

ISO 9001 : 2008, ISO 14001 : 2004 and  
BS OHSAS 18001 : 2007 Company  
Award of Excellence in CSR by FAPCCI  
CIN : L26942MH1983PLC265166



**Anjani Portland Cement Ltd**  
(A Subsidiary of Chettinad Cement Corporation Limited)

12.09.2016

General Manager,  
Department of Corporate Services,  
BSE Limited  
P.J. Towers, Dalal Street,  
**Mumbai.**

Dear Sirs,

Sub: Compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements)

\*\*\*

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company as approved and adopted at the 32<sup>nd</sup> Annual General Meeting (AGM) of the Company held on Friday, September 09, 2016 at 10.00 A.M. at Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai, Maharashtra-400019.

Thanking you,

Yours faithfully,

For Anjani Portland Cement Ltd.,

  
Anu Nair

Compliance Office and Company Secretary

(M.No.30525)



Regd. Office : 306A, The Capital, 3rd Floor, Plot No. C-70, G-Block, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051, Maharashtra, India. t: +91 22 40239909

Corporate Office : # 6-3-553, Unit Nos. E3 & E4,  
4th Floor, Quena Square, Off Taj Deccan Road,  
Erramanzil, Hyderabad - 500 082, Telangana.  
t : +91 40 2335 3096 / 3106, f : +91 40 2335 3093  
e : info@anjanacement.com

Works : Chintalapalem Village, Mellacheruvu Mandal,  
Nalgoda Dist. - 508 246. Telangana.  
t : +91 08683 230 160, 230 158, 230 168  
f : +91 08683 230 024  
www.anjanacement.com



**Anjani Portland Cement Limited**  
(Subsidiary of Chettinad Cement Corporation Limited)

**32<sup>nd</sup> ANNUAL REPORT**  
**2015-16**



32<sup>nd</sup> Annual Report 2015 - 16

[www.anjanicement.com](http://www.anjanicement.com)

# Anjani Portland Cement Limited

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## Board of Directors

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Mr. A. Subramanian		Managing Director
Mr. Gopal Perumal		Director
Mr. V. Subramanian		Director
Mrs. S.B. Nirmalatha		Director

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## Management Team

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Mr. N. Venkata Raju		Vice President (Works)
Mr. Ch. Gandhi Raju		Sr.Vice President (Marketing)
Mr. M.L. Kumavat		Chief Financial Officer
Mr. M. Nagabhushana Rao		Asst. Vice President (Mechanical)
Mr. K.V. Gopala Raju		General Manager (Purchase)
Mr. D.V. Subba Raju		Sr. General Manager (E & I)
Mr. K. Mohan Raju		General Manager (Projects)
Mrs. Anu Nair		Company Secretary

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### Registered Office

306A, The Capital, 3rd Floor,  
Plot No.C-70, G-Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051,  
Maharashtra  
Tel.: 022 4023 9909

### Corporate Office

#6-3-553, Unit Nos.E3&E4,  
4th Floor, Quena Square,  
Off Taj Deccan Road, Erramanzil,  
Hyderabad – 500 082, Telangana.  
Tel.: 040 23353096 / 3106

### Statutory Auditors

M/s. Ramanatham & Rao  
Chartered Accountants,  
P.B.No.2102, Flat No.302,  
Kala Mansion, Sarojini Devi Road,  
Secunderabad - 500 003, Telangana

### Cost Auditors

Narasimha Murthy & Co.,  
3-6-365, 104 & 105, Pavani Estate  
Himayat Nagar,  
Hyderabad - 500029, Telangana

### Factory

Chintalapalem (Village)  
Mellacheruvu (Mandalam)  
Nalgonda (District),  
Telangana – 508 246

### Internal Auditors

M. Bhaskara Rao & Co.,  
Chartered Accountants, 5-4, 5th Floor,  
"Kautilya", 6-3-652, Somajiguda,  
Hyderabad – 500 482

### Registrars & Share Transfer Agents

Karvy Computershare Pvt. Ltd.,  
Karvy Selenium Tower B,  
Plot No,31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad - 500032

### Bankers

HDFC Bank,  
State Bank of India,  
Lakshmi Vilas Bank,  
State Bank of Hyderabad

### Debenture Trustees

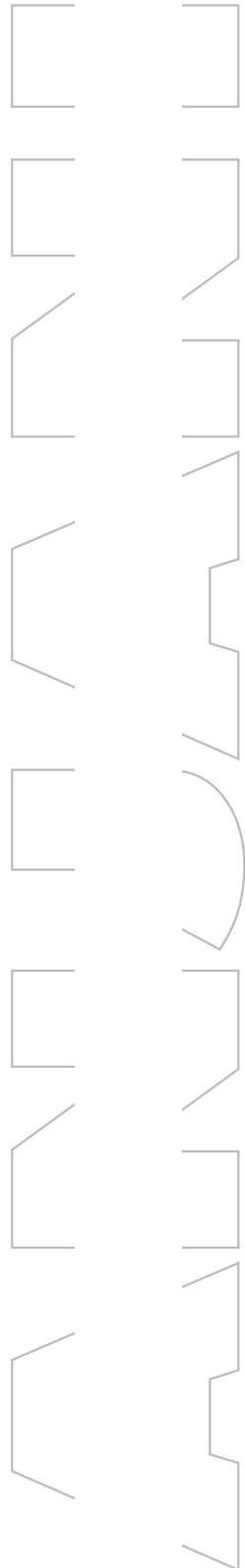
IDBI Trusteeship Services Limited  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai – 400001

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## PERFORMANCE AT A GLANCE

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<b>PRODUCTION in MT's</b>						
Cement	6,51,278	7,89,174	8,37,993	8,01,105	6,55,896	7,57,229
Capacity Utilisation (%)	56%	68%	72%	69%	57%	65%
<b>SALES IN MT's</b>						
Cement & Clinker	6,38,449	8,14,740	8,70,066	8,57,318	6,85,022	7,60,174
<b>FINANCIAL HIGHLIGHTS</b>	<b>(₹ in Lakhs)</b>					
Turnover (Gross) Including Other Income	22,893.70	38,440.53	33,285.78	32,590.46	30,435.56	35,235.73
Gross Profit	3,994.40	6,945.73	5,342.68	2,321.13	5,236.31	8,157.04
Finance Costs	2,590.14	3,376.83	3,445.68	3,538.06	2,779.87	1,580.33
Depreciation	1,274.78	1,383.27	1,433.79	1,490.91	1,059.37	2,308.08
Profit/(Loss) Before Tax	129.48	2,185.63	463.21	(2,707.84)	1,397.07	4,268.63
Provision for Taxation						
- Current Tax	37.91	365.19	1.14	106.22	-	496.23
- Deferred Tax	33.96	239.99	152.96	(879.23)	(274.19)	1,895.37
Net Profit/(Loss) After Tax	57.61	1,580.45	309.11	(1,934.84)	1,671.26	1,877.03
<b>PAID - UP SHARE CAPITAL</b>	1838.96	1838.96	1838.96	1838.96	1838.96	1838.96
<b>RESERVES &amp; SURPLUS</b>	4582.25	5906.22	6215.33	4280.49	5907.17	7784.20
<b>RATIOS</b>						
PBDIT to Gross Sales (%)	17.85%	18.45%	16.28%	7.28%	17.33%	23.19%
PBT to Gross Sales (%)	0.58%	5.81%	1.41%	-8.49%	4.62%	12.13%
EPS (in Rupees)	0.31	8.59	1.68	(10.52)	9.09	10.21
Debt to Equity	3.40	2.66	2.60	2.38	2.47	1.14
Book Value per Share (in Rupees)	35	42	44	33	42	52
Dividend (%)	8	12	-	-	-	-

**ANJANI PORTLAND CEMENT LIMITED**

CIN:L26942MH1983PLC265166



Regd Office : 306-A, The Capital, 3<sup>rd</sup> Floor, Plot no C.70, G Block, Bandra Kurla Complex,  
Bandra East, Mumbai - 400051 Tel. 022 4023 9909

**Notice**

Notice is hereby given that the Thirty Second Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Friday, September 9, 2016, at 10.00 a.m. at Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai, Maharashtra 400019 to transact the following business:

**ORDINARY BUSINESS**

1. To consider and adopt the audited financial statements of the company for the financial year ended March 31, 2016, together with the reports of the Board of Directors and Auditors thereon
2. To appoint a Director in place of Dr. (Mrs.) S.B Nirmalatha, (DIN 03092392) who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution,

**"RESOLVED THAT** pursuant to the provisions of Section 139 and Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time M/s Ramanatham & Rao, Chartered Accountants (Firm Registration Number (S-2934) be and are hereby appointed as Statutory Auditors of the company for the period of three years to hold office from the conclusion of this Annual General Meeting until the conclusion of the third consecutive Annual General Meeting (subject to the ratification of the appointment by the members at every annual general meeting held after this annual general meeting ) at a remuneration of ₹ 4,00,000 (Rupees Four Lakh only) plus applicable taxes, if any, besides reimbursement of out of pocket expenses for the first year of their tenure and thereafter at such remuneration as may be approved by the Board of Directors of the Company and that the Board of Directors be and are hereby authorized to approve the remuneration as may be determined by the Audit Committee in consultation with the Auditors for the remaining tenure of their appointment."

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** subject to Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, a remuneration of ₹ 1,75,000 (Rupees One Lakh Seventy Five Thousand only) plus applicable service Tax and out of pocket expenses, payable to M/s Narasimha Murthy & Co., (Firm Registration Number 000042) Cost Auditors for audit of the cost records of the company for the financial year ending March 31, 2017 as approved by the Board of Directors of the Company be and is hereby ratified."

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

**"RESOLVED THAT,** pursuant to the provisions of Regulation 23 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded to all the material related party transactions entered into and to be entered into during the financial year 2016-17, between the Company and Chettinad Cement Corporation Limited, a related party of the Company under Regulation 23 of the said Regulations.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to take such steps as may be necessary to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution."

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

**"RESOLVED THAT** pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, as amended from time to time, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of

the Board constituted to exercise its powers, including the powers conferred by this Resolution) to give loans, provide guarantees or invest/acquire the securities of any Body Corporate by way of subscription/purchase or otherwise, such that the aggregate of the loans/guarantees/investments so far made together with the loans/guarantees/investments proposed to be made shall not exceed the net worth of the company at the time of making such loan or investment or provision of such guarantees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned loans/guarantees/investment(s) (collectively "transactions") including the timing, the amount and other terms and conditions of such Transactions and also to take all other decisions including varying the terms of any of them, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid Transaction."

**On Behalf of the Board of Directors**

**Date: August 11, 2016**

**Place: Chennai**

**Anu Nair**

**Company Secretary**

#### **NOTES**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **NOTES: (A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc, must be supported by appropriate resolutions /authority as applicable. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the share capital of the company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, September 3, 2016 to Friday, September 9, 2016 (both days inclusive).
4. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in respect of Director(s) retiring by rotation and being reappointed forms part of this annual report
5. The company has appointed M/s. Karvy Computershare Pvt. Ltd. as the Registrar and Share Transfer Agent to undertake all investor servicing activities, both demat and physical segments. All concerned are requested to send their documents and address all their correspondence directly to the above Registrars.
6. The unclaimed dividend amounts out of the Dividend declared for the financial year ended March 31, 2009 shall be transferred to the Investor Education and Protection Fund of the Central Government after the expiry of 7 years from the date of transfer to Unpaid Dividend Account.
7. Shareholders holding shares in physical form are requested to notify change of address, if any, to the Share Transfer Agents (STA) of the Company, Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32 Gachi Bowli Financial District, Nanakramguda, Hyderabad 500032 immediately. Beneficial owners holding shares in electronic form are requested to notify any change in address, bank particulars, NECS particulars etc., to their respective depository participants.
8. In terms of provisions of Section 101 and 136 of the Companies Act, 2013 and Rules made there-under, Shareholders who have opted to receive the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report etc. in electronic form, by registering their e-mail addresses with the Company or whose e-mail addresses are made available to the Company by the Depositories, are being sent such documents in the electronic form. As a Shareholder of the Company, you are entitled to be furnished, free of cost, with the copies of such documents upon receipt of requisition from you to that effect. Physical copies of the Annual Report for 2015-16 are being sent in the permitted mode.



