, small steps have been always taken at unit level for social and inclusive development in the local area; however, given the relatively small size and geographical spread, it has not been practical to undertake directly any significant project outside these. The Company thus adopted a policy to support external bodies including relevant bodies, NGOs or Government Relief Funds selected by the Committee, including through financial contribution to them.

The Committee will focus on activities in areas, excluding those undertaken in pursuance of normal business of the Company, selected from those identified and prescribed under the Companies

Act, 2013 (Annexure) with greater participation in the areas of health and social welfare, efforts towards reducing child mortality, promotion of education & social responsible behavior, and employment enhancing vocational skills.

The Company will endeavor to spend, in every financial year, an amount considered appropriate by the Board, *inter-alia* keeping in view the benchmark of 2% of the average net profits of the Company during the 3 immediately preceding financial years. Surplus, if any, arising out of CSR projects shall be ploughed back and will not form part of the business profit of the Company.

ANNEXURE - AREAS PRESCRIBED UNDER THE COMPANIES ACT, 2013

- a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- e) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- f) measures for the benefit of armed forces veterans, war widows and their dependents;
- g) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- h) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- j) rural development projects.

Annexure to the Directors' Report

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year:
Sri C Bhaskar (Managing Director & CEO) : 26 : 1
- b) The percentage increase in remuneration of each director,

Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sri C Bhaskar – (Managing Director & CEO) :	58
Sri Satish Shah – (Assistant Vice President & CFO) :	17
Sri G. K. Sureka – [Company Secretary & Executive Vice President (Legal)] :	5

- c) The percentage increase in the median remuneration of employees in the financial year : 5
- d) The number of permanent employees on the rolls of Company: 1,020 (as on March 31, 2015)
- e) The explanation on the relationship between average increase in remuneration and Company performance:

The average increase in remuneration of around 5%, bears relationship to routine increments, cost of living and employee retention within the overall remuneration policy of the Company; there is no direct relationship with Company performance in view of the loss incurred.

- f) Comparison of the remuneration/each remuneration of the Key Managerial Personnel against the performance of the Company:

Remuneration of the Key Managerial Personnel has been detailed in item VI. A & C of the Form MGT-9: Extract of Annual Return annexed to the Directors Report. The Company reported a loss during the year.

- g) Variations in the market capitalization 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 in comparison to the rate at which the Company came out with the last public offer:

Date	Market Capitalization (Rs.)	PE Ratio
March 31, 2014	49,95,57,239	190
March 31, 2015	63,45,25,336	*
Change in market capitalization	27.02%	

* PE ratio not computed as EPS is negative.

Note : The Company's shares were listed on BSE in 1959 and no public issue of Equity Shares has since been made.

- h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration during the last financial year for Employees other than Managerial Personnel is 2.74% and 16.55% for Managerial Personnel.

- i) Key parameters for any variable component of remuneration availed by the directors:

Sri C. Bhaskar has been paid one time performance pay of Rs. 5,00,000 during the year based on the performance of

the Company during 2013-2014. No other variable component of remuneration has been awarded to the Directors.

- j) 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:
- | | |
|---|----------|
| i. Sri R.K. Kedia (President & COO): | 2.08 : 1 |
| ii. Sri Ravinder Kr. Sharma [Vice President (Sales & Marketing)]: | 1.42 : 1 |

iii. Sri G.K. Sureka [Company Secretary & Exec. Vice President (Legal)]: 1.14 : 1

- k) If remuneration is as per the remuneration policy of the Company: Yes

Note : For the above computation, sitting fees paid to the Directors, leave encashment and retirement benefits have not been considered as remuneration

Particulars of Employees pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name; Designation of the Employee; Remuneration Received (Rs.); Qualifications; Experience (years); Date of Commencement of Employment; Age (years); Last Employment held;

Kedia R. K.; President & Chief Operating Officer; 75,02,134; B. Text; 39; 01.05.2006; 65; Reliance Industries Ltd.

- Notes :**
- Remuneration includes Salary, Housing, Medical Reimbursement, Leave Travel Assistance, Company's Contribution to Provident & Superannuation Funds and other perquisites, Leave encashment and commission, if any.
 - The above appointment is non-contractual.
 - Sri R.K. Kedia is not related to any Director of the Company.
 - No employee of the Company, in receipt of remuneration in excess of the highest paid Director, together with his spouse and dependent children holds more than 2% of the Equity Shares of the Company.

For and on behalf of the Board

New Delhi
May 30, 2015

Sidharth Birla
Chairman

Annexure to the Directors' Report

From No. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

[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,
DIGJAM Limited
Aerodrome Road,
Jamnagar 361 006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DIGJAM 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 our opinion thereon.

Based on our verification of the Company's 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 2015, 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 Digjam Limited for

the financial year ended on 31st March, 2015 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - 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, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - *Not applicable as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.*
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - *Not applicable as the Company does not have any listed debt securities.*
- 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
 - *Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.*
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - *Not applicable as the Company has not bought back any of its securities during the financial year under review.*
- i. The laws as are applicable specifically to the Company are as under:
 - a) Textiles Committee Act, 1963;
 - b) Textiles (Development and Regulation) Order, 2001;
 - c) Textile (Consumer Protection) Regulations, 1988;
 - d) Handlooms (Reservation of Articles for Production) Act, 1985

The Company's products are exempted under Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 vide Notification no. 31/2004-Central Excise dated 9th July, 2004.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - *Not applicable as not notified during the period under review.*
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance, 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.

Majority decision is carried through while the dissenting members' views, if any, 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:-

1. The Company has, pursuant to the approval at the Extraordinary General Meeting held on March 25, 2015, issued 10,00,000 - 8% Non-Convertible Redeemable Preference Shares of Rs. 100 each aggregating to Rs. 10 Crores for cash at par on Private Placement Basis and there against, allotted in the first tranche 5,00,000 - 8% Non-Convertible Redeemable Preference Shares of Rs. 100 each aggregating to Rs. 5 Crores.
2. The Members have accorded their consent to the Board of Directors at the Annual General Meeting held on September 5, 2014 for the following:
 - a. to borrow any sums of money pursuant to Section 180(1)(c) of the Companies Act, 2013, that may exceed the aggregate of paid-up share capital and free reserves of the Company provided that the total amount so borrowed and outstanding at any one time shall not exceed Rs. 750 Crores.
 - b. to mortgage and/or charge in terms of Section 180(1)(a) of the Companies Act, 2013, all the immovable and movable properties, present and future, pertaining to the undertaking of the Company and the whole or substantially the whole of the said undertaking with the right to takeover the management and concern of the undertaking in favour of financial institutions, banks and others to secure their respective borrowings for such amount(s) not exceeding Rs. 500 Crores in the aggregate.

For Viral Sanghavi & Associates
Company Secretaries

CS Viral Sanghavi
Proprietor

Membership No. ACS 24951 CP 9035
On 19th May 2015 at Jamnagar

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DIGJAM LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **DIGJAM LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, 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

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 that 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards 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.

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 auditor's 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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.

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

Basis for Qualified Opinion

Attention is drawn to Note 12 to the financial statements which describes the dispute with regard to possession of property. In the absence of necessary evidence, we are unable to comment upon the ultimate recoverability of the Capital Advances given by the Company towards purchase of the property carried in the Balance Sheet at Rs. 8,80,62,934 (As at 31st March, 2014: Rs. 8,80,62,934), which are considered good by the management. This matter was also qualified in our report on the financial statements for the year ended 31st March, 2014.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 12 and 18 to the financial statements.

- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

New Delhi (Kartikeya Raval)
May 30, 2015 (Partner)
(Membership No. 106189)

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business / activities during the year, clause (vi) of paragraph 3 of the Order is not applicable to the Company.