## 9. PROCEDURE AND INSTRUCTIONS FOR E-VOTING

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Company is pleased to provide to its Members, the facility to exercise their vote through electronic means i.e. 'remote e-voting' on resolutions proposed to be passed at this Annual General Meeting. The cut-off date for the purpose of remote e-voting and voting at the Annual General Meeting is September 2, 2016. The remote e-voting facility will be available during the following voting period:

<b>Commencement of e-voting :</b>	<b>From 9.a.m. (IST) on September 6, 2016</b>
<b>End of e-voting:</b>	<b>Upto 5 p.m. (IST) on September 8, 2016</b>

Complete instructions for remote e-voting including details of login ID, process and manner for generating or receiving the password and for casting vote in a secured manner is given in the remote e-voting Form annexed to this Report and forms an integral part of this Notice. Ms. Shailashri Bhaskar, Practising Company Secretary (CP No 5092) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Results shall be declared by the Chairman or any other persons authorised by him in writing on or within a period of 3 days from the conclusion of the Annual General Meeting. The results declared along with the consolidated Report of the Scrutinizer shall be immediately placed on the website of the Company i.e. [www.anjancement.com](http://www.anjancement.com) The results shall simultaneously be forwarded to the BSE Limited, Mumbai.

### Other Instructions

1. In case of members whose email ids are registered with the company user ID and password shall be sent to them by Karvy Computershare Private Limited. In case of members receiving physical copy of Annual Report user ID and password are provided in the remote e-voting form. In case member is already registered with Karvy Computershare Private Limited they can use their existing User ID and password/PIN for casting their vote.
2. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on this cut-off date (September 2, 2016). A person whose name is recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting at the Annual General Meeting through Ballot paper.
3. Any person who acquires shares of the company and becomes member of the company after the date of dispatch of Notice and holds shares as on the cut-off date may obtain the User ID and password/PIN by sending a request to Karvy Computershare Private Limited.
4. The facility of voting through Ballot paper will be provided at the Annual General Meeting. Members attending the meeting and who have not cast their vote earlier by remote e-voting shall be able to vote at the meeting.
5. Members can participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting. Once the vote on a resolution is cast by the member by remote e-voting, he shall not be allowed to modify the same or cast vote again.
6. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at <https://evoting.karvy.com> or contact on 1-800- 3454001(toll free) or contact : Mr. P. Srirama Murthy on (040)67161606

### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all the material facts relating to the special business mentioned in the accompanying notice.

#### Item No 4

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Narasimha Murthy & Co., Cost Accountants (Firm Registration Number 000042), to conduct the Cost Audit of the Cost Records of the Company at a remuneration of ₹ 1,75,000/- (Rupees One Lakh Seventy Five Thousand only) plus applicable Service Tax and out of pocket expenses for the Financial year 2016-17.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2016-17 as set out in the Resolution for the aforesaid services to be rendered by them.

The Board recommends the Ordinary Resolution set out at item number 4 for approval by shareholders.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of this resolution.

#### Item No 5

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires shareholders approval by an ordinary resolution for all the material related party transactions. Related party transactions are considered material if the transaction(s) to be entered together with previous transactions already entered during a financial year exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. The proposed related party transactions of the Company together with the transactions already entered into during the financial year 2016-17 with Chettinad Cement Corporation Limited (CCCL), a related party of the Company under Regulation 23 of the said Regulations, is expected to exceed 10% of the annual consolidated turnover of the Company for the last financial year 2015-16. It is, therefore, proposed to obtain approval of the members by an ordinary resolution for all material related party transactions entered into and to be entered into with CCCL during the financial year 2016-17.

Pursuant to Regulation 23 of the said Regulations, all entities falling under the category of 'related parties' (as defined therein) shall abstain from voting in respect of the resolution at Item No. 5 of the Notice, irrespective of whether the related party is a party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at item number 5 for approval by shareholders.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of this resolutions.

#### Item No 6

As per Section 186 of the Act read with the Rules framed thereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution where the giving of loan or guarantee or investment by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding the limits as prescribed under the Act. Based on its financials as on March 31, 2016, 60% of the paid-up share capital plus free reserves including securities premium is approximately ₹ 51.74 crores and 100% of free reserves including securities premium is approximately ₹ 67.84 crores. Considering the long term growth plans of the company it is proposed to increase the limits for giving of loans/ guarantees and making of investments, upto an amount not exceeding the networth of the Company as on the date of such loan/guarantee or making of such Investment.

Hence, the approval of the Members is being sought by way of a Special Resolution under Section 186 of the Act read with the Rules made thereunder.

The Board recommends the Special Resolution set out at item number 6 for approval by shareholders.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of this resolutions.

# NOTICE

## Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting.

Particulars	Dr. (Mrs.) S. B. Nirmalatha (DIN No -03092392)
Date of Birth	16/08/1974
Qualifications	Master's Degree, M.L in Department of Legal studies, University of Madras, Doctorate programme, PHD in the field of Intellectual property Rights in the University of Madras
Expertise in Specific Functiona lArea	A Lawyer practicing with the High Court in Chennai. She specializes in Intellectual Property and Corporate matters including Trademarks ,and Copyright.
Directorships held in other public companies	Nil
Memberships/Chairmanships of Committees of other companies	Nil
Number of Shares held in the Company	Nil

# Directors' Report

Your Directors take pleasure in presenting the Thirty Second Annual Report and the Audited Financial Statements of the Company for the year ended March 31, 2016

## 1. FINANCIAL RESULTS:

(₹ in Lakhs)

	Current Year Ended 31/03/2016	Previous Year Ended 31/03/2015
Revenue from Operations(Gross)	35,174.72	29,771.93
Profit before Interest, Depreciation	8,157.04	5,236.31
Less: Interest	1,580.33	2,779.87
Less: Depreciation	2,308.08	1,059.37
Profit/(Loss) Before Tax	4,268.63	1,397.07
Provision for Taxation including deferred Tax	2,391.60	(274.19)
Profit/(Loss)after Taxation	1,877.03	1,671.26
<b>Appropriations</b>		
Debenture Redemption Reserve	500.00	500.00

## 2. DIVIDEND

Your company has made a profit of ₹1877.03 lakhs during the current year, however keeping in view the ongoing projects and the expansion/growth plans of the company it has been decided to reinvest the profits back into the company for better returns to the Shareholders in the future.

## 3. TRANSFER TO RESERVES

The company has transferred an amount of ₹ 500 lakhs out of the profits of the company for the financial year ended March 31, 2016 to Debenture redemption Reserve.

## 4. PERFORMANCE OF THE COMPANY

	PRODUCTION in M.T	SALES in M.T
Cement	7,57,229	7,60,107

## 5. OPERATIONS

This is covered under the topic Management Discussion and Analysis.

## 6. MANAGEMENT DISCUSSION AND ANALYSIS

### • Economy and Developments

As has been the case in the last few years the global economy continues to be extremely gloomy and volatile and the effects in the market are only palpable. The biggest task in which India has been continually excelling is the one of insulating its economy from the ramifications of global economic uncertainties. India continues to be among the most stable and growth oriented economies in the world. While the Global economy reels under a growth of less than 4%, the Indian economy stands strong at around 7% growth. Sustainance is the key and the fact that India can still do better by reducing the Corporate Debt and improving credibility only shows that a long term growth vision of 8-10% growth is not over optimistic.

Being just short of 400 Million Tonnes capacity, India is the second largest cement producer in the world. The demand for cement in the last year has once again failed to reach the expected levels due to the sluggish real estate sector and the industrial demand not picking up. The major demand for cement is largely from the housing sector, however the industry did not see the spurt in demand as anticipated.

The industry currently stands at crossroads wherein the production capacities have been increased in anticipation of the infrastructural development creating a huge demand supply inequality. However once the infrastructure projects take off we can expect this inequality to be considerably reduced

### • Opportunities, Threats, Risks, Concerns and Outlook

Cement is indispensable for nation building and despite the current slowdown; the demand for cement is expected to rise considering the slew of infrastructural and other projects that the Government has visualized to execute.

The Government has in the current budget announced a 100 per cent deduction for profits to an undertaking in housing project for flats upto 30 sq. metres in four metro cities and 60 sq. metres in other cities, approved during June 2016 to March 2019 and completed in three years. This continued emphasis that the Government has been giving the housing sector will in the years to come give a definitive impetus to the Cement Sector.

Currently both the demand for cement as well as prices of coal and fuel is at its lowest. The production process of cement being fuel intensive, any increase in fuel and Coal prices coming along with an increase in demand for cement would impact the price realization substantially. This is a risk and concern constantly confronted by the Cement Industry.

Though India is the second largest producer of Cement in the World, its per capita consumption still ranks among the lowest in the world. So there is huge scope for improvement and outlook is always positive.

The Central Government has announced additional allocation for Smart City development and Pradhan Mantri Gram sadak yojana to the tune of over ₹ 25000 crores. The various State Government's have also made substantial schemes and provisions for infrastructural development in their respective budgets. Any activity of infrastructural development is good news for the prospect of Cement Industry and its future outlook.

The Government's impetus for affordable housing will also give a boost to the cement sector.

Although the current scenario seems bleak, but the Government's continued efforts to improve the infrastructure condition will definitely lead to a boost in the cement sector.

- **Segmentwise or Productwise Performance**

The Company has only one business segment, that is manufacture and sale of cement. Given below are the varietywise production figures for the financial year 2015-16.

Grades of Cement	Quantity in M.T
OPC-43 grade and 53 grade	5,44,445
PPC	2,01,859
RHPC	10,925

- **Internal Control System and their adequacy**

The Company has got an adequate system of internal control in place commensurate with the size of its operation and is properly designed to protect and safeguard the assets of the company. There is a proper system for recording all transactions which ensures that every transaction is properly authorized and executed according to norms.

The Company has in place an internal control procedures and has established internal controls system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory provisions.

The company has also appointed M/s M. Bhaskara Rao & Co., Chartered Accountants as Internal Auditors to conduct the Systems and Compliance Audit of the Company.

- **Financial Performance in comparison to Operational Performance**

The Company has produced a quantity of 7,57,229 MT cement during the current financial year as compared to the previous year production of 6,55,896 MT of cement reflecting an increase of 15%.

The quantity of cement sold during the year under review stands at 7,60,107 MT compared to 6,50,198 MT during the previous financial year showing a increase of 17%.

The gross turnover for cement during the year under review increased and stood at ₹ 35,167.70 Lakhs an increase of 23 % from the last year.

The company has made a Net Profit of ₹ 1,877.03 lakhs during the financial year 2015-16 as compared to a Net Profit of ₹ 1,671.26 lakhs in the previous year, signifying a growth of 12.31% year on year.

- **Material Development in Human Resources/Industrial Relations front, including number of people employed**

The Industrial relation during the current year has been cordial and contributed to mutual development.

The number of personnel in direct employment of the company are –289

## 7. FIXED DEPOSITS:

Your Company has not accepted any deposits from the public, or its employees during the year under review and there are no outstanding Fixed Deposits at the end of the financial year 2015-16.

## 8. ISSUE OF SHARES ON A RIGHTS BASIS

The Company came out with a Rights Issue of 68,96,099 Equity shares at the rate of ₹108.75 per Equity Share (including a Premium ₹98.75 per equity share ) for an amount not exceeding ₹ 75 crores, to be issued to the existing Shareholders of the company as on the Record Date, in the ratio of 3 shares for every 8 shares held by the existing Shareholders of the company, to part fund the installation of Captive Thermal Power Plant at the factory premises of the company in Chintapalem Village, Mellacheruvu Mandal, Nalgonda District, Telangana. The Rights Issue opened on May 25,2016 and closed on June 8,2016 The Issue was oversubscribed to the extent of 1.16 times. The allotment of Shares to the eligible applicants was completed by June 17, 2016. The funds from the rights issue are being used towards commissioning of the captive Thermal Power plant at the Factory at Chintalapalem Village, Nalgonda District, Telangana.

## 9. CAPTIVE POWER PLANT

The work towards setting up of the Power Project is proceeding as per the anticipated timelines . The electricity generated is intended to be used for captive consumption at our Company's cement factory situated at Survey No. 226, Chintalapalem Village, Mellacheruvu, Nalgonda District, Telangana. The power generated by the Power Project would supplement the power that our Company currently purchases from the Telangana State Electricity Board.

As per the Implementation Schedule the commissioning of the Captive Thermal Power Plant should be completed by end of October and the company should be able to accrue benefits of the same in the long run.

## 10. PRODUCT LAUNCH

The company in a constant quest to meet the ever changing demand of customers launched rapid hardening Portland cement in the month of September 2015, by the name of "ANJANI PRATHISTTA".

This is the first of its kind product launched in the state of Telangana and the customer response to the same has been extremely positive. Anjani Prathistta is most ideal for dense concreting and has superior resistance to sulphide and chloride attacks. It is also highly durable and highly preferable for high speed setting.

## 11. REPORT ON CORPORATE GOVERNANCE:

A report on Corporate Governance is given in Annexure to this Report.

## 12. STATUTORY AUDITORS:

The Auditors, M/s Ramanatham & Rao, Chartered Accountants (Firm Registration No S-2934) retire at the ensuing Annual General Meeting and are eligible for reappointment. M/s Ramanatham & Rao have given their consent to act as Auditors and have confirmed that the appointment, if made, would be in compliance with Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.

## 13. COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its cement activity is required to be subject to Cost Audit. Your Directors have appointed M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad to audit the cost records of the Company for the financial year 2016-17 on a remuneration of ₹1,75,000/- (Rupees One Lakh Seventy Five Thousand Only) . As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in the Annual General meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad is placed in the ensuing Annual General Meeting.

The Cost Audit Report for the Financial year 2014-15 due to be filed with Ministry of Corporate Affairs within a period of 180 days from the close of the financial year, had been filed on September 24, 2015 The Cost Audit Report for the Financial year 2015-16 would be filed within the period mentioned in the Companies(Cost Record and Audit) Rules 2014.

#### 14. REQUIREMENT UNDER THE COMPANIES ACT, 2013

##### A. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. K.V. Vishnu Raju and Mr. P. V. R. L. Narasimha Raju resigned from the Board of Directors with effect from September 28, 2015. The Board of Directors placed on record their appreciation for the invaluable contribution and guidance provided by them

##### B. DISCLOSURE AS PER SEXUAL HARRASMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013.

Your company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act 2013 and the rules framed thereunder. The details of the Policy are uploaded in the investor section on the Company's website at <http://www.anjanicement.com>.

##### C. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 (the "Act") is enclosed as an Annexure in the prescribed form MGT-9 and forms part of this Report.

##### D. NUMBER OF MEETINGS OF THE BOARD

5 meetings of the Board of Directors of the Company were held during the year. For details of the meetings, please refer to clause 3 of the Corporate Governance Report, which forms part of this Report.

##### E. INDEPENDENT DIRECTORS' DECLARATION

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### F. POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act are covered in the Corporate Governance Report which forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Act, is enclosed in the prescribed form MGT-9 and forms part of this Report. The Nomination and Remuneration Policy of the company is available in the investor section on the Company's website at <http://www.anjanicement.com>.

##### G. AUDITORS AND SECRETARIAL AUDITORS REPORT

There are no disqualifications, reservations or adverse remarks or disclaimers in the Auditors and Secretarial Auditors Report. The Report of the Secretarial Auditor as conducted by Mrs. Shailashri Bhaskar, Practising Company Secretary is given as an Annexure which forms part of this report.

##### H. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans, guarantees or made any investments under Section 186 of the Act during the financial year 2015-16.

##### I. RELATIONSHIP BETWEEN DIRECTORS

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act.

##### J. TRANSACTIONS WITH RELATED PARTIES

The Company has entered into contract / arrangements with the related parties in the ordinary course of business and on arm's length basis. Thus provisions of Section 188 (1) of the Act are not applicable in respect of these transactions.

##### K. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company.

##### L. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL YEAR RELATE AND THE DATE OF THE REPORT

The Company issued 68,96,099 Equity shares to its shareholders on rights basis. Owing to the issue of Rights shares, the share capital of the Company has increased from ₹ 18,38,95,970 to ₹ 25,28,56,960.

**M. RISK MANAGEMENT POLICY**

The Company has a risk management policy. The management of the company is spearheaded by the Managing Director and risk assessment and mitigation, forms a concurrent part of the management procedures. Periodical reviews of various operational, marketing and legal parameters affecting the company is conducted and risk management and mitigating procedures are adopted on a continuous basis.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

**N. POLICY ON CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Policy has been approved by the Board of Directors of the Company. The same is available on the website of the Company i.e. www.anjaniment.com.

The company was not required to spend any amount in CSR activities during the financial year 2015- 16, as per the provisions of 135(5) of the Companies Act, 2013, on account of the average profits being negative.

**O. PARTICULARS OF REMUNERATION**

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is as follows:-

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Directors	Ratio to Median Remuneration
Non-Executive Directors	
Mr. P. Gopal	-
Mr. V. Subramanian	-
Dr.(Mrs.) S.B. Nirmalatha	-
Executive Directors	
Mr. A. Subramanian	10.58 times
Mr. K.V. Vishnu Raju **	-
Mr. P.V.R.L. Narasimha Raju **	-

\*\*Mr. P.V.R.L. Raju and Mr. K. V. Vishnu Raju resigned from the Board of Directors on September 28, 2015

The median remuneration of the employees of the company for the financial year 2015-16 is ₹ 2.86 lakhs.

- b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	Percentage Increase in Remuneration
Non-Executive Directors	
Mr. B. Ramesh	-
Mr. P. Gopal	-
Mr. V. Subramanian	-
Dr. (Mrs.) S. B. Nirmalatha	-
Mr. K.V. Vishnu Raju	-
Mr. P.V.R.L. Narasimha Raju	-
Executive Directors	
Mr. A. Subramanian *	-
CFO and CS	
Mr. M.L. Kumavat	17.93
Mrs. Anu Nair	30.00

\*Cannot be calculated as there is no comparable information, corresponding to the previous year.

- c) The percentage increase in the median remuneration of employees in the financial year 8.59%



- d) The number of permanent employees on the rolls of company;  
289
- e) 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 point out if there are any exceptional circumstances for increase in the managerial remuneration.
- On an average, employees received an increase of 11.64%. The increase in remuneration is in line with the market trends and the remuneration policy of the company.
- However if a comparison has to be made for the managerial remuneration paid in the year 2014-15 as compared to the managerial remuneration paid in 2015-16 there has been an increase of 47.50%
- f) The key parameters for any variable component of remuneration availed by the directors;  
Nil
- g) Affirmation that the remuneration is as per the remuneration policy of the Company  
The Company affirms that remuneration is as per the remuneration policy of the Company.

**P. FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISO THERE TO.**

All related party transactions entered into by the company are on arm's length basis and it has not entered into any material contracts or arrangements or transactions with related parties.

**Q. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN THE FUTURE**

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

**R. BOARD EVALUATION**

The Board based on the parameter provided by the Nomination & Remuneration Committee evaluated the performance of the Board, Committees and Individual Directors based on the under mentioned parameters

**EVALUATION OF THE BOARD**

- Development of suitable strategies and business plans at appropriate time and its effectiveness;
- Implementation of robust policies and procedures;
- Size, structure and expertise of the Board;
- Overview of the Financial Reporting Process, including Internal Controls;
- Willingness to spend time and effort to learn about the Company and its business; and
- Awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

**EVALUATION OF THE COMMITTEES**

- Discharge of its functions and duties as per its terms of reference;
- Process and procedures followed for discharging its functions;
- Effectiveness of suggestions and recommendations received;
- Size, structure and expertise of the Committee ;and
- Conduct of its meetings and procedures followed in this regard.

**EVALUATION OF THE INDIVIDUAL DIRECTORS**

The performance evaluation of the Director mentioned below was done by the entire Board excluding the person being evaluated.

- Display of leadership qualities i.e. correctly anticipating business trends, opportunities, and priorities affecting the Company's prosperity and operations;
- Establishment of an effective organization structure to ensure that there is management focus on key functions necessary for the organization to align with its mission; and

- Managing relationships with the Board, management team, regulators, bankers, industry representatives and other stakeholders.
- Participation at the Board / Committee meetings;
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings);
- Effective deployment of knowledge and expertise;
- Integrity and maintaining of confidentiality;
- Independence of behavior and judgment;

**S. STATEMENT PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2016.**

There are no employees in the Company falling within the definition mentioned above

**T. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as prescribed under 134 (3) (m) of the Companies Act, 2013 and the Rules prescribed thereunder are set out as an Annexure to this report.

**U. SUBSIDIARY COMPANIES:**

Your company has no subsidiaries within the meaning of Section 2(6) of the Companies Act, 2013.

**V. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures are made from the same.
- b) Appropriate accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- d) The annual accounts have been prepared on a going concern basis.
- e) Appropriate Internal Financial Controls have been laid down and followed and such internal financial controls are adequate and operating effectively.
- f) Proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**15 CAUTIONARY STATEMENT:**

Statements made in this report, including those stated under the caption "Management Discussion and Analysis" describing the company's objectives, expectations or projections may constitute "forward looking statements" within the meaning of applicable securities laws and regulations.

Important factors that could influence Company's operations include global and domestic supply and demand conditions affecting the selling price of finished goods, availability of inputs and their prices, changes in Government regulations, tax laws, economic developments within the country and outside and other factors such as litigations and Industrial relations.

The Company assumes no responsibilities in respect of the forward looking statements which may undergo changes in the future on the basis of subsequent developments, information or events.

**16. ACKNOWLEDGEMENT:**

The Board of Directors wish to thank all the shareholders statutory bodies and departments of the State and Central Government and Bankers, Suppliers, Customers and all employees for their valuable support to the company.

On Behalf of the Board of Directors

Place: Chennai  
Date: August 11, 2016

A. Subramanian      V. Subramanian  
Managing Director      Director

**DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**
**(A) Conservation of Energy:**

- i) The steps taken or impact on Conservation of Energy
  - Increase in Alternate fuel consumption from 19 % to 23 %
  - Optimization of Kiln output
  - Liners replacement in Cement Mill
  - CFL Lamps replacement in place of Ordinary lamps
  - Adding capacitor banks to improve power factor
  - Replacement of aluminum blades with FRP blades for Kiln shell cooling blowers
  - Installed VFD's in Cement mill -1 & Coal mill -2 ID fans to avoid damper loss.
  - Cooler ESP Fan damper removed to avoid damper losses.
  - P.A.Fan VFD installed to avoid excess air venting
- ii) The steps taken by company for utilizing alternate source of energy
  - Alternate fuels (Spent carbon, Spent Organic Residue & Spent Organic Liquid) in place of coal has been used
  - Trials taken to feed Alternate fuels in TAD have been successful.
- iii) The capital investment on energy conservation equipment's  
Amount of Rs.119.70 lakhs spent towards installation of various energy conservation equipment like pillard burner, gas analyzer system, etc.

**(B) Technology absorption:**

- i) The efforts made towards technology absorption
  - New Pillard Burner installed in Kiln-2
  - New Kiln feed elevator installed in Kiln-2 to increase Kiln output
  - Kiln-2 clinker transportation Deep pan conveyor G.Box replaced to increase rpm
  - New Ambient air quality monitoring system installed
  - Installed Sox and NoxAnalyzers for Kiln-I and Kiln-II Chimneys.
- ii) The benefits derived like product improvement, cost reduction, Product development or import substitution
  - Anjani launched Novel Product "Anjani Prathista" (Rapid Hardening Portland Cement as per IS 8041: 1990) in the month of September 2015.  
The expenditure incurred on research and Development Rs.13.50 Lakhs (Third party analysis & Energy Audits)  
There have been no Foreign Exchange Earnings and outgo during the year under review.