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

- (vi) According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	18.04.2006 to 31.07.2006	11,74,484

- d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (vii) The Company's accumulated losses at the end of the financial year are more than fifty per-cent of its net-worth. The Company has incurred cash losses during the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (ix) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (x) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

New Delhi (Kartikeya Raval)
May 30, 2015 (Partner)
(Membership No. 106189)

**BALANCE SHEET
AS AT MARCH 31, 2015**

		(Rs.)	
	Notes	As at March 31, 2015	As at March 31, 2014
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	3	92,65,79,070	87,65,79,070
Reserves and Surplus	4	(90,58,82,575)	(75,48,94,690)
Non-current Liabilities			
Long Term Borrowings	5	7,70,69,795	5,36,45,598
Other Long Term Liabilities	6	2,04,28,000	1,97,06,050
Long Term Provisions - Employees benefits		3,73,63,939	2,70,86,901
Current Liabilities			
Short Term Borrowings	7	44,43,49,857	52,57,99,691
Trade Payables	8	35,66,42,859	34,79,34,912
Other Current Liabilities	9	3,32,07,037	4,94,44,876
Short Term Provisions	10	1,78,97,828	1,75,07,402
Total		100,76,55,810	116,28,09,810
<u>ASSETS</u>			
Non-current Assets			
Fixed Assets			
Tangible Assets	11a	32,67,87,442	36,51,56,582
Intangible Assets	11b	14,80,954	26,31,331
Long Term Loans and Advances	12	9,48,04,033	9,51,00,694
Current Assets			
Inventories	13	37,53,63,127	41,25,30,143
Trade Receivables	14	16,03,20,778	23,94,67,646
Cash and Cash Equivalents	15	2,08,89,620	1,78,25,512
Short Term Loans and Advances	16	1,63,62,029	1,36,65,513
Other Current Assets	17	1,16,47,827	1,64,32,389
Total		100,76,55,810	116,28,09,810

Accompanying notes form integral part of the financial statements

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

Sidharth Birla
Chairman

Kartikeya Raval
Partner

G. K. Sureka
Company Secretary
& Exec. VP (Legal)

Satish Shah
Assistant Vice President &
Chief Financial Officer

C. Bhaskar
Managing Director &
Chief Executive Officer

New Delhi
May 30, 2015

DIGJAM LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Notes	2014-15	(Rs.) 2013-14
INCOME			
Revenue from Operations	19	132,46,78,362	150,18,23,653
Other Income	20	3,71,29,748	2,28,03,191
		136,18,08,110	152,46,26,844
EXPENSES			
Cost of Materials Consumed	21	46,31,50,433	51,45,77,853
Purchase of Stock-in-Trade	22	17,72,85,345	21,64,14,697
Changes in Inventories (of Finished Goods, Work-in-progress and Stock-in-trade)	23	5,96,38,936	(1,81,59,811)
Employees Benefits Expense	24	23,24,15,764	20,67,17,666
Finance Costs	25	12,35,33,374	12,79,77,676
Depreciation and Amortisation Expense	11	4,03,84,838	3,88,35,456
Other Expenses	26	41,17,73,084	43,53,84,294
		150,81,81,774	152,17,47,831
(Loss) / Profit before Tax		(14,63,73,664)	28,79,013
Tax Expense		-	-
(Loss) / Profit after Tax for the year		(14,63,73,664)	28,79,013
Earnings per Equity Share			
(Face Value – Rs. 10)	34		
Basic and Diluted – Rs. :		(1.67)	0.03

Accompanying notes form integral part of the financial statements

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

Sidharth Birla
Chairman

Kartikeya Raval
Partner

G. K. Sureka
Company Secretary
& Exec. VP (Legal)

Satish Shah
Assistant Vice President &
Chief Financial Officer

C. Bhaskar
Managing Director &
Chief Executive Officer

New Delhi
May 30, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-15	(Rs.) 2013-14
A. Cash Flow from Operating Activities		
Net (Loss) /Profit before Tax	(14,63,73,664)	28,79,013
Adjusted for :		
Depreciation and Amortisation Expense	4,03,84,838	3,88,35,456
Finance Costs	12,35,33,374	12,79,77,676
Interest income	(75,22,604)	(1,10,29,921)
(Profit)/Loss on sale/discard of Fixed Assets	(4,500)	2,40,938
(Gain) /Loss on Foreign Exchange Fluctuation (unrealised)	(30,13,714)	14,36,326
Operating (Loss) /Profit before working capital changes	70,03,730	16,03,39,488
Adjusted for :		
Decrease in Trade receivables	7,91,28,852	1,20,69,242
Decrease in Loans & Advances	(20,71,680)	62,75,238
Decrease in Other receivables	47,84,562	(6,84,318)
Decrease in Trade receivables, Loans & Advances and other Receivables	8,18,41,734	1,76,60,162
Decrease in Inventories	3,71,67,016	49,49,961
Decrease in Trade Payables	87,07,947	46,94,094
Decrease in other current liabilities	43,89,561	(4,22,52,491)
Decrease in Trade Payables and other current liabilities	1,30,97,508	(3,75,58,397)
Cash generated from operations	13,91,09,988	14,53,91,214
Direct taxes	(3,28,175)	2,04,325
Net Cash from Operating Activities ... (A)	13,87,81,813	14,55,95,539
B. Cash Flow from Investing Activities		
Capital Expenditure on Purchase of Fixed Assets	(54,79,542)	(1,07,86,876)
Proceeds from Sale of Fixed Assets	4,500	15,15,08,000
Interest received	75,22,604	1,10,29,921
Net Cash from Investing Activities ... (B)	20,47,562	15,17,51,045
C. Cash Flow from Financing Activities		
Repayment of Long Term Borrowings	(2,41,46,147)	16,52,49,295
Repayment of Short Term Borrowings	9,42,46,392	(1,03,87,219)
Repayment of Borrowings (net)	(7,01,00,245)	(15,48,62,076)
Interest and Financial Charges	(11,76,65,022)	(13,64,62,809)
Proceeds from issue of Preference Shares	5,00,00,000	-
Net Cash (used) in Financing Activities ... (C)	(13,77,65,267)	(29,13,24,885)
Net increase in Cash and Cash Equivalents (A+B+C)	30,64,108	60,21,699
Cash and Cash Equivalents (Opening Balance)	1,78,25,512	1,18,03,813
Cash and Cash Equivalents (Closing Balance)	2,08,89,620	1,78,25,512

Notes :

- Figures in brackets represent outflow.
- Cash and Cash Equivalents (Refer Note No. 15) includes Cash on hand, Balances with Banks and foreign exchange fluctuation (unrealised) in bank balance in foreign exchange – Rs.10,041 (Previous year: Rs. 25,638)
- Fixed Deposits of Rs. 1,66,45,686 (Previous year: Rs. 1,28,35,294) carry lien of banks towards other facilities.
- Cash Flow Statement has been prepared as per the indirect method set out in Accounting Standard-3 "Cash Flow Statements" prescribed under Companies (Accounting Standards) Rules, 2006.

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered AccountantsSidharth Birla
ChairmanKartikeya Raval
PartnerG. K. Sureka
Company Secretary
& Exec. VP (Legal)Satish Shah
Assistant Vice President &
Chief Financial OfficerC. Bhaskar
Managing Director &
Chief Executive OfficerNew Delhi
May 30, 2015

Notes to the Financial Statements

1. Company Overview

DIGJAM Limited ("The Company") is a public limited company incorporated as Shree Digvijaya Woollen Mills Limited on March 15, 1948 under the Indian Companies Act, 1913. The present name was adopted w.e.f. April 9, 2008. Equity shares of the Company are listed on BSE and National Stock Exchange. The Company is engaged in the manufacture of woollen/worsted fabrics at Jamnagar, Gujarat under the brand "DIGJAM".

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared on a going concern basis under the historical cost convention, in accordance, in material respects, with the generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act/Companies Act, 1956, as applicable.

The Financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 July, 1998 that are carried at revalued amounts. The Accounting Policies adopted in the preparation of then financial statements are consistent with those followed in the previous year except for change in the Accounting Policy for Depreciation as more fully described in Note No. 2.4.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP required the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates as are recognised in the periods in which the results are known/materialise.