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on March 31<sup>st</sup>, 2016**

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**

- 1) CIN: 26942MH1983PLC265166
- 2) Registration Date : 17/12/1983
- 3) Name of the Company : Anjani Portland Cement Limited
- 4) Category/Sub-Category of the Company: Public Limited Company
- 5) Address of the Registered Office and contact details:  
306 A, The Capital, 3<sup>rd</sup> Floor, Plot No.C-70,  
G-Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051  
Tel.: 022 4023 9909
- 6) Whether Listed Company : Yes
- 7) Name, Address and Contact details of Registrar and Transfer Agent, if any  
Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500032  
Tel: +91 40 67161602

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1	Manufacture of Cement	23941 & 23942	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Chettinad Cement Corporation Limited	U93090TN1962PLC004947	Holding Company	75	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)**

**i). Category-wise Share Holding**

Category of Shareholder	No. of shares held at the beginning of the year 01/04/2015				No. of shares held at the end of the year 31/03/2016				% Change During The year
	Demat	Physical	Total	% of total	Demat	Physical	Total	% of total	
(A) Promoter and Promoter group									
(1) INDIAN									
(a) Individual/ HUF	0	0	0	0	0	0	0	0	0
(b) Central Govt /State Govt(s)	0	0	0	0	0	0	0	0	0
(c) Bodies Corpo-rate	13792197	0	13792197	75	13792197	0	13792197	75	0
(d) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(e) Others	0	0	0	0	0	0	0	0	0
<b>SUB-TOTAL A(1) :</b>	<b>13792197</b>	<b>0</b>	<b>13792197</b>	<b>75</b>	<b>13792197</b>	<b>0</b>	<b>13792197</b>	<b>75</b>	<b>0</b>
(2) FOREIGN									
(a) Individuals (NRIs/Foreign)	0	0	0	0	0	0	0	0	0
(b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e) Others	0	0	0	0	0	0	0	0	0
<b>Sub-Total A(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total A =A(1) + A(2)</b>	<b>13792197</b>	<b>0</b>	<b>13792197</b>	<b>75</b>	<b>13792197</b>	<b>0</b>	<b>13792197</b>	<b>75</b>	<b>0</b>
(B) Public Shareholding									
(1) INSTITUTIONS									
(a) Mutual Funds/UTI	0	34400	34400	0.19	0	34400	34400	0.19	0
(b) Financial Institutions/Banks	0	7800	7800	0.04	0	7800	7800	0.04	0
(c) Central Government/State Governments(s)	0	0	0	0	0	0	0	0	0
(d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e) Insurance Companies	0	0	0	0	0	0	0	0	0
(f) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(i) Others	0	0	0	0	0	0	0	0	0

Category of Shareholder	No. of shares held at the beginning of the year 01/04/2015				No. of shares held at the end of the year 31/03/2016				% Change During The year
	Demat	Physical	Total	% of total	Demat	Physical	Total	% of total	
Sub-Total B(1)	0	42200	42200	0.23	0	42200	42200	0.23	0
<b>(2) NON-INSTITUTIONS</b>									
(a) Bodies Corporate	734002	18300	752302	4.09	786107	18300	804407	4.37	0.28
(b) Individuals									
(i) Individuals holding nominal Share capital upto Rs. 2 Lakh	887964	963837	1851801	10.07	1049257	982447	2031704	11.05	0.98
(ii) Individuals holding nominal Share capital in excess of Rs. 2 Lakh	1867473	69110	1936583	10.53	1661332	25900	1687232	9.17	(1.36)
(c) Others									
CLEARING MEMBERS	4352	0	4352	0.02	11989	0	11989	0.07	0.05
NON RESIDENT INDIANS	10162	0	10162	0.06	19868	0	19868	0.11	0.05
TRUSTS	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total B(2):	3503953	1051247	4555200	24.77	3528553	1026647	4555200	24.77	0
Total B = B(1) + B(2)	3503953	1093447	4597400	25.00	3528553	1068847	4597400	25.00	0
Total (A + B)	17296150	1093447	18389597	100.00	17320750	1068847	18389597	100.00	0
(C) Shares held by Custodians, against which Depository Receipts have been issued									
(1) Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2) Public	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A+B+C) :</b>	<b>17296150</b>	<b>1093447</b>	<b>18389597</b>	<b>100.00</b>	<b>17320750</b>	<b>1068847</b>	<b>18389597</b>	<b>100.00</b>	<b>0</b>

ii) Shareholding of Promoters

S. No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			% 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	Chettinad Cement Corporation Ltd.	13792197	75	0	13792197	75	0	0

iii) Changes in Promoters Shareholding (Please specify, if there is no change) :

There is no change in Promoters' Shareholding during the year.

iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of share holder	Shareholding of 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	SANGEETHA S	763578	4.15		
	Transactions (Sale/Purchase) from 01.04.2015	(101875)	(0.55)		
	At the end of the year			661703	3.60
2	PRATIBHUTI VINIHIT LTD	300000	1.63		
	Transactions (Sale/Purchase) from 01.04.2015	0	0		
	At the end of the year			300000	1.63
3	SAVITHA S	247390	1.34		
	Transactions (Sale/Purchase) from 01.04.2015	(1770)	(0.009)		
	At the end of the year			245620	1.33
4	SATHYA S	225160	1.22		
	Transactions (Sale/Purchase) from 01.04.2015	(2169)	(0.01)		
	At the end of the year			222991	1.21
5	BHAVNA GOVINDBHAI DESAI	7022	0.04		
	Transactions (Sale/Purchase) from 01.04.2015	142234	0.77		
	At the end of the year			149256	0.81
6	BREEZE ENTERPRISES PVT. LTD.,	8435	0.04		
	Transactions (Sale/Purchase) from 01.04.2015	103555	0.56		
	At the end of the year			111990	0.60
7	ENVIROPURE MARKETING AGENCIES PVT. LTD.	121742	0.66		
	Transactions (Sale/Purchase) from 01.04.2015	(34000)	(0.18)		
	At the end of the year			87742	0.47
8	GREEN VALLEY MINERALS AND METALS PVT. LTD.	0	0		
	Transactions (Sale/Purchase) from 01.04.2015	52220	0.28		
	At the end of the year			52220	0.28
9	MADAN DAULATRAM BAHAL	0	0		
	Transactions (Sale/Purchase) from 01.04.2015	42482	0.23		
	At the end of the year			42482	0.23
10	FUTURISTIC HANDLING SERVICES	0	0		
	Transactions (Sale/Purchase) from 01.04.2015	35207	0.19		
	At the end of the year			35207	0.19

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For each of the Directors and KMP	Shareholding of the beginning of the year		Cumulative shareholding during the year	
1	* K.V. Vishnu Raju	411585	2.24	411585	2.24
	06.04.2015 (Sale)	12000	(0.06)	399585	2.17
	07.04.2015 (Sale)	18367	(0.10)	381218	2.07
	08.04.2015 (Sale)	9500	(0.05)	371718	2.02
	09.04.2015 (Sale)	11050	(0.06)	360668	1.96
	16.04.2015 (Sale)	10500	(0.06)	350168	1.90
	06.05.2015 (Sale)	22500	(0.12)	327668	1.78
	07.05.2015 (Sale)	17309	(0.09)	310359	1.69
	13.05.2015 (Sale)	32913	(0.18)	277446	1.51
	14.05.2015 (Sale)	10200	(0.06)	<b>267246</b>	<b>1.45</b>

\* Mr. K. V. Vishnu Raju resigned from the Board w.e.f. 28.09.2015.

None of the other Director(s) or Key Managerial Person has any shareholding in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment as on March 31, 2016.

(₹ in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	12003.68	5023.81	-	17027.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	238.19	339.21	-	577.40
<b>Total (i+ii+iii)</b>	<b>12241.87</b>	<b>5363.02</b>	-	<b>17604.89</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	700.00	-	700.00
• Reduction	2624.49	5263.02	-	7887.51
<b>Net Change</b>	<b>(2624.49)</b>	<b>(4563.02)</b>	-	<b>(7187.51)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	9383.33	800.00	-	10183.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	234.05	-	-	234.05
<b>Total (i+ii+iii)</b>	<b>9617.38</b>	<b>800.00</b>	-	<b>10417.38</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Mr. A. Subramanian (M.D)
1	Gross Salary (a) Salary as per provision 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	30.27
2	Stock option	-
3	Sweat Equity	-
4	Commission - as % of profit - Others, specify	-
5	Others, please specify	-
	Total	30.27
	Ceiling as per the Act	5% of net profits of the company

B. Remuneration to other directors:

₹ in Lakhs

Particulars	Mr. V. Subramanian	Mr. P. Gopal	Dr (Mrs.)S.B Nirmalatha	Total Amount
1. Independent Directors				
- Fee for attending board/ committee meetings	0.20	0.25	---	0.45
- Commission	---	---	---	---
- Others, please specify	---	---	---	---
<b>Total (1)</b>	<b>0.20</b>	<b>0.25</b>		<b>0.45</b>
2. Other Non-Executive Directors				
- Fee for attending board/ committee meetings	---	---	0.25	0.25
- Commission	---	---	---	---
- Others, please specify	---	---	---	---
<b>Total (2)</b>			<b>0.25</b>	<b>0.25</b>
<b>Total (B) = (1 + 2)</b>	<b>0.20</b>	<b>0.25</b>	<b>0.25</b>	<b>0.70</b>

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

(₹ in Lakhs)

Particulars of Remuneration	Key Managerial Personnel			
	CEO	CFO	Company Secretary	Total
1. Gross Salary				
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	40.93	5.92	46.85
(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				
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission - as % of profit - others, specify	-	-	-	-
5. Others, please specify retirements	-	5.54	0.65	6.19
<b>Total</b>	-	46.47	6.57	53.04

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

There were no penalties, punishments or compounding of offences during the year ended March 31, 2016.

**FORM NO MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE YEAR ENDED MARCH 31, 2016**

To

The Members

**Anjani Portland Cement Ltd**

306A, The Capital, 3<sup>rd</sup> Floor

Plot No C 70, G block

BandraKurla Complex

Bandra (East), Mumbai - 400 051

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Anjani Portland Cement Ltd, (hereinafter called the Company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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 representative during the conduct of secretarial audit, I hereby report that in my opinion the Company has during the period covering April 01, 2015 to March 31, 2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period April 01, 2015 to March 31, 2016 according to the provision of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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 and Employees ( Stock Based Benefits Scheme) Regulations, 2014 - Not Applicable
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents ) regulations 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable ; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable

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

- (i) Secretarial Standards Issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with the BSE Limited.

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



**I further report that**

The Board of Directors of the Company is duly constituted. 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 at least 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 are captured and recorded as part of the minutes.

The company has formulated a Compliance Management System to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, which is under implementation. The systems and processes in the company are commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the company has not undertaken any action having a major bearing on the company's affairs in pursuance of the above referred laws.

Place: Mumbai

Signature

Date: July 21, 2016

Name of the Company Secretary in Practice: SHAILASHRI BHASKAR  
FCS: 5778; CP: 5092

**Other Observations:**

- a. The compliance from the Directors of the Code of Conduct for senior managerial personnel was taken in the meeting held on May 28, 2015 instead of the first board meeting held on April 29, 2015.
- b. All payments and reports to be filed with the statutory authorities have been done on time except for the following:
  - i. Two service tax payments made on 10.12.15 for Rs.230 and Rs.39141 with a delay of 4 days
  - ii. All the returns filed by the Stores Department is delayed by a day in the Month of March 2016.

Place: Mumbai

Sd/-

Date: July 21, 2016

**SHAILASHRI BHASKAR**  
FCS: 5778; CP : 5092

32<sup>nd</sup> Annual Report 2015 - 16

## CORPORATE GOVERNANCE REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below:

### 1. A brief statement on Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance aims at ethical corporate behavior and a management policy aimed at meeting its commitment and assuring optimum tangible and intangible returns to all its stakeholders including the social and economic environment in which your company evolves. The Company always strives to achieve optimum performance at all levels by adhering to most ethical corporate governance practices.

### 2. Board of Directors:

As on March 31, 2016 the Board consists of 4 members, two of whom are Independent and Non-Executive, one is Non-Independent and Non-Executive and one is Executive.

#### Composition of the Board as on March 31, 2016.

Sr. No.	Name of the Director	Category
1.	Mr. A. Subramanian	Managing Director & Executive
2.	Mr. V. Subramanian	Independent and Non-Executive
3.	Mr. P. Gopal	Independent and Non-Executive
4.	Dr.( Mrs.) S.B. Nirmalatha	Non-Independent and Non-Executive

### 3. Board Procedure:

#### Board Meetings:

The details about performance of the Company, financial position, statutory compliance's, quarterly results, market environment and all other aspects of the Company which are relevant for review of the Board of Directors are being given in a structured format at each meeting. The said information substantially complies with the requirements of the code of Corporate Governance with regard to the information to be placed before the Board of Directors.