2.3 Fixed Assets

Fixed assets are stated at cost less accumulated depreciation/amortisation and Impairment losses, if any. Cost is inclusive of freight, duties, taxes, incidental expenses related to acquisition/installation, adjusted for revaluation, if any.

Fixed assets acquired and put to use for project purposes are capitalized when the project is ready for intended use and all costs and revenues till then are capitalized with the project cost. Projects under which tangible fixed assets are not yet ready for their intended use are carried as capital-work-in-progress at cost comprising direct cost, related incidental expenses and attributable interest.

2.4 Depreciation and Amortisation

Depreciation on tangible fixed assets has been charged under Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation in respect of increase in value of assets due to revaluation is provided on Straight Line Method over the remaining life of assets as estimated by the valuers.

Amortisation in respect of intangible assets is provided on straight line basis over the period of underlying contract or estimated period of its economic life.

2.5 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of the assets exceeds the recoverable amount. The impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2.6 Investments

Long Term investments are stated at cost less provision for diminution in value other than temporary, if any.

2.7 Inventories

Inventories include stock-in-transit/bonded warehouses and with others for manufacturing/processing/replacement. Inventories are valued at lower of cost and net realizable value, cost is determined on the weighted average method. Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.8 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods: Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer (on despatch to the buyer) and are reported net of turnover/trade discounts, returns and claims

Income from Services: Revenue is recognized on accrual basis.

Dividend income on investments is accounted for when the right to receive the payment is established.

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

Others: Wherever it is not possible to determine the quantum of accrual with reasonable certainty, e.g. Insurance & other claims, these continue to be accounted for on cash basis.

2.9 Employee Benefits

Contributions to Provident Fund and Superannuation Fund, which are defined contribution schemes, are made to a government administered Provident Fund and to recognised trust respectively, and are charged to the statement of Profit and Loss as incurred. The Company has no further obligations beyond its contributions to these funds.

Provision for gratuity, under a LIC administered fund, and compensated absences, which are in the nature of defined benefit plans, are provided based on actuarial valuations based on projected unit credit method, as at the balance sheet date.

Termination benefits are recognized as expense as and when incurred.

2.10 Borrowing Cost

Borrowing cost relating to (i) funds borrowed for acquisition/construction of qualifying assets are capitalised upto the date the assets are put to use, and (ii) funds borrowed for other purposes are charged to the statement of Profit and Loss.

2.11 Research & Development Expenditure

Research and Development expenses of revenue nature are charged to the statement of Profit and Loss under respective heads of account and capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

2.12 Leases

Leases where the lessor retains substantially all the risks and rewards of ownership of the leased asset, are classified as operating leases. Operating lease payments are recognized as expense in the statement of Profit and Loss as per the terms of the lease.

2.13 Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.14 Government Grants

Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset. Project capital subsidy is credited to Capital Reserve. Other government grants or subsidies including export incentives are credited to the statement of Profit and Loss or deducted from related expenses.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities, if any, are not recognized in the accounts but are disclosed by way of notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.16 Foreign Currency Transactions and Forward Contracts

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate prevailing at time of transaction. Monetary items denominated in foreign currencies and outstanding at the year-end are translated at year-end rates. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or expense in the Statement of Profit & Loss for the year in which they arise.

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such forward exchange contract is recognised as income or expense in the period in which such cancellation or renewal is made.

2.17 Segment reporting

The Company identifies primary segments based on dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

2.18 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of assets and liabilities as current and non-current.

3. Share Capital

		(Rs.)	
		As at 31.3.2015	As at 31.3.2014
Authorised			
10,00,00,000	Equity Shares of Rs. 10 each (March 31, 2014 : 10,00,00,000)	100,00,00,000	100,00,00,000
25,00,000	Preference Shares of Rs. 100 each (March 31, 2014 : 25,00,000)	25,00,00,000	25,00,00,000
		125,00,00,000	125,00,00,000
Issued			
8,76,51,370	Equity Shares of Rs. 10 each (March 31, 2014 : 8,76,51,370)	87,65,13,700	87,65,13,700
10,00,000	8% Non-Convertible Redeemable Preference Shares of Rs.100 each (March 31, 2014 : Nil)	10,00,00,000	-
		97,65,13,700	87,65,13,700
Subscribed & fully paid up			
8,76,41,621	Equity Shares of Rs. 10 each (March 31, 2014 : 8,76,41,621) Add: Forfeited Shares	87,64,16,210 1,62,860	87,64,16,210 1,62,860
		87,65,79,070	87,65,79,070
5,00,000	8% Non-Convertible Redeemable Preference Shares of Rs.100 each (March 31, 2014 : Nil)	5,00,00,000	-
		92,65,79,070	87,65,79,070

3.1 Equity Shares carry voting rights at the General Meeting of the Company and are entitled to dividend and to participate in surplus, if any, in the event of winding up.

The Company has on March 27, 2015 allotted 5,00,000 - 8% Non-Convertible Redeemable Preference Shares of Rs. 100 each for cash at par. The Preference Shares are entitled to dividend @ 8% p.a. (non-cumulative) in preference to the Equity Shares but are not entitled to vote at the General Meeting of the Company unless dividend has been in arrears for minimum 2 years. The Preference Shares are non-participating and shall have preferential right to repayment in the case of a winding up or repayment of capital of the amount of the share capital paid-up.

The 8% Non-Convertible Redeemable Preference Shares are redeemable at par at the end of 10 years from the date of allotment with an option to the Company to redeem at any time earlier thereto.

3.2. Reconciliation of number of Shares

	As at 31.3.2015	As at 31.3.2014
Equity Shares		
Number of Shares at the beginning of the year	8,76,41,621	8,76,41,621
Shares issued and allotted during the year	-	-
Number of Shares at the end of the year	8,76,41,621	8,76,41,621
Preference Shares		
Number of Shares at the beginning of the year	-	-
Shares allotted during the year	5,00,000	-
Number of Shares at the end of the year	5,00,000	-

3.3 Shareholders holding more than 5% shares in the Company
I. Equity Shares of Rs.10 each

Central India General Agents Ltd.: 1,65,14,000 Shares; 18.84% (Previous Year: 1,61,00,000 Shares; 18.37%)

ICICI Bank Ltd. 87,63,381 Shares; 10.00% (Previous Year: 91,77,381 Shares; 10.47%)

Birla Holdings Ltd.: 72,50,000 Shares; 8.27% (Previous Year: 72,50,000 Shares; 8.27%)

iPro Capital Ltd.: 70,00,000 Shares; 7.99% (Previous Year: 70,00,000 Shares; 7.99%)

Sukriti Education Society: 48,09,881 Shares; 5.49% (Previous Year: 48,09,881 Shares; 5.49%)

II. 8% Non- Convertible Redeemable Preference Shares of Rs.100 each

Central India General Agents Ltd.: 5,00,000 Shares; 100.00% (Previous Year: Nil)

	(Rs.)
4. Reserves and Surplus	As at 31.3.2015
	As at 31.3.2014
Securities Premium Reserve	7,60,00,258
Surplus / (Deficit)	7,60,00,258
Opening Balance	(83,08,94,948)
Add: (Loss) / Profit after tax as per the Statement of Profit and Loss	(14,63,73,664)
Add: *Depreciation	(46,14,221)
Closing Balance	(98,18,82,833)
Reserve & Surplus (Total)	(90,58,82,575)

*Depreciation on transition to Schedule II of the Companies Act, 2013 on Tangible Fixed Assets with Nil useful life – Refer Note 11a

	As at 31.3.2015		As at 31.3.2014		(Rs.)
	Non-current portion	Current Maturities	Non-current portion	Current Maturities	
Secured					
Term Loans :					
- Banks and Financial Institutions	6,69,795	1,75,699	-		1,32,17,855
- Others	-	2,45,598	2,45,598		-
Unsecured					
Intercompany Deposits	7,64,00,000	-	5,34,00,000		-
	7,70,69,795	4,21,297	5,36,45,598		1,32,17,855

Note: Amount stated in "Current Maturities" are amounts disclosed under the head "Other Current Liabilities" (Refer Note 9)

Loan from a bank [total outstanding – Nil (Previous year: Rs 1,25,00,000)] which was secured by first charge on the fixed assets of the Company at Jamnagar, DIGJAM brand and pledge of part of the promoters' shareholding in the Company was fully repaid during the year.

Loan from Housing Development Finance Corporation Limited [total outstanding - Rs. Nil (Previous year: Rs. 5,00,259)] together with the right of recompense, if any, on account of settlement is secured by mortgage on specified immovable properties.

Loans from banks and Financial Institutions for purchase of vehicles [total outstanding – Rs. 8,45,494 (Previous year: Rs. Nil)] are secured against the vehicles purchased out of those loans. The loans are repayable, in 49 equated monthly instalments, by April 2019.

Loans from others for purchase of vehicles [total outstanding – Rs. 2,45,598 (Previous year: Rs. 4,63,194)] are secured against the vehicles purchased out of those loans. The loans are repayable, in 12 equated monthly instalments, by March, 2016.

Unsecured Intercompany Deposits of Rs. 6,14,00,000 (Previous year: Rs. 3,84,00,000) are repayable by June, 2016 and Rs. 1,50,00,000 (Previous year: Rs. 1,50,00,000) thereafter.

	(Rs.)
6. Other Long Term Liabilities	As at 31.3.2015
	As at 31.3.2014
Security Deposits from Dealers and Selling Representatives	2,04,28,000
	1,97,06,050

	(Rs.)
7. Short Term Borrowings	As at 31.3.2015
	As at 31.3.2014
Secured Loans from Banks	38,44,49,857
Unsecured Intercompany Deposits*	5,99,00,000
	44,43,49,857
	52,57,99,691

Secured loans are for working capital from consortium of banks, comprising of UCO Bank and State Bank of India, and are secured by first charge on inventories and book debts besides second charge on movable machinery and fixed assets at Jamnagar as well as on DIGJAM brand, all ranking pari passu, and pledge of part of the promoters' shareholding in the Company.

* includes from a related party-Rs. 50,00,000 (Previous year: Rs. 4,25,00,000)

	(Rs.)
8. Trade Payables	As at 31.3.2015
	As at 31.3.2014
Acceptances	17,07,79,478
Others	18,58,63,381
	35,66,42,859
	34,79,34,912

There are no dues to Micro and Small Enterprises, determined to the extent such parties have been identified on the basis of information available with the Company, as at March 31, 2015, which requires disclosure under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by auditors.

	As at 31.3.2015	As at 31.3.2014
9. Other Current Liabilities		(Rs.)
Current maturities of long term loans	4,21,297	1,32,17,855
Interest Accrued and due on borrowings	24,06,280	-
Interest accrued but not due on borrowings	37,19,465	2,57,393
Advance from Customers	1,66,69,371	2,32,34,977
Statutory Liabilities	45,94,492	68,18,265
Others	53,96,132	59,16,386
	<u>3,32,07,037</u>	<u>4,94,44,876</u>

	As at 31.3.2015	As at 31.3.2014
10. Short Term Provisions		(Rs.)
Short Term Employees Benefits	1,70,70,302	1,66,79,876
Provision for Fringe Benefit Tax	8,27,526	8,27,526
	<u>1,78,97,828</u>	<u>1,75,07,402</u>

	Gross Block				Depreciation & Amortisation					Net Block	
	As at Mar 31, 2014	Additions	Sale/ Adjust-ments	As at Mar 31, 2015	As at Mar 31, 2014	For the year	On Sale/ Adjust-ments	**On Adjust-ments	*Upto Mar 31, 2015	As at Mar 31, 2015	As at Mar 31, 2014
11. a. Tangible Assets											
Land	8,99,77,554	-	-	8,99,77,554	-	-	-	-	-	8,99,77,554	8,99,77,554
Building	24,17,30,587	-	-	24,17,30,587	15,62,91,881	44,14,603	-	9,47,259	16,16,53,743	8,00,76,844	8,54,38,706
Plant & Equipment	205,94,59,369	38,48,327	-	206,33,07,696	187,84,08,064	3,24,33,629	-	19,96,358	191,28,38,051	15,04,69,645	18,10,51,305
Furniture & Fixtures	95,19,561	39,600	-	95,59,161	82,46,224	1,48,075	-	52,326	84,46,625	11,12,536	12,73,337
Vehicles	91,30,414	11,93,723	-	1,03,24,137	60,82,942	7,99,851	-	1,91,135	70,73,928	32,50,209	30,47,472
Office Equipment	1,16,27,796	2,55,842	4,500	1,18,79,138	72,59,588	12,96,253	4,500	14,27,143	99,78,484	19,00,654	43,68,208
	<u>242,14,45,281</u>	<u>53,37,492</u>	<u>4,500</u>	<u>242,67,78,273</u>	<u>205,62,88,699</u>	<u>3,90,92,411</u>	<u>4,500</u>	<u>46,14,221</u>	<u>209,99,90,831</u>	<u>32,67,87,442</u>	<u>36,51,56,582</u>
Previous year	242,03,14,167	1,07,86,876	96,55,762	242,14,45,281	202,86,08,566	3,70,86,957	94,06,824	-	205,62,88,699	36,51,56,582	
11. b. Intangible Assets											
Software	87,42,495	1,42,050	-	88,84,545	61,11,164	12,92,427	-	-	74,03,591	14,80,954	26,31,331
Previous year	87,42,495	-	-	87,42,495	43,62,665	17,48,499	-	-	61,11,164	26,31,331	

* Accumulated Depreciation of Tangible Assets up to March 31, 2015 includes impairment loss on Plant & Equipment - Rs. 11,27,002 (Previous year: Rs. 11,85,412).

** Transition adjustment of Rs. 46,14,221 recorded against Surplus / (Deficit) balance in Statement of Profit & Loss.

	As at 31.3.2015	As at 31.3.2014
12. Long Term Loans and Advances		(Rs.)
(Unsecured, considered good)		
Capital Advances*	8,80,62,934	8,80,62,934
Security Deposits	35,48,589	35,48,589
Others	31,92,510	34,89,171
	<u>9,48,04,033</u>	<u>9,51,00,694</u>

* The Capital Advances represent Rs. 8,80,62,934 (Previous year: Rs. 8,80,62,934) towards building, the physical possession of which had been arbitrarily withheld by the developer. The Company has taken necessary legal steps to get possession of the said building/recovery of amounts paid along with interest. Necessary recognition of interest etc., if any, will be made on settlement of the ongoing legal/arbitration proceedings. NSE vide letter dated April 28, 2014 had advised, based on recommendations of the Qualified Audit Review Committee of SEBI, that the qualification of the Auditors in this respect be suitably rectified, and the Company had responded to the same. The matter is sub-judice and the arbitration is presently at the stage of final arguments; the Company continues to take appropriate steps based on professional/legal advice.