During the financial year 2015-2016, five meetings of the Board of Directors were held on April 29, 2015, May 28, 2015, August 5, 2015, October 27, 2015 and February 10, 2016.

The details of attendance of each Director of the Board and last AGM held during the financial year 2015-2016 and details of number of outside directorships and committee positions held by each of the Directors in other public companies are given below.

Name	Category	Attendance		No. of Directorships in other public companies	No. of Companies and Positions held in other public companies	
		Board Meetings	Last AGM		Member	Chairman
Mr. A. Subramanian	Non-Independent, Executive	5	Yes	-	-	-
Mr. V. Subramanian	Independent, Non-Executive	4	Yes	-	-	-
Mr. P. Gopal	Independent, Non-Executive	5	No	-	-	-
Dr. (Mrs) S.B. Nirmalatha	Non-Independent, Non-Executive	5	No	-	-	-
Mr. K.V. Vishnu Raju*	Non-Independent, Non-Executive	Nil	No	4	1	-
Mr. P.V.R.L. Narasimha Raju*	Non-Independent, Non-Executive	Nil	No	6	2	-
Mr. B.Ramesh**	Non-Independent, Non-Executive	Nil	NA	-	-	-

\* Resigned from the Board w.e.f. 28.09.2015

\*\* Resigned from the Board w.e.f. 15.04.2015

Mr. V. Subramanian is the Chairman of the Board.

None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 committees across all the companies in which they are Directors.

Non-Executive Directors are not entitled for any remuneration other than the sitting fees. The Non Executive Directors do not hold any shares in the Company.

**None of the Directors are related to each other.**

Familiarization Programme: The Company has conducted familiarization Programme during the year for Independent Directors so as to assist them in performing their role as Independent Directors. Details of the Programme is available in the investor section on the Company's website at <http://www.anjanacement.com>

**4. Board Committees**

As on March 31, 2016 the Board has six committees, the Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee, Debenture Issue Committee and Rights Issue Committee.

The quorum for meetings is either two members or one-third of the member of the committee, whichever is higher.

**4.1. Audit Committee:**

(A) Our Audit Committee comprised of the following 3 directors as on March 31, 2016.

Mr. V. Subramanian	Independent, Non-Executive	Chairman
Mr. P. Gopal	Independent, Non-Executive	Member
Mr. A. Subramanian	Non-Independent, Executive	Member

The Company Secretary acts as the Secretary to the Committee.

(B) Terms of Reference

The Audit Committee shall have the following Scope and Responsibilities:

- a) Overview of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are true and fair, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees.
- c) Reviewing with management, the quarterly financial results before submission to the board for approval.
- d) Reviewing with the management, the annual financial statements before submission to the board for approval.
- e) Reviewing with the management, performance of Statutory and Internal Auditors, the adequacy of Internal Financial Control Systems.
- f) Reviewing the adequacy of internal audit function including reporting structure, coverage and frequency of internal audit.
- g) Discussion with internal auditors regarding any significant findings and follow up thereon.
- h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of Internal Financial Control Systems of a material nature and reporting the matter to the board.
- i) To review the Risk Assessment and Management measures.
- j) Reviewing of Financial Statements of the Subsidiaries and Investments made by them.
- k) Reviewing of Management Discussion and Analysis of Financial condition and Results of Operations.
- l) Reviewing of statements of significant related party transactions.
- m) Reviewing of Internal Audit Reports relating to Internal Financial Control Weaknesses.
- n) Any other items considered appropriate or necessary to have effective oversight of financial reporting.

(C) Meetings and Attendance:

During the financial year 2015-16, Four meetings of the Audit Committee were held on May 28, 2015, August 5, 2015, October 27, 2015 and February 10, 2016.

The details are as given below:

Name	Meetings held during FY 2015-16	Meetings Attended
Mr. V. Subramanian	4	4
Mr. P. Gopal	4	4
Mr. A. Subramanian	4	4

With Mr. B.Ramesh's resignation from the Board of Directors on April 15, 2015 Mr. A. Subramanian was co-opted as member of the Audit committee with effect from April 29, 2015.

#### 4.2 Nomination and Remuneration Committee (NRC):

- (A) Our Nomination and Remuneration Committee consists of 3 directors as on March 31, 2016.

Mr. P. Gopal	Independent, Non-Executive	Chairman
Dr.(Mrs.) S.B. Nirmalatha	Non-Independent, Non-Executive	Member
Mr. V. Subramanian	Independent, Non-Executive	Member

- (B) Remuneration Policy

The purpose of this Committee is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.

To ensure that the Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and;

To ensure that Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- (C) Terms of Reference

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

- (D) Meetings and Attendance:

During the financial year 2015-16, two meetings of the Nomination and Remuneration Committee were held on May 6, 2015 and August 4, 2015. The details are as given below:

Name	Meetings held during FY 2015-16	Meetings Attended
Mr. V. Subramanian	2	2
Mr. P. Gopal	2	2
Dr.(Mrs.) S.B. Nirmalatha	2	2

The Nomination and Remuneration policy of the Company is available in the investor section on the Company's **website at <http://www.anjanacement.com>**

#### Performance evaluation criteria for Independent Directors:

The Company has laid down evaluation criteria separately for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully

bringing their knowledge and experience for the benefit of the company. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

#### 4.3. Stakeholders Relationship Committee (SRC) :

##### (A) Our Stakeholders Relationship Committee consists of 3 directors as on March 31, 2016.

Mr. P. Gopal	Independent, Non-Executive	Chairman
Mr. A. Subramanian	Non-Independent, Executive	Member
Mr. V. Subramanian	Independent, Non-Executive	Member

##### (B) Meetings and Attendance

During the financial year 2015-16, Twenty two meetings of the Stakeholders Relationship Committee were held. The details are as given below:

Name	Meetings held during FY 2015-16	Meetings Attended
Mr. P. Gopal	22	22
Mr. A. Subramanian	22	22
Mr. V. Subramanian	22	22

Ms. Anu Nair, Company Secretary of the Company is the Compliance Officer.

Shareholder's grievances status:

Opening Balance	Complaints Received during the year 2015-16	Complaints Resolved during the year 2015-16	Closing Balance
Nil	66	66	Nil

#### 4.4 Corporate Social Responsibility Committee:

##### (A) Our Corporate Social Responsibility Committee consists 3 directors as on March 31, 2016.

Mr. A. Subramanian	Non-Independent, Executive	Chairman
Mr.V. Subramanian	Independent, Non-Executive	Member
Dr.(Mrs.) S.B. Nirmalatha	Non-Independent, Non-Executive	Member

Corporate Social Responsibility (CSR) Committee met once on February 10, 2016 during the year which was attended by all the members.

Section 135(5) of the Companies Act 2013 stipulated that the company needs to spend two per cent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

The Company has incurred an average net loss for the past 3 years and hence is not required to spend on CSR activities for the current Financial Year 2015-16.

The Corporate Social Responsibility policy is available in the investor section on the Company's website at <http://www.anjanicement.com>

#### 4.5 Debenture Issue Committee:

The Debenture Issue Committee comprising of (Members – Mr. A. Subramanian and Mr. V. Subramanian) was formed for the limited purpose to consider and approve the detailed Terms of Issue, allotment and listing of Secured Redeemable Non-Convertible Debentures. The Committee did not meet during the Financial Year ended 2015-16

#### 4.6 Rights Issue Committee:

Rights issue Committee comprising of the undermentioned Directors as members was formed to decide on the various procedures and Compliances in relation to the Rights issue

Mr. A. Subramanian	Non-Independent, Executive	Chairman
Mr.V. Subramanian	Independent, Non-Executive	Member

Mr. A. Subramanian, Managing Director acted as the Chairman of the Committee.

The Rights Issue Committee met three times during the year on June 01, 2015, December 22, December 2015 and December 30, 2015.

#### 5. Remuneration of Directors

The Non-Executive Directors are paid sitting fees for meetings of the Board and Committees of Directors There is no other pecuniary relationship or transaction of the non-executive directors with the Company. The Company pays remuneration to its Managing Director, by way of salary. Salary is paid within the range as approved by the Shareholders. Details of the same have been disclosed as an annexure to the Directors' Report.

## 6. General Body Meetings:

Year	Location	Date	Time
2012 -2013	Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad	August 21, 2013	11.00 A.M.
2013 -2014	Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad	September 10, 2014	11.00 A.M.
2014 -2015	20, Down Town, 2 <sup>nd</sup> Floor, South-West Wing, Cambata Building, 42, M. Karve Road, Church Gate, Mumbai - 400020	September 9, 2015	3.30 P.M.

Special Resolutions passed in the previous three Annual General Meetings:

- (i) At the 30<sup>th</sup> AGM held on September 10, 2014 two special resolutions were passed for the following purpose.

1. Approval under Section 180(1)(a) of the Companies Act, 2013

No. of Votes polled	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
1,21,19,286	1,21,19,181	105	99.9991	0.0009

2. Approval under Section 180(1)(c) of the Companies Act, 2013

No. of Votes polled	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
1,21,19,286	1,21,19,181	105	99.9991	0.0009

The Scrutiny of the votes for the same was conducted by Mrs. N. Vanitha (PCS Number 10573).

There were no special resolutions passed in the last year through postal ballot.

## 7. Disclosures:

### Disclosure regarding materially significant related party transactions:

There were no materially significant related party transactions that had potential conflict with the interest of the Company. The Company has adopted a Related party transaction policy and it is available on its website <http://www.anjaniment.com/investor/corporategovernance/RelatedPartyTransactionPolicy.pdf>

Disclosure of non-compliance by the Company:

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the year.

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. The Vigil Mechanism Policy/Whistle Blower Policy is available in the investor section on the website of the company on the portal of the Company, [www.anjaniment.com](http://www.anjaniment.com) and the Company confirms that no personnel has been denied access to the Audit Committee.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosure on commodity price risks and commodity hedging activities – Not applicable

The Corporate Governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted, Following discretionary requirements as specified in Part E of Schedule II has been adopted by the Company:

- The Company has moved towards a regime of financial statements with unmodified audit opinion.
- The Company has separate posts of Chairman and Managing Director
- The internal auditor is free to report directly to the audit committee.

## 8. Managing Director Certification:

The Managing Director of the Company has given a certificate to the Board of Directors as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation, for the year ended March 31, 2016.

## 9. Means of Communication :

The Company's website, serves to inform the shareholders, by giving complete financial details, Shareholding Patters, information relating to Stock Exchange, Registrar & Share Transfer Agents, and list of shareholders who have not claimed their dividend to comply with MCA Guidelines.

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, and the Company's website. The Company also informs the Stock Exchange in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

The results of the Company are published in the newspapers Business Standard and in Navshakthi (Marathi), they are also displayed in the investor section on the website of the company www.anjanacement.com under Investor section.

## 10. General Shareholder Information:

This Annual Report includes yearly financial statement, key financial data and a section on Shareholder information giving required information.

### a. Annual General Meeting

The Thirty Second Annual General Meeting ("the AGM") of the Company will be held on Friday the September 9, 2016 at 10.00 a.m at Mysore Association Hall, 393, BhauDaji Road, Matunga East, Mumbai, Maharashtra 400019

### b. Financial Year

1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016

### c. Dates of Book Closure :

The Register of Members and share transfer will remain closed from Saturday, September 3, 2016 to Friday, September 9, 2016 (both days inclusive).

### d. Listing on Stock Exchange

Listed with the BSE (Scrip Code 518091, Scrip Name APCL), Payment of Annual Listing fees has been done within the stipulated time frame .

### e. Registrar and Share Transfer Agents :

M/s. Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032.

### f. Share Transfer System

The share transfer committee attends to share transfer formalities. Demat requests are normally confirmed within an average period of 10 days, from the date of receipt, subject to the documents being valid and complete in all respects.