	As at 31.3.2015	As at 31.3.2014
13. Inventories		(Rs.)
(Please refer Note 2.7 for accounting policy for valuation)		
Raw Materials	4,18,50,211	2,08,13,742
Work-in-progress	17,98,51,126	21,41,72,719
Finished Goods*	10,55,27,904	12,36,66,144
Stock-in-trade	3,34,82,383	4,06,61,486
Stores and Spares	1,46,51,503	1,32,16,052
	<u>37,53,63,127</u>	<u>41,25,30,143</u>

*Includes goods in transit - Nil (Previous year : Rs. 59,13,786)

	(Rs.)	
14. Trade Receivable	As at 31.3.2015	As at 31.3.2014
<i>(Secured, considered good)</i>		
Outstanding for a period exceeding six months from the date they are due for payment	4,24,206	60,24,000
<i>(Unsecured, considered good)</i>		
Outstanding for a period exceeding six months from the date they are due for payment (Net)*	21,13,817	3,86,119
Others	15,77,82,755	23,30,57,527
	16,03,20,778	23,94,67,646
* excludes doubtful receivables - Rs. 3,50,02,778 fully provided for (Previous year: Rs. 3,50,59,175).		
		(Rs.)
15. Cash and Cash Equivalents	As at 31.3.2015	As at 31.3.2014
Cash on hand	3,51,264	2,52,835
Balances with Banks		
- Current Accounts	23,05,317	32,68,496
- EEFC Accounts	4,12,304	2,93,538
- FBT Account	11,75,049	11,75,349
- Deposits held as Margin Money	1,66,45,686	1,28,35,294
	2,08,89,620	1,78,25,512
		(Rs.)
16. Short Term Loans and Advances	As at 31.3.2015	As at 31.3.2014
<i>(Unsecured, considered good)</i>		
Security Deposits	12,26,000	11,14,300
Advance Income Tax (Net of Provision)	30,32,584	27,04,409
Prepaid Expenses	38,09,576	22,07,913
Advance to Show Room	16,31,661	16,31,661
Interest Free Loan to Employees	1,85,903	3,58,457
Other Advances	64,76,305	56,48,773
	1,63,62,029	1,36,65,513
		(Rs.)
17. Other Current Assets	As at 31.3.2015	As at 31.3.2014
Receivables from Government Authorities		
- Duty Drawback Receivable*	87,06,687	1,34,20,939
- Others	22,25,213	22,12,638
Interest Accrued but not due (on deposits with Bank)	6,66,107	6,02,867
Others	49,820	1,95,945
	1,16,47,827	1,64,32,389
*exclude doubtful advances, against which full provision made – Rs. 2,08,362 (Previous year: Rs. 2,08,362).		
		(Rs.)
18. Contingent Liabilities and Commitments	As at 31.3.2015	As at 31.3.2014
(not provided for)		
Contingent Liabilities		
Service Tax matters under appeal	11,74,484	11,74,484
Commitments		
Estimated amount of contracts remaining to be executed on capital account (Net of Advances)	-	29,33,480
		(Rs.)
19. Revenue from Operations	2014-15	2013-14
Sale of Goods		
- Cloth	126,75,39,881	144,20,61,546
- Others	2,66,78,751	2,22,62,578
Sub-total	129,42,18,632	146,43,24,124
Export Incentives and Claims	2,20,38,688	3,21,69,621
Other Operating Revenue	84,21,042	53,29,908
Revenue from Operations	132,46,78,362	150,18,23,653

	2014-15	2013-14
20. Other Income		(Rs.)
Interest Income	75,22,604	1,10,29,921
Provisions/Liabilities no longer required written back	1,68,94,608	1,17,73,270
Profit on Sale/Discard of Fixed Assets (Net)	4,500	-
Gain on Foreign Exchange Fluctuation (Net)	88,29,232	-
Other Non-operating Income	38,78,804	-
	<u>3,71,29,748</u>	<u>2,28,03,191</u>
21. Cost of Materials Consumed		(Rs.)
Wool and Synthetic Fibers	42,90,33,939	46,37,98,201
Yarn (bought out)	2,36,13,430	4,52,30,864
Others	1,05,03,064	55,48,788
	<u>46,31,50,433</u>	<u>51,45,77,853</u>
22. Purchase of Stock-in-Trade		(Rs.)
Cloth	16,10,54,563	20,33,16,048
Others	1,62,30,782	1,30,98,649
	<u>17,72,85,345</u>	<u>21,64,14,697</u>
23. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(Rs.)
	2014-15	2013-14
Opening Stock:		
Finished Goods	12,36,66,144	13,99,44,833
Work-in-progress	21,41,72,719	19,64,19,748
Stock-in-trade	4,06,61,486	2,39,75,957
Sub-total (I)	<u>37,85,00,349</u>	<u>36,03,40,538</u>
Closing Stock:		
Finished Goods	10,55,27,904	12,36,66,144
Work-in-progress	17,98,51,126	21,41,72,719
Stock-in-trade	3,34,82,383	4,06,61,486
Sub-total (II)	<u>31,88,61,413</u>	<u>37,85,00,349</u>
Net (Increase)/Decrease	<u>5,96,38,936</u>	<u>(1,81,59,811)</u>
24. Employees Benefits Expense		(Rs.)
Salaries, Wages, Bonus, etc.	18,14,86,171	17,91,86,577
Contribution to Provident & other funds	3,15,48,769	86,56,206
Employees Welfare expenses	1,93,80,824	1,88,74,883
	<u>23,24,15,764</u>	<u>20,67,17,666</u>

Defined benefits plans: The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per the IRDA Regulations. The Company also provides compensated absences to the employees. The details of these defined benefit plans recognized in the financial statements are as under:

	Gratuity		Compensated Absences	
	2014-15	2013-14	2014-15	2013-14
a. Reconciliation of opening and closing balances of the present value of defined benefit obligation				
Obligation at the beginning of the year	11,89,89,969	12,82,79,446	1,85,35,520	1,68,36,784
Current Service Cost	54,19,374	53,68,454	31,30,783	32,36,758
Interest Cost	1,11,37,461	1,02,62,356	17,34,925	13,46,943
Actuarial (gain)/loss	36,98,930	(1,68,22,923)	(16,48,669)	(19,27,428)
Benefits paid	(1,03,57,333)	(80,97,364)	(29,30,174)	(9,57,537)
Obligation at the end of the year	12,88,88,401	11,89,89,969	1,88,22,385	1,85,35,520

(Rs.)

	Gratuity		Compensated Absences		
	2014-15	2013-14	2014-15	2013-14	
b. Reconciliation of opening and closing balances of fair value of plan assets					
Plan assets at the beginning of the year, at fair value	9,37,58,712	9,04,12,936	—	—	
Expected Return on Plan Assets	81,57,008	76,85,100	—	—	
Actuarial gain/(loss)	(4,39,378)	16,61,320	—	—	
Contribution	21,57,536	20,96,720	—	—	
Benefits paid	(1,03,57,333)	(80,97,364)	—	—	
Plan assets at the end of the year at fair value	9,32,76,545	9,37,58,712	—	—	
c. Net Liability recognised in Balance Sheet					
Obligation at the end of the year	12,88,88,401	11,89,89,969	1,88,22,385	1,85,35,520	
Less : Plan assets at the end of the year at fair value	(9,32,76,545)	(9,37,58,712)	—	—	
Liability recognised in Balance Sheet as at the end of the year as under:	3,56,11,856	2,52,31,257	1,88,22,385	1,85,35,520	
– Long Term Provision for Employees Benefits	2,19,56,691	1,21,23,164	1,54,07,248	1,49,63,737	
– Short Term Provision for Employees	1,36,55,165	1,31,08,093	34,15,137	35,71,783	
d. Components of employer expense for the year					
Current service cost	54,19,374	53,68,454	31,30,783	32,36,758	
Interest cost	1,11,37,461	1,02,62,356	17,34,925	13,46,943	
Expected return on plan assets	(81,57,008)	(76,85,100)	—	—	
Net Actuarial (gain)/loss	41,38,308	(1,84,84,243)	(16,48,669)	(19,27,428)	
Net cost	1,25,38,135	(1,05,38,533)	32,17,039	26,56,273	
e. Assumptions					
	%	%	%	%	
Discount Rate (p.a.)	7.92	9.36	7.92	9.36	
Expected Rate of Return on plan assets (p.a.)	7.92	8.70	—	—	
Expected rate of increase in compensation levels (p.a.)	6.00	7.00	6.00	7.00	
f. Experience History					
	2014-15	2013-14	2012-13	2011-12	2010-11
Gratuity					
Defined Benefit Obligation at the end of the year/period	12,88,88,401	11,89,89,969	12,82,79,446	12,02,87,469	10,55,12,725
Plan Assets at the end of the year/period	9,32,76,545	9,37,58,712	9,04,12,936	9,29,94,092	8,85,30,674
Funded Status – Surplus/(Deficit)	(3,56,11,856)	(2,52,31,257)	(3,78,66,510)	(2,72,93,377)	(1,69,82,051)
Experience Adjustment on Plan Liabilities - (Gain)/Loss	2,36,508	(1,41,18,829)	(23,89,461)	1,71,47,943	(26,46,396)
Experience Adjustment on Plan Assets Gain/(Loss)	(4,39,378)	16,61,320	(6,49,549)	46,36,914	5,84,773
Compensated Absences					
Defined Benefit Obligation at the end of the year/period	1,88,22,385	1,85,35,520	1,68,36,784	1,81,85,640	1,68,27,227
Funded Status – Surplus/(Deficit)	(1,88,22,385)	(1,85,35,520)	(1,68,36,784)	(1,81,85,640)	(1,68,27,227)
Experience Adjustment on Plan Liabilities – (Gain)/Loss	(21,97,830)	(14,75,779)	(19,18,640)	18,812	(12,29,182)

g. The contribution expected to be made by the Company during the next financial year has not been ascertained.

(Rs.)

	2014-15	2013-14
25. Finance Costs		
Interest Expenses	11,04,25,815	11,20,41,056
Other Borrowing Costs	1,31,07,559	1,59,36,620
	12,35,33,374	12,79,77,676

	2014-15	2013-14
26. Other Expenses		
Stores and Spares consumed	6,44,03,669	6,64,81,149
Power and Fuel	13,62,17,541	14,28,85,986
Processing Expenses	1,91,37,471	2,12,24,052
Repairs to Building	34,19,788	42,36,812
Repairs to Machinery	1,51,52,956	1,84,47,046
Repairs (Others)	16,96,492	13,21,253
Insurance	32,99,700	18,53,572
Directors Fees including Service Tax	12,22,231	6,40,981
Professional & Legal Fees and Expenses	1,20,17,792	1,45,93,326
Payment to Auditors *	24,91,431	15,94,778
Rates & Taxes	19,31,118	19,07,818
Rent **	1,17,38,664	79,16,215
Travelling Expenses	1,39,58,432	1,38,04,189
Advertisement & Sales Promotion	6,26,55,835	6,26,87,507
Brokerage, Rebate, Discount & Commission	2,85,77,823	3,07,52,388
Loss on Foreign Exchange Fluctuation (Net)	-	1,43,13,338
Bad Debts written off	54,597	18,22,761
Provision for Doubtful Debts written back	-	(31,42,674)
Provision for Doubtful Debts	-	1,90,379
Loss on Sale/Discard of Fixed Assets (Net)	-	2,40,938
Freight & other Selling Expenses	1,65,26,828	1,34,55,585
Miscellaneous Expenses	1,72,70,716	1,81,56,895
	41,17,73,084	43,53,84,294
* Payment to Auditors		
As Auditors	8,00,000	8,00,000
For Taxation matters@	11,75,000	4,75,000
For Certification	30,000	45,000
Service Tax	2,47,818	1,63,152
Reimbursement of expenses	2,38,613	1,11,626
	24,91,431	15,94,778

** The Company is lessee under various operating leases, none of which is non-cancellable.

@ includes Rs. 9,83,150 to firm of Auditor in which some of the partners of the Statutory audit firm are partners.

27. In view of uncertainty that sufficient future taxable income will be available against unabsorbed depreciation and carried forward losses under tax laws, deferred tax asset has not been recognised.
28. As on March 31, 2015 Company's current liabilities are over its current assets. The Company has taken steps to strengthen its liquidity position by infusing long term funds by way of Preference Shares and long term loans. The Company expects to earn operating profit and a positive cash flow during the current year from the operations.

	2014-15	2013-14
29. Foreign Currency Transactions		
i. Value of imports on CIF basis		
Raw Materials	20,10,75,136	27,71,29,979
Store & Spare parts (incl. Components)	49,79,823	1,16,95,182
ii. Expenditure in Foreign Currency		
Commission	1,34,97,183	1,84,29,587
Travelling expenses	15,09,081	17,00,238
Others	48,43,814	58,74,908
iii. Earnings in Foreign Exchange		
Export (including Deemed) of goods (on FOB basis)	39,42,43,989	53,42,62,178

30. Foreign Exchange Exposure

- i. The outstanding foreign exchange exposures hedged under forward contracts:

Payable: AUD - 3,27,776, Rs. 1,55,79,203 (Previous year: AUD 3,18,970, Rs. 1,76,90,087).

- ii. The foreign exchange exposures not covered under forward contracts -

Receivables: EURO - 3640, Rs. 2,44,257 (Previous year: EURO 8650, Rs. 7,12,158), USD - 1,56,946, Rs. 98,04,387 (Previous year: USD 2,09,122, Rs. 1,25,30,603) and GBP - 50, Rs. 4,619 (Previous year: GBP 5718, Rs. 5,69,698).

Payables: AUD - 7,60,053, Rs. 3,61,25,336 (Previous year: AUD 7,04,373, Rs. 3,90,64,507), EURO - 1,32,742, Rs. 89,13,625 (Previous year: EURO 1,74,538, Rs. 1,43,69,675), USD - 1,14,504, Rs. 71,55,331 (Previous year: USD 1,01,546, Rs. 60,84,636) and GBP - 205, Rs. 18,970 (Previous year: GBP 480, Rs. 47,831).

31. Value of Consumables	2014-15		2013-14	
	Rs.	%	Rs.	%
Raw Material				
Imported	18,68,75,684	40.35	30,09,08,609	58.48
Indigenous	27,62,74,749	59.65	21,36,69,244	41.52
	<u>46,31,50,433</u>	<u>100.00</u>	<u>51,45,77,853</u>	<u>100.00</u>
Spares and Components				
Imported	79,34,250	12.32	1,37,40,425	20.67
Indigenous	5,64,69,419	87.68	5,27,40,724	79.33
	<u>6,44,03,669</u>	<u>100.00</u>	<u>6,64,81,149</u>	<u>100.00</u>

32. Segment Information

(in terms of AS 17)

As the Company operates in a single business segment "Textiles", the primary segment information in terms of AS 17 is not required to be given. The information based on location of customers are as under:

	2014-15	2013-14
Revenue		
Within India	99,28,07,301	99,03,64,666
Outside India (excluding Deemed Exports)	36,90,00,809	53,42,62,178
Total	<u>136,18,08,110</u>	<u>152,46,26,844</u>
Carrying amount of Assets		
Within India	97,00,09,663	112,19,74,195
Outside India	3,76,46,147	4,08,35,615
Total	<u>100,76,55,810</u>	<u>116,28,09,810</u>
Additions to Fixed Assets		
Within India	54,79,542	1,07,86,876
Outside India	—	—
Total	<u>54,79,542</u>	<u>1,07,86,876</u>

33. Related Party Disclosures

(in terms of AS 18)

i. Key Managerial Personnel:

Sri C. Bhaskar (Managing Director & Chief Executive Officer) - Remuneration – Rs. 42,31,817 (Previous year: Rs. 22,90,291).

The above remuneration exclude gratuity funded through LIC, and leave obligation for which contribution/provision are not separately identified. There was no other transaction with them during the aforesaid tenure.

ii. Xpro India Ltd. (a company where common management may be deemed to exist) - aggregate of Short Term Deposits taken from them from time to time – Rs. 5,25,00,000 (Previous year: Rs. 14,00,00,000); Deposits repaid from time to time – Rs. 9,00,00,000 (Previous year: Rs. 13,75,00,000). Interest expense (gross) on above Deposits – Rs. 58,06,489 (Previous year: Rs. 69,54,414) and Expenses reimbursed – Rs. 6,97,577 (Previous year: Rs. 7,82,240). Maximum outstanding balance (credit) during the year – Rs. 5,12,62,825, (Previous year: Rs. 5,12,32,535). Outstanding balance (credit) as at March 31, 2015 – Rs. 56,31,382 (Previous year: Rs. 4,25,00,000).