### g. Shareholder Statistics and Distribution of Shareholdings as on March 31, 2016 was as follows:

Category (No. of shares)	No. of Shareholders		No. of Shares		% to Total Equity	
	Physical	Demat	Physical	Demat	Physical	Demat
	(A)	(B)	(A)	(B)	(A)	(B)
1 - 500	4452	2896	689437	384435	3.75	2.09
501 - 1000	113	212	93350	172017	0.51	0.93
1001 - 2000	26	93	40650	141379	0.22	0.77
2001 - 3000	12	28	31200	71420	0.17	0.39
3001 - 4000	7	14	24500	51881	0.13	0.28
4001 - 5000	6	16	29400	76950	0.16	0.42
5001 - 10000	6	29	47600	199552	0.26	1.09
10001 & above	6	26	112710	16223116	0.61	88.22
<b>Total</b>	<b>4628</b>	<b>3314</b>	<b>1068847</b>	<b>17320750</b>	<b>5.81</b>	<b>94.19</b>
<b>Grand Total (A+B)</b>	<b>7942</b>		<b>18389597</b>			

Category	Number of shares held	As a percentage of total number of shares
Promoter and Promoter group	1,37,92,197	75.00
Mutual Funds/ UTS	34,400	0.19
Financial Institutions/Banks	7,800	0.04
Bodies Corporate	8,04,407	4.37
Indian Public	36,71,303	19.97

Category	Number of shares held	As a percentage of total number of shares
NRI	19,868	0.11
Others/Clearing Members	11,989	0.06
HUF	47,633	0.26
Total	1,83,89,597	100.00

- h. The monthly high and low share quotations of your company during the Financial Year 2015-16 as traded on the BSE Ltd., are given below:

BSE Scrip Code : 518091 BSE Scrip ID : APCL

S No	Month	High(Rs.)	Low(Rs.)
1	April, 2015	134.00	100.00
2	May, 2015	123.80	90.90
3	June, 2015	148.40	101.10
4	July, 2015	181.90	105.00
5	August, 2015	201.70	125.50
6	September, 2015	150.10	116.50
7	October, 2015	209.00	139.00
8	November, 2015	232.90	170.00
9	December, 2015	234.50	192.00
10	January, 2016	205.00	136.00
11	February, 2016	159.80	103.00
12	March, 2016	157.50	114.00

- i. Performance in comparison to broad based indices

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

Particulars	April 1, 2015	March 31, 2016	% Change
Company Share Price (closing)	122.20	154.30	26.27
SENSEX (closing)	28260.14	25269.64	(10.58)

- j. Dematerialisation of Shares

Trading in Company's shares is permitted only in dematerialised form for all investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its share holders. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialised form. Over 94% of the Company's shares are now held in electronic form.

The ISIN of Dematerialised shares of the Company is : "INE071F01012"

The ISIN of Dematerialised NCD's of the Company are : Series A - "INE071F07019"

Series B - "INE071F07027"

- k. Address for Correspondence

The Company Secretary

Anjani Portland Cement Limited  
306-A, The Capital, BandraKurla Complex,  
Bandra East, Mumbai – 400051  
Phone No. 022-40239909

Any requests for transactions such as transfers, dematerialisation of shares, change of Address, nomination facilities, may please be taken up with the Registrar & Share Transfer Agents of the Company

M/s. Karvy Computershare (Pvt) Ltd.,  
Karvy Selenium Tower B,  
Plot No.31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad - 500032  
Phone No(s) : 040-67161605

- l. Unclaimed Dividend

The following table shows the details of Dividend relating to financial years 2008-2009 to 2011-12 and the due dates on which the unclaimed/ un-encashed dividend amounts with respect to the same have to be remitted into IEPF. Members who have not yet encashed their dividend warrant(s)



pertaining to the Dividend for the financial year 2008-2009 and onwards are requested to make their claims without any delay to M/s. Karvy Computershare Pvt. Ltd.,

Financial Year	Date of Declaration	Dividend (%)	Due date of Transfer to IEPF
2008-09	25-09-2009	15	28-10-2016
2009-10	28-09-2010	10	01-11-2017
2010-11	23-09-2011	8	27-10-2018
2011-12	25-07-2012	12	28-08-2019

No Claim shall lie against the company or the IEPF for the amounts so transferred prior to March 31 2016, nor shall any payment be made in respect of such claims. Members who have not encashed their dividend warrant(s) pertaining to the dividend for the Financial Year 2008-09 and onwards are requested to make their claim without any delay to Karvy Computershare Private Limited.

- m. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and like impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

- n. Plant Location

Chintalapalem Village  
Mellacheruvu Mandal  
Nalgonda Dist,  
Telangana State - 508246

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## Declaration on Code of Conduct

I, A. Subramanian, Managing Director of Anjani Portland Cement Ltd., hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2016

Place :Chennai  
Date : 11.08.2016

A. Subramanian  
Managing Director

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# Auditors' Certificate on Corporate Governance

To  
The Members of  
Anjani Portland Cement Limited

We have examined the compliance of conditions of Corporate Governance by Anjani Portland Cement Limited for the year ended 31<sup>st</sup> March, 2016 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with stock exchanges for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 the above mentioned listing Agreement/ Listing Regulations as applicable.

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 Ramanatham & Co.,**  
Chartered Accountants  
Firm Regn.No.002934-S

**C. Kameshwar Rao**  
Partner  
M.No.024363

Place: Chennai  
Date: 11<sup>th</sup> August, 2016



# Independent Auditors' Report

To  
The Members of Anjani Portland Cement Limited  
Report on the Financial Statements

We have audited the accompanying financial statements of Anjani Portland Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year 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 effectively design, implementation and maintenance of adequate internal financial controls, that were operating 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 controls 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 management and board of 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 audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the period ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we further report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (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 vide Note No. 30.1 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Ramanatham & Rao**  
Chartered accountants  
Firm Registration No.S-2934

**C. Kameswara Rao**  
Partner  
Membership No.24363

Place: Chennai  
Date : 27<sup>th</sup> May 2016

# Annexure - A to the Auditors' Report

The Annexure referred to in our report to the members of Anjani Portland Cement Limited for the year ended on 31st March, 2016. We report that:

- 1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 1.2 According to the information and explanations given to us and the records of the Company examined by us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- 1.3 According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- 2.1 The inventories have been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and book records were not material.
- 3.1 During the year the company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Act. Hence paragraph 3(iii) of the Order is not applicable to the company.
- 4.1 In our opinion and according to the information and explanations given to us, during the year company has not given any loans, made investments, given guarantees or given security to parties covered under provisions of section 185 and 186 of the Companies Act, 2013. Hence, paragraph 3(iv) of the Order is not applicable.
- 5.1 During the year company, has not accepted any deposits nor any deposits are outstanding as on balance sheet date where provisions of sections 73 to 76 or any other relevant provisions of the Act are applicable. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6.1 In our opinion and according to the information and explanations given to us, the Company has made and maintained accounts and records prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- 7.1 According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, value added tax, service tax, customs duty, excise duty, cess and any other statutory dues as applicable with the appropriate authorities and there are no arrears of outstanding statutory dues as at year ended concerned for a period of more than six months from the date they became payable.
- 7.2 According to the information and explanations given to us and records of the Company examined by us, particulars of income tax, sales tax, valued added tax, service tax, customs duty, excise duty or cess as at 31st March, 2016 which have not been deposited on account of any dispute pending, are as under:

Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	180.32	2006 to 2010	CESTAT, Bangalore remanded back to Commissioner, Hyderabad.
Customs Act, 1962	Customs Duty	89.91	July, Oct & Nov 2012	CESTAT, Bangalore
Customs Act, 1962	Customs Duty	16.88	Nov 2013 & Jan 2014	Commissioner of Customs (Appeals), Vishakapatnam
Customs Act, 1962	Customs Duty	9.16	Mar 2012	Commissioner of Customs (Appeals), Vishakapatnam
Service Tax	CENVAT availed on Keyman Insurance premium paid	1.01	2012	CESTAT, Bangalore
Service Tax	CENVAT availed on Keyman Insurance premium paid	2.35	2013 & 2014	Commissioner of Customs, Central Excise & Service Tax (Appeals), Hyderabad

- 8.1 According to the information and explanations given to us, company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.
- 9.1 The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Term Loans are utilised for the purposes for which they were obtained.
- 10.1 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or by its officers or employees was noticed or reported during the period.
- 11.1 Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- 12.1 Company is not a Nidhi Company; hence paragraph 3(xii) of the Order is not applicable to the company.
- 13.1 According to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14.1 During the year company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence paragraph 3(xiv) of the Order is not applicable to the company.
- 15.1 To the best of our knowledge and belief and according to the information and explanations given to us company has not entered into any non-cash transactions with directors or persons connected with them, hence paragraph 3(xv) of the Order is not applicable to the company.
- 16.1 To the best of our knowledge and belief and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Ramanatham & Rao**  
Chartered accountants  
Firm Registration No.S-2934

**C. Kameswara Rao**  
Partner  
Membership No.24363

Place: Chennai  
Date: 27<sup>th</sup> May 2016

# Annexure - B to the Auditors' Report

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls Over Financial Reporting of Anjani Portland Cement Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established



by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For **Ramanatham & Rao**  
Chartered accountants  
Firm Registration No.S-2934

**C. Kameswara Rao**  
Partner  
Membership No.24363

Place : Chennai  
Date : 27<sup>th</sup> May 2016



# Balance Sheet

as at 31<sup>st</sup> March, 2016

₹ in Lakhs

Particulars	Note	31st March 2016	31st March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	1,838.96	1,838.96
(b) Reserves and Surplus	3	7,784.20	5,907.17
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	8,516.65	16,589.21
(b) Deferred Tax Liabilities (Net)	5	2,076.63	181.28
(c) Other Long Term Liabilities	6	1,094.30	946.84
(d) Long Term Provisions	7	288.04	218.30
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	8	2,467.96	1,573.40
(b) Trade Payables		698.06	700.21
(c) Other Current Liabilities	9	4,191.49	3,305.07
(d) Short-Term Provisions	10	76.58	137.52
<b>Total</b>		<b>29,032.87</b>	<b>31,397.96</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	19,212.59	20,444.63
(ii) Intangible Assets	11	12.14	-
(iii) Capital Work-In-Progress		1,391.80	65.69
(b) Long Term Loans and Advances	12	1,930.89	554.12
<b>(2) Current Assets</b>			
(a) Current Investments	13	2.83	2.83
(b) Inventories	14	1,972.11	3,741.27
(c) Trade Receivables	15	1,215.66	1,531.67
(d) Cash and Cash Equivalents	16	411.21	309.48
(e) Short-Term Loans and Advances	17	2,883.64	4,748.27
<b>Total</b>		<b>29,032.87</b>	<b>31,397.96</b>
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As Per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameswara Rao**  
Partner  
Membership No : 24363

Place: Chennai  
Date : 27.05.2016

For and on behalf of the Board

**A. Subramanian**  
Managing Director

**M. L. Kumavat**  
Chief Financial Officer

**V. Subramanian**  
Director

**Anu Nair**  
Company Secretary

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2016

₹ in Lakhs



Particulars	Note	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>REVENUE</b>			
I. Revenue from operations	18	30,550.24	25,966.68
II. Other Income	19	61.01	113.40
<b>Total Revenue (I + II)</b>		<b>30,611.25</b>	<b>26,080.08</b>
<b>EXPENSES</b>			
Cost of Materials consumed	20	2,904.35	2,499.78
Changes in inventories of finished goods and work-in-progress	21	716.74	525.72
Employee benefits expense	22	1,749.87	1,501.77
Finance Costs	23	1,580.33	2,779.87
Depreciation	11	2,308.08	1,059.37
Other Expenses	24	17,083.25	16,316.50
<b>Total Expenses</b>		<b>26,342.62</b>	<b>24,683.01</b>
Profit/(Loss) before tax		<b>4,268.63</b>	<b>1,397.07</b>
<b>Tax expense:</b>			
Current tax		911.02	36.04
Less : MAT Credit Entitlement		419.36	36.04
Net Current tax		491.66	-
Tax for the earlier years		4.57	-
Deferred tax		1,895.37	(274.19)
<b>Profit/(Loss) After Tax</b>		<b>1,877.03</b>	<b>1,671.26</b>
Earnings per equity share:	28		
(1) Basic		10.21	9.09
(2) Diluted		10.21	9.09
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As Per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameswara Rao**  
Partner  
Membership No : 24363