34. Earnings Per Share

(in terms of AS 20)

	2014-15	2013-14
(Loss)/Profit after Tax	Rs. (14,63,73,664)	28,79,013
(Loss)/Profit pertaining to equity shareholders	Rs. (14,63,73,664)	28,79,013
Number of Equity Shares (Weighted Average)	Nos. 8,76,41,621	8,76,41,621
Nominal value per Equity Share	Rs. 10	10
Basic & Diluted Earnings per share:	(1.67)	0.03

35. The previous year's figures have been regrouped/reclassified as necessary.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Kartikeya Raval

Partner

New Delhi

May 30, 2015

G. K. Sureka

*Company Secretary
& Exec. VP (Legal)*

Satish Shah

*Assistant Vice President &
Chief Financial Officer*

For and on behalf of the Board

Sidharth Birla

Chairman

C. Bhaskar

*Managing Director &
Chief Executive Officer*

Dear Shareholders,

The attached Coupons will entitle you to purchase cloth of the available varieties of **DIGJAM** upto Rs. 3,000/- at prevailing selling rates less 15% discount plus other local taxes wherever applicable from any of our **EXCLUSIVE SHOWROOMS/RETAIL SHOPS AND MILLS AUTHORISED RETAIL DEALERS FROM JULY 1, 2015 TO JUNE 30, 2016**. Validity period of the Coupons will not be extended for any reason whatsoever. We regret our inability to issue duplicates for lost, defaced or torn Coupons.

The Coupons are valid for Cash Purchases only and credit cards will not be accepted.

The Coupons cannot be clubbed with any other ongoing discount scheme in a shop.

Coupons may be utilized at the earliest and not till the last day of the validity to avoid rush and disappointment in not getting the desired varieties.

Yours faithfully,
G. K. Sureka
Company Secretary
DIGJAM Limited

May 30, 2015

***EXCLUSIVE SHOWROOMS / RETAIL SHOPS
@ MILLS AUTHORISED RETAIL DEALERS**

ABOHAR

@ New Wearwell Emporium, Bhagat Singh Chowk

AHMEDNAGAR

@ Kohinoor Cloth Stores, Mahatma Gandhi Road

AHMEDABAD

* Digjam Retail Showroom, Gheekanta Crossing, Relief Road

* Digjam Retail Showroom, 1-2, Agrawal Avenue, C. G. Road, Navrangpura

* Digjam Retail Showroom, Swagat Complex, Kankaria Maninagar Road

* Digjam Retail Showroom, India Colony Road, Bapunagar

* Digjam Shop-in-Shop, India Colony Road, Bapunagar

ALLAHABAD

@ A to Z, 5-A, Sardar Patel Marg

AMBALA CITY

@ R. Kansra & Co., New Wholesale Cloth Market

AMRAVATI

@ Raj Rasik, Jaistambh Chowk

AMRITSAR

@ Khanna Textiles, 89, 1st Floor, Katra Jaimal Singh

ANANTAPUR

@ Gokul Textile Showroom, 14/3 Subhash Road

ARRAH

* Digjam Shop-in-Shop, Bangla Prasad Harkhen Kumar, Gopal Chowk

* Digjam Shop-in-Shop, Nagarmal Sheonarain & Co., Chowk

ASANSOL

@ Mohan Cloth Stores, G. T. Road

AURANGABAD

* Digjam Retail Showroom, AMC Shopping Centre, Kranti Chowk

BANGALORE

@ Abhishek Fashions, # 402 Rajshri Market, Avenue Road

BAREILLY

@ Novelty Centre, Punjabi Market

BATHINDA

@ Lakshmi Emporio, Mall Road

BHAVNAGAR

* Digjam Shop-in-Shop, Plot No. 19, Vaghawadi Road

BHOPAL

@ Guide Collection, T. T. Nagar

BHUBNESHWAR

* Digjam Shop-in-Shop, Kalamandir, Market Building

BIKANER

@ J. P. & Company, Near Head Post Office

BILASPUR (CHHATTISGARH)

* Digjam Retail Showroom, L-10, Shriram New Cloth Market, Agrasen Chowk

CHANDIGARH

@ Bombay Textile Agency, Sector - 17E

CHAMBA (H.P.)

@ Sham Lal & Sons, Dogra Bazar

CHENNAI

* Digjam Retail Showroom, No. C-47, IInd Avenue, Anna Nagar

* Digjam Shop-in-Shop, Iswaryam Textile & Readymade, Pandy Bazar, T. Nagar

@ Pothy's Textiles, 15 Nageshwara Rao Road, South Usman Road, Panagal Park

COIMBATORE

* Digjam Retail Showroom, Zimson Shopping Arcade, 84 Cross Cut Road, Gandhipuram

@ Pothy's Textiles, 400, Oppanakara Street

CUTTACK

* Digjam Shop-in-Shop, Rajhans, Mangla Bag

DELHI

* Digjam Retail Showroom, P-6/90, Connaught Circus, Madras Hotel Block

@ Sri Ram & Son, 751, Chandni Chowk, Opp. Town Hall

@ Sachdeva's Attire, 821-23, Rishi Nagar, Rani Bagh, Main Market

@ Mamta Cloth Emporium, 194 Sarojini Nagar

@ AAR Corporation, 373, 1st Floor, Kucha Ghassi Ram, Chandni Chowk

@ Velvet Home, 163, Katra Nawab, Chandni Chowk

@ Tericot Emporium, 415, Teliwara, Shahadara

DEHRADUN

@ Bhoja Bros., Palton Bazar

@ Darshan Lal & Sons, Palton Bazar

DIBRUGARH

@ Mohan's, Kedia Market

@ Rajendra Stores, H. S. Road

DURG

* Digjam Retail Showroom, Marwari School Road, Motipara

FARIDABAD

@ V. I. P. Textiles, 1F, 39 NIT

GAYA

* Dalmia Brothers, Digjam Shop-in-Shop, 12 K. P. Road

GORAKHPUR

@ Harnarain Ram Kishan, Golghar

GUWAHATI

@ R. D. Stores, Babu Bazar

@ Gentlemen, A. C. Market

HAMIRPUR (H.P.)

@ Puri Cloth House, Main Bazar

HAZARIBAGH

* Digjam Shop-in-Shop, Swadeshi Vastralaya, Main Road

HISAR

@ Ganga Sons, 36, Arya Samaj Market

HUBLI

@ Vanesons, Koppikara Road

HYDERABAD/SECUNDERABAD

* Digjam Retail Showroom, Park Lane

* Digjam Retail Showroom, Shop 1, 2 & 3, Sai Towers, Diisukhnagar

* Digjam Retail Showroom, Plot No. 136, Hill Colony, Vanasthalipuram

* Digjam Retail Showroom, H. No. 1-19-75/1/1, Plot No. - 1 C, Laxmi Puram, Dr. A. S. Rao Nagar

IMPHAL

@ Brojen Cloth House, Thangal Bazar

JABALPUR

* Digjam Retail Showroom, Gorakhpur Bazar

JAIPUR

@ Babulal Suresh Kumar, 18, Dara Market

DIGJAM LIMITED

DIGJAM

it's who you are

Valid from
1.7.2015 to
30.6.2016

Rs. 1000/-

15%
DISCOUNT

Coupon A No.

DIGJAM LIMITED

DIGJAM

it's who you are

Valid from
1.7.2015 to
30.6.2016

Rs. 1000/-

15%
DISCOUNT

Coupon B No.

DIGJAM LIMITED

DIGJAM

it's who you are

Valid from
1.7.2015 to
30.6.2016

Rs. 1000/-

15%
DISCOUNT

Coupon C No.

DIGJAM

it's who you are

Retail Shop

C/Memo No. Date

Amount Rs.