Place: Chennai  
Date : 27.05.2016

For and on behalf of the Board

**A. Subramanian**  
Managing Director

**V. Subramanian**  
Director

**M. L. Kumavat**  
Chief Financial Officer

**Anu Nair**  
Company Secretary

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# Cash Flow Statement

for the year ended 31st March, 2016

₹ in Lakhs

	31st March 2016		31st March 2015	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit/(Loss) Before Tax	4,268.63		1,397.07	
Adjustment for :				
Depreciation	2,308.08		1,059.37	
Interest and Finance charges	1,580.33		2,779.87	
Loss/(profit) in Sale of Fixed Asset	(2.10)		60.88	
Provision for Doubtful Debts	161.67		25.07	
Bad debts Written off	-		164.61	
Advances Written off	-		126.46	
Diminution in value of current Investments	-		2.80	
<b>Operating Profit Before Working Capital Changes</b>	<b>8,316.61</b>		<b>5,616.13</b>	
Changes in Working Capital				
(Increase)/Decrease in Inventories	1,769.16		(703.53)	
(Increase)/Decrease in Trade Receivables	154.34		(156.98)	
(Increase)/Decrease in Loans and Advances	905.96		898.05	
Increase/(Decrease) in Current Liabilities	709.58		(4,752.38)	
Cash Generated from Operations	11,855.65		901.29	
Direct taxes paid	(700.00)		(20.00)	
<b>Net Cash Flow from Operating Activities</b>		<b>11,155.65</b>		<b>881.29</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets including Capital Work in Progress	(2,414.28)		(353.18)	
Sale Proceeds from Fixed Assets	2.27		67.53	
Purchase of Current Investments (REC bonds)	-		(1.15)	
<b>Net Cash Flow from Investing Activities</b>		<b>(2,412.01)</b>		<b>(286.80)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Repayment of Hire Purchase Loans	-		(5.32)	
Proceeds From Long Term Borrowing (Net)	(2,620.35)		(1,414.12)	
Dividend paid			(0.28)	
Proceeds From Issue of Non Convertible Debentures	-		6,000.00	
Inter Corporate Deposit Received / (Repaid)	(4,900.00)		(2,050.00)	
Increase / (Decrease) in Cash Credit Utilisation	894.56		(3,792.63)	
(Repayment) / Proceeds from Unsecured Loans	(23.81)		2,802.88	
Interest Paid	(1,975.58)		(2,305.30)	
Amount Transferred to Investor Education Protection Fund	(8.36)	(8,633.54)	(5.70)	(770.47)
<b>D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS:</b>		<b>110.10</b>		<b>(175.98)</b>
Cash and Cash Equivalents at the beginning of the year		274.99		450.97
Cash and Cash Equivalents at the end of the year		385.09		274.99
Cash and Cash Equivalents :				
Cash and Cash Equivalents as above		385.09		274.99
Balances in Statutory Restricted Accounts		26.13		34.49
Cash and Cash Equivalents (Note 16)		<b>411.22</b>		<b>309.48</b>

The accompanying notes form an integral part of financial statements

Note: Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's classification.

As Per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameswara Rao**  
Partner  
Membership No : 24363

Place: Chennai  
Date : 27.05.2016

For and on behalf of the Board

**A. Subramanian**  
Managing Director

**M. L. Kumavat**  
Chief Financial Officer

**V. Subramanian**  
Director

**Anu Nair**  
Company Secretary

# Notes on Accounts

## Note – 1: Significant Accounting Policies:

### 1) Basis of Preparation:

These financial statements have been prepared in accordance 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 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

### 2) Revenue Recognition:

Income from sale of goods is recognized at the point of dispatch to customers except in the case of consignment agents where the revenue is recognized only after sale is effected by the consignment agent. Sale value includes Excise Duty and freight wherever applicable.

### 3) Fixed Assets

Fixed assets are stated at cost of acquisition or construction. Cost comprises of the purchase price and other attributable expenses including cost of borrowings till the date of capitalization of the asset acquired / installed / commissioned.

All the expenditure incurred on establishing / setting up of new projects / substantial expansion of existing facilities/creation of new assets is capitalized. Such expenditure to be capitalized includes borrowing / finance costs, direct and indirect expenditure incurred on such assets up to the time they are completed.

### 4) Depreciation:

Depreciation is provided on the straight line method based on the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

### 5) Investments:

Long term investments are stated at cost. The diminution in the market value of such investments is not recognized unless it is considered permanent in nature.

Current investments are valued at the cost or market value whichever is lower.

### 6) Borrowing Costs:

Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are included to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and other costs that the company incurs in connection with borrowing of funds.

### 7) Accounting for Leases:

Rentals in respect of leased premises are charged to profit and loss account.

### 8) Inventories:

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost comprises of cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to the present location and condition.

### 9) Employee Benefits:

#### a) Defined Contribution Plan:

Retirement benefits in the form of Provident Fund are defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contribution to the respective funds become due.

#### b) Defined Benefit Plan

##### Compensated absences:

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method as at the Balance Sheet date. Actuarial gains / losses are immediately recognized in the Profit & Loss Account.

### **Gratuity:**

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The company has taken a group gratuity cum insurance policy with Life Insurance Corporation of India (LIC), for future payment of gratuity to the employees. The Company accounts for gratuity liability of its employees on the basis of actuarial valuation carried out at the year end.

### **10) Taxes on Income:**

#### **a) Current Tax:**

Provision for current tax is made for the amount of tax payable in respect of taxable income for the year computed under the provisions of the Income Tax Act, 1961.

#### **b) Deferred Tax:**

Deferred tax is recognized on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of being reversed in the subsequent period/s, subject to the consideration of prudence.

### **11) Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end are translated at the year-end rates, the resultant gain or loss will be recognized in the profit and loss account. Any gain or loss arising on account of exchange difference on settlement of transaction is recognized in the profit and loss account

### **12) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement 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. Contingent Liabilities are disclosed when the Company has possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Contingent Assets are neither recognized nor disclosed in the financial statements.

### **13) Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenues and expenses. The estimates used in preparation and presentation of financial statements are prudent and reasonable. Actual results could differ from estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

### **14) Impairment**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. In assessing the value in use, the estimated future economic benefits are discounted to the present value at the weighted average cost of capital.

## Note - 2 : Share Capital

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>1) AUTHORIZED CAPITAL</b>		
1000000 14% Cumulative Redeemable Preference Shares of Rs.10/- each	100.00	100.00
30000000 Equity Shares of Rs.10 each	3,000.00	3,000.00
	3,100.00	3,100.00
<b>2) ISSUED CAPITAL</b>		
18394463 Equity Shares of Rs.10 each fully issued	1,839.45	1,839.45
<b>SUBSCRIBED &amp; PAID UP CAPITAL</b>		
18389597 Equity Shares of Rs.10 each fully paid	1,838.96	1,838.96
<b>Total</b>	<b>1,838.96</b>	<b>1,838.96</b>

### 2.1. The details of shareholders holding more than 5% shares in the company

Name of the Shareholder	31st March 2016		31st March 2015	
	% of share holding	Number of Shares	% of share holding	Number of Shares
Chettinad Cement Corporation Limited, Holding Company	75.00	13,792,197	75.00	13,792,197

### 2.2 Reconciliation of the equity shares outstanding at the beginning of the year and at the end of the reporting period

Particulars	As on 31.03.2016	As on 31.03.2015
Equity shares at the beginning of the year	18,389,597	18,389,597
Add: Shares issued during the year	-	-
Less: Shares brought back during the year	-	-
Equity shares at the end of the year	18,389,597	18,389,597

2.3 The company has only one class of equity shares having face value of Rs.10 each. Each shareholder of Equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Note - 3 : Reserve & Surplus

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
Capital Reserve	20.00	20.00
<b>General Reserve</b>	<b>500.00</b>	<b>500.00</b>
<b>Debenture Redemption Reserve</b>		
Opening balance	500.00	-
Add: Transfer from Surplus during the year	500.00	500.00
<b>Closing balance</b>	<b>1,000.00</b>	<b>500.00</b>
<b>Surplus</b>		
Opening balance	4,887.17	3,760.49
Add : Net profit/(loss) transferred from Statement of Profit & Loss	1,877.03	1,671.26
Less: Adjustment for depreciation difference on fixed assets	-	(44.58)
Less: Transfer to Debenture Redemption Reserve	(500.00)	(500.00)
<b>Total</b>	<b>6,264.20</b>	<b>4,887.17</b>
<b>Total</b>	<b>7,784.20</b>	<b>5,907.17</b>

## Note - 4 : Long Term Borrowings

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Secured Loans</b>		
Term Loans from Banks	2,416.65	5,250.00
Non Convertible Debentures (NCD's) (Refer Note No 28)	6,000.00	6,000.00
<b>Unsecured Loans</b>		
Inter Corporate Deposit from Others	100.00	5,339.21
<b>Total</b>	<b>8,516.65</b>	<b>16,589.21</b>

4.1. Term loan from banks represent Loan from HDFC Bank Limited Secured by a First Pari Passu charge on all Movable Fixed Assets and Corporate Guarantee of Holding company - Chettinad Cement Corporation Limited.

#### 4.2. The scheduled maturity of the Long term borrowings summarised as under:

₹ in Lakhs

Particulars	2015-16		
	Term Loans	NCD's	Unsecured Loans
			ICD
In the Second year	966.68	3,000.00	-
Third to Fifth Year	1,449.97	3,000.00	100.00
<b>Total</b>	<b>2,416.65</b>	<b>6,000.00</b>	<b>100.00</b>

₹ in Lakhs

Particulars	2014-15		
	Term Loans	NCD's	Unsecured Loans
			ICD
In the Second year	1,500.00	-	-
Third to Fifth Year	3,750.00	6,000.00	5,339.21
<b>Total</b>	<b>5,250.00</b>	<b>6,000.00</b>	<b>5,339.21</b>

#### Note - 5 : Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Deferred Tax Asset</b>		
Unabsorbed Depreciation, Employee Benefits & Others	1,139.42	2,638.18
<b>Deferred Tax Liability</b>		
Depreciation	3,216.05	2,819.46
<b>Deferred Tax liabilities (Net)</b>	<b>2,076.63</b>	<b>181.28</b>

#### Note - 6 : Other Long Term Liabilities

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
Security Deposits from Dealers	1,079.62	943.84
Creditors For Capital Goods	14.68	3.00
<b>Total</b>	<b>1,094.30</b>	<b>946.84</b>

#### Note - 7 : Long Term Provisions

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Provision for Employee Benefits</b>		
Gratuity	253.17	211.93
Leave Encashment	34.87	6.37
<b>Total</b>	<b>288.04</b>	<b>218.30</b>

#### Note - 8 : Short Term Borrowings

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Secured</b>		
<b>From Banks</b>		
Cash Credit Facilities	1,767.96	573.40
Working Capital Demand Loan	-	1,000.00
<b>Unsecured</b>		
From Holding Company	700.00	-
<b>Total</b>	<b>2,467.96</b>	<b>1,573.40</b>

Note 8.1 : Cash Credit facility and Working Capital Demand Loan with HDFC Bank Limited is Secured by First Pari Passu Charge on Current Assets of the Company and Corporate Guarantee of Holding company - Chettinad Cement Corporation Limited.



## Note - 9 : Other Current Liabilities

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
Current maturities of long term debts - Secured	966.68	753.68
Current maturities of long term debts - Unsecured	-	23.81
Advance from Customers	912.61	1,052.82
<b>Others</b>		
Expenses Payable	1,121.61	718.95
Statutory Dues	47.85	58.23
Duties & Taxes Payable	750.61	424.90
Interest accrued but not due on NCD's	234.05	238.19
Unclaimed Dividend*	26.13	34.49
Provision for Income Tax ( Net of Advance Tax)	131.95	-
<b>Total</b>	<b>4,191.49</b>	<b>3,305.07</b>

Note : \* There are no amounts due to be remitted to Investor Education and Protection Fund out of these amounts.