CUT HERE

- @ Brijlal Ramgopal, Manak Chowk
- @ Gopiram Devital, 189 Johari Bazaar
- @ Rishi Textiles, Chaura Rasta

JALGAON

- @ Navjeevan Collections, 114 Navi Peth
- @ Suresh Collection, A. Kelkar Market

JAMNAGAR

- * Digjam Retail Showroom, Summar Club Road
- * Digjam Retail Showroom, At Mill's Gate, Aerodrome Road
- @ Satyam Fabrics, Near DSP Bungalow
- @ Maheshwari Trading Co., Opp. Old Railway Station

JAMMU

- @ Pushap Cloth House, 29 Raghunath Pura

JAMSHEDPUR

- * Digjam Shop-in-Shop, Dongsidas Biharilal, Bistopur

JAUNPUR

- * Digjam Shop-in-Shop, Jalaluddin Jamaluddin, Kaseri Bazar

JODHPUR

- @ Joharmal Amarmal, Inside Sojati Gate, Near Pokaran House

KANPUR

- * Digjam Shop-in-Shop, Rajkamal's, 7-8 PPN Market
- * Digjam Shop-in-Shop, Kamal Store, 65-66, Naveen Market
- * Digjam Shop-in-Shop, Shivam Textiles, C/o. U.P. Handlooms Showroom, Elgin Mill, VIP Road
- @ Thakur Das Latwala, 49/4 General Ganj
- @ V. K. Enterprises, 49/8-9 General Ganj
- @ Selection House, 12 Naveen Market

KOLKATA

- * Kalakriti Arts Pvt. Ltd., P-19, CIT Road, Scheme VII M, Kankurgachi
- @ Saharsh, 105 Park Street
- @ R. Rajpuria & Co., 95 Park Street

KORBA

- * Digjam Shop-in-Shop, Delite Cloth Centre, Main Road
- @ Bhawani Bazar, Jamnipali
- @ Shriram Vastralaya, Hiranand Complex, Power House Road

KOTA

- @ Luhadia Textiles, Bazaz Khana

KOTTAYAM

- @ Seemati, K. K. Road

LATUR

- @ Ishwarprasad Omprakash Daga, Cloth Lane

LUCKNOW

- * Digjam Shop-in-Shop, H. Sugnamal & Co., 36-Aminabad
- @ Garha Bhandar, Aminuddaula Park, Aminabad
- @ Motiani, 133/299 Ganesh Ganj
- @ Namaskar Textiles, Kanpur Road, Alambagh

LUDHIANA

- @ Bombay Stores, Surya Tower, The Mall
- @ Cheap Cloth House, Ghumar Mandi

MADHEPURA

- * Digjam Shop-in-Shop, Tulsi, Main Road

MADURAI

- @ Pothy's Textiles, 159 Mella Masi Street
- @ Rajmahal Textiles, Venkala Kadai Street

MEERUT CANTT

- @ Rattan Cloth Store, Abu Lane
- @ Pindi Woollens, Sadar Chowk

MUMBAI

- @ Babubhai Jagjivandas at
 - Prarthana Samaj
 - Broadway Shopping Centre, Dadar TT
 - Sector 17, Vashi
 - Mulund
- @ Madhav's Fabrics, Rizvi Mahal, Waterfield Road, Bandra (W)
- @ Rahul Agasti, G-1 Aryston Centre, Juhu
- @ Rainbow Textorium, Swapna Purti Building, Jerbai Wadia Road, Parel TT

MUZAFFARNAGAR

- * Digjam Shop-in-Shop, Diwan Chandra Mahendrakumar, Opp. Gate Anand Bhawaxi, Roorkee Road

NAGPUR

- * Digjam Retail Showroom, Mahajan Market, Sitabuldi
- @ Udaya, Itwari Shahid Chowk

NASIK

- * Digjam Retail Showroom, Opp. Vijan Hospital, College Road

NELLORE

- @ Modern Fabs, Trunk Road

OOTY

- @ Rajhans, Commercial Road
- @ Vardhaman, 23, Commercial Road

PATNA

- @ Bansal Textiles, Opp. Convent School, Bankipur
- @ Kripashree, Ashiana Nagar
- @ Shree Shanker Vastralaya, Station Road

PUNE

- @ Bharat Woollen House, Seva Sadan Building, Laxmi Road
- @ Chandulal Dahyabhai, 561-Centre Street
- @ J. C. Retail Pvt. Ltd., Kunte Chowk, Laxmi Road
- @ Men's Avenue, Sadashiv Peth

PONDICHERRY

- @ Pothy's Textiles, 400, Anna Salai

RAIPUR

- * Digjam Retail Showroom, Jeevan Bima Marg, Pandri
- @ Mahendra & Co., Malviya Road

RAJAHMUNDRY

- @ Sri Devi Sons, Main Road

RANCHI

- * Digjam Shop-in-Shop, Big Shop, GEL Church Complex, Main Road
- @ Ved Textiles, Main Road

ROORKEE

- @ Atam Parkash and Sons, B. T. Road

ROURKELA

- @ Indera Plaza, Bisra Road

SALEM

- * Digjam Retail Showroom, 6-Bazar Street

SATARA

- @ Darshan Suiting Shirting, 110 Rajpath

SHILLONG

- @ Roopkala, Umsohsun Road

SHIMLA

- @ Rajpal Brothers, 95, Lower Bazar
- @ Tandon Cloth House, 76, Lower Bazar

SILIGURI

- @ Prince Textiles, Hill Cart Road

SURAT

- @ Bhagwandas & Co., Lal Gate, Kanpith
- @ Teenager's Textorium, Soni Falia

THANE

- @ Janta Fashion, Near Prabhat Talkies, Station Road
- @ New Mumbai Cutpiece House, Manpada Road, Dombivli

TIRUNELVELI

- @ Pothy's Textiles, No.3 North Car Street

TRIVANDRUM

- @ Pothy's Textiles, M. G. Road, Kalahshetram, Cetikulamgara, Vangiyoor (Post)

UDHAMPUR (J&K)

- @ Bombay Cloth House, Main Bazar

VADODARA

- * Digjam Retail Showroom, A/33, Windsor Plaza, Near Express Hotel, R.C. Dutt Road
- * Digjam Retail Showroom, Opp. Govt. Press, Kothi Road, Anandpura

VARANASI

- * Digjam Shop-in-Shop, Jalan's, Kabira Complex, Durga Kund Road

VISAKHAPATNAM

- * Digjam Retail Showroom, 30-15-34/2, Dabagarden
- * Digjam Retail Showroom, Door # 30-15-123, Potluri Mansions, Dabagarden

Retail Shop

C/Memo No. Date

Amount Rs.

CUT HERE

Retail Shop

C/Memo No. Date

Amount Rs.

FORM : MGT - 11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

DIGJAM LIMITED

CIN: L17110GJ1948PLC000753; Regd. Office: Aerodrome Road, Jamnagar 361 006 (Gujarat)
Tel.: 91-288-2712972; Fax: 91-288-2712991; e-mail: cosec@digjam.co.in; website: www.digjam.co.in

Name of the member(s) :	
Registered address :	
E-mail id :	
Folio No./Client ID & DP ID :	

I/We, being the member(s) of shares of the above named company, hereby appoint:

- 1) Name: Address:
e-mail id: Signature: or failing him;
- 2) Name: Address:
e-mail id: Signature: or failing him;
- 3) Name: Address:
e-mail id: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Sixty-fifth** Annual General Meeting of the Company to be held on **Tuesday, September 29, 2015 at 10.00 a.m.** at the Registered Office of the Company at Aerodrome Road, Jamnagar 361 006, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.	1	2	3	4	5	6
-----------------	---	---	---	---	---	---

Signed this day of 2015

..... Signature of Shareholder	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Affix Revenue Stamp</div> Signature of Proxy holder(s)
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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CUT HERE

ATTENDANCE SLIP

(To be presented at the entrance)

65th ANNUAL GENERAL MEETING ON TUESDAY SEPTEMBER 29, 2015 AT 10.00 A.M.

OF

DIGJAM LIMITED

CIN: L17110GJ1948PLC000753; at the Registered Office at Aerodrome Road, Jamnagar 361 006 (Gujarat)
Tel.: 91-288-2712972; Fax: 91-288-2712991; e-mail: cosec@digjam.co.in; website: www.digjam.co.in

Folio No./DP ID No. & Client ID No.	No. of Shares
Name of the Member	Signature
Name of the Proxy holder	Signature

If undelivered, please return to :
DIGJAM LIMITED
Aerodrome Road,
Jamnagar 361 006 (Gujarat)
INDIA