## Note - 10 : Short Term Provisions

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Provision For Employee Benefits:</b>		
Gratuity	7.85	2.14
Leave Encashment	1.23	67.88
Superannuation	67.50	67.50
<b>Total</b>	<b>76.58</b>	<b>137.52</b>

## Note - 11 : Fixed Assets - Tangible Assets

₹ in Lakhs

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2015	Additions	Deductions / Disposals	As at 31-03-2016	As at 01.04.2015	For the Period	On Deletions	As at 31-03-2016	As at 31-03-2016	As on 31.03.2015
<b>(i) Tangible Assets</b>										
Land	1,146.11	936.51	-	2,082.62	-	-	-	-	2,082.62	1,146.11
Buildings	2,633.16	-	-	2,633.16	573.62	70.81	-	644.43	1,988.73	2,059.54
Plant & Equipment	25,286.45	137.55	-	25,424.00	8,146.00	2,197.29	-	10,343.29	15,080.71	17,140.45
Vehicles	172.89	-	8.08	164.81	132.59	8.93	8.08	133.44	31.37	40.30
Office Equipment	268.74	1.48	0.47	269.75	224.21	26.48	0.31	250.38	19.37	44.53
Furniture & Fixtures	39.34	0.14	-	39.48	25.64	4.05	-	29.69	9.79	13.70
<b>Total- A</b>	<b>29,546.69</b>	<b>1,075.68</b>	<b>8.55</b>	<b>30,613.82</b>	<b>9,102.06</b>	<b>2,307.56</b>	<b>8.39</b>	<b>11,401.23</b>	<b>19,212.59</b>	<b>20,444.63</b>
<b>(ii) Intangible Assets</b>										
Software	-	12.65	-	12.65	-	0.51	-	0.51	12.14	-
<b>Total- B</b>	<b>-</b>	<b>12.65</b>	<b>-</b>	<b>12.65</b>	<b>-</b>	<b>0.51</b>	<b>-</b>	<b>0.51</b>	<b>12.14</b>	<b>-</b>
<b>Grand Total</b>	<b>29,546.69</b>	<b>1,088.33</b>	<b>8.55</b>	<b>30,626.47</b>	<b>9,102.06</b>	<b>2,308.07</b>	<b>8.39</b>	<b>11,401.74</b>	<b>19,224.73</b>	<b>20,444.63</b>
Previous Year	29,479.25	313.13	245.69	29,546.69	8,105.45	1,059.37	127.27	9,102.06	20,444.63	21,373.80

## Note - 12 : Long Term Loans and Advances

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Unsecured, Considered Good :</b>		
Capital Advances	1,204.73	110.43
Deposits with Government Department	726.16	438.29
Employee Advances	-	5.40
<b>Total</b>	<b>1,930.89</b>	<b>554.12</b>

## Note - 13 : Current Investments

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Investments in Bonds</b>		
52 (PY - 52) No's -Renewable energy Certificates - Solar	1.82	1.82
67 (PY - 67) No's - Renewable energy Certificates - Non Solar	1.01	1.01
<b>Total</b>	<b>2.83</b>	<b>2.83</b>

**Note - 14 : Inventories**

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
Raw Materials	283.90	170.33
Packing Material	70.39	101.95
Stores & Spares	505.23	743.46
Coal & Fuel	612.74	1,508.94
Work-In-Progress	229.36	865.71
Finished Goods	270.49	350.88
<b>Total</b>	<b>1,972.11</b>	<b>3,741.27</b>

**Note - 15 : Trade Receivables**

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
-Unsecured, Considered Doubtful	186.74	25.07
Less: Provision for Doubtful Debts	<b>186.74</b>	<b>25.07</b>
-Unsecured, Considered Good	77.56	216.42
<b>Others</b>		
- Secured, Considered Good :	350.47	390.23
- Unsecured, Considered Good :	787.63	925.02
<b>Total</b>	<b>1,215.66</b>	<b>1,531.67</b>

**Note - 16 : Cash & Cash Equivalents**

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
Cash at Bank	372.57	265.65
Earmarked Balances*	26.13	34.49
Deposit Accounts**	6.40	-
Cash on hand	6.11	9.34
<b>Total</b>	<b>411.21</b>	<b>309.48</b>

\* Earmarked balances represents unclaimed Dividend. During the current year company has transferred Rs. 8.36 lacs to Investor Education Protection Fund

\*\* Represents margin money deposits against BG's & LC's

**Note - 17 : Short Term Loans and Advances**

₹ in Lakhs

Particulars	31st March 2016	31st March 2015
<b>Loans &amp; Advances to related parties</b>		
<b>Unsecured, Considered Good :</b>	-	2.30
<b>Others</b>		
CENVAT receivable	96.68	60.71
Deposits With Government Departments	147.99	429.39
Incentives Receivable	665.20	2,404.75
Advances - Suppliers	334.91	594.03
Deposits & Other Advances	60.91	96.27
Advances to employees and others	3.81	4.78
Advance Tax Paid ( Net of Provision for Tax)	-	1.26
Income tax Paid Under Protest	295.35	295.35
Customs Duty Paid under Protest	14.51	14.51
MAT Credit Entitlement	1,264.28	844.92
<b>Total</b>	<b>2,883.64</b>	<b>4,748.27</b>

## Note - 18 : Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Sale of Products - Gross	35,170.07	29,664.65
Other Operating Revenue	4.65	107.28
<b>Total</b>	<b>35,174.72</b>	<b>29,771.93</b>
Less : Excise Duty	4,624.48	3,805.25
<b>Total</b>	<b>30,550.24</b>	<b>25,966.68</b>
<b>Details of products sold</b>		
1. Cement	35,167.70	28,597.10
2. Clinker	2.37	1,067.55
<b>Total</b>	<b>35,170.07</b>	<b>29,664.65</b>

## Note - 19 : Other Income

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Interest on Deposits	58.00	70.01
Other Income	0.75	31.34
Profit on Sale of Assets	2.26	12.05
<b>Total</b>	<b>61.01</b>	<b>113.40</b>

## Note - 20 : Cost of Materials Consumed

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>Raw Materials</b>		
i) Limestone	1,892.72	1,515.36
ii) Laterite	-	23.30
iii) Gypsum	589.76	550.35
iv) Iron Ore	4.15	30.05
v) Fly Ash	417.72	380.72
<b>Total</b>	<b>2,904.35</b>	<b>2,499.78</b>

## Note - 21 : Changes in inventories of finished goods and work-in-progress

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>Inventories (Opening)</b>		
Finished Goods	350.88	202.64
Work-in-progress	865.71	1,539.67
<b>Sub Total (A)</b>	<b>1,216.59</b>	<b>1,742.31</b>
<b>Inventories (Closing)</b>		
Finished Goods	270.49	350.88
Work-in-progress	229.36	865.71
<b>Sub Total (B)</b>	<b>499.85</b>	<b>1,216.59</b>
<b>Changes in Inventories (A-B)</b>	<b>716.74</b>	<b>525.72</b>

## Note - 22 : Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Salaries & Wages	1,337.80	1,149.68
Contribution to Provident Fund & Other funds	311.02	242.63
Employees welfare expenses	71.28	62.75
Directors' Remuneration	29.77	46.71
<b>Total</b>	<b>1,749.87</b>	<b>1,501.77</b>

**Note - 23 : Finance Costs**

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Interest expense	1,580.33	2,639.86
Other Borrowing Costs	-	140.01
<b>Total</b>	<b>1,580.33</b>	<b>2,779.87</b>

**Note - 24 : Other Expenses**

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>Manufacturing Expenses</b>		
Power & Fuel	7,680.14	8,080.54
Stores & Spares	1,105.20	747.54
Packing Materials	1,145.82	1,111.06
Direct Manufacturing Expenses	231.35	230.39
Repairs & Maintenance		
Plant & Machinery	213.03	141.76
Buildings	1.58	5.08
Others	212.88	19.36
<b>Sub Total (A)</b>	<b>10,590.00</b>	<b>10,335.73</b>
<b>Selling &amp; Distribution Expenses</b>		
Freight Charges	1,369.55	1,556.80
Freight on Consignment Sales	714.69	1,186.44
Product Promotion expenses	48.89	22.58
Trade Discounts	3,621.25	2,243.88
Bad debts Written off	-	164.61
Provision for Doubtful Debts	161.67	25.07
<b>Sub Total (B)</b>	<b>5,916.05</b>	<b>5,199.38</b>
<b>Administrative Expenses</b>		
Insurance	20.79	42.00
Rent	62.48	69.66
Rates & Taxes	15.85	17.06
Traveling & Conveyance Expenses	148.98	128.99
Printing & Stationery	5.47	6.54
Communication Expenses	12.15	12.39
Office Maintenance	149.87	171.52
Auditors Remuneration	12.40	9.68
Legal & Professional Charges	128.24	89.63
Diminution in value of current Investment	-	2.80
Secretarial Expenses	15.89	9.38
Advances Written off	-	126.46
Bank Charges	4.92	22.35
Loss on sale of fixed assets	0.16	72.93
<b>Sub Total (C)</b>	<b>577.20</b>	<b>781.39</b>
<b>Total (A) + (B) + (C)</b>	<b>17,083.25</b>	<b>16,316.50</b>

**Note - 25 : Payments to Auditors**

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Audit Fees	4.00	4.00
Tax Audit fee	1.50	1.50
Transfer Pricing Audit Fee	-	1.50
For Certification	5.35	1.60
Out of Pocket Expenses	1.55	1.08
<b>Total</b>	<b>12.40</b>	<b>9.68</b>

**Note - 26 : Expenditure in Foreign Currency on account of** ₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Packing Material	-	-
Coal	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note -27 : Earning Per Share (EPS)** ₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Profit/(Loss) for the Year after tax	1,877.03	1,671.26
Number of Equity Shares	18,389,597	18,389,597
Earnings Per Share (Basic and Diluted)	10.21	9.09
Face Value of each Equity Share	10.00	10.00

**Note -28 :** The company has issued Non Convertible Debentures (NCD's) during the year 2014-15 amounting to Rs.6,000 Lakhs through private placement. The details of NCD's is as follows.

Particulars	Series A	Series B
Amount	3,000.00	3,000.00
Rate of Interest (%)	10.25	10.25
Face Value Rs.	10 Lakhs Each	10 Lakhs Each
Date of Issue	14-Nov-14	14-Nov-14
Date of Repayment	14-Nov-17	14-Apr-18

The above NCD's are Secured by Pari Passu charge on Plant & Machinery , Furniture & Fixtures, Vehicles and office Equipments of the Company and Corporate Guarantee of Holding company - Chettinad Cement Corporation Limited. During the year credit rating of the company has been upgraded by virtue of which the interest rate has been changed from 10.50% to 10.25%.

**Note - 29 : Related Party Disclosure :**
**A) Relationship**

- a) Holding Company  
Chettinad Cement Corporation Limited

**b) Key Management Personnel**

A.Subramanian, Managing Director

**B) The following transactions are carried out with related parties in the course of business** ₹ in Lakhs

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Holding Company	Enterprises Significantly Influenced by KMP	Total
Purchases	-	-	-	-	-
	-	-	-	(2,704.36)	(2,704.36)
Sales	-	-	-	-	-
	-	-	-	(126.12)	(126.12)
Remuneration	29.06	-	-	-	29.06
	(45.51)	-	-	-	(45.51)
Office Rent	-	-	-	-	-
	(20.71)	(25.29)	-	(13.05)	(59.05)
Interest	-	-	76.21	-	76.21
	-	(10.16)	-	(534.11)	(544.27)
Services	-	-	-	-	-
	-	-	-	(286.09)	(286.09)
Loans (Taken/Repaid)	-	-	700.00	-	700.00
	(62.56)	(215.45)	-	(2,050.00)	(2,328.01)
Advances(Received/Given)	-	-	-	-	-
	-	-	-	(1,062.22)	(1,062.22)
Sale of Assets	-	-	-	-	-
	-	-	-	(40.50)	(40.50)

## Note - 30 : Contingent Liabilities and Commitments

### 30.1 Contingent Liabilities

Claims against the Company not acknowledged as debt:

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Disputed Liability in respect of Income Tax Demands	295.35	295.35
Disputed Liability in respect of CENVAT Credit *	180.32	180.32
Disputed Liability in respect of FSA charges and Penal Charges to APCPDCL	138.18	239.46
Disputed Liability in respect of Customs relating to Coal **	130.46	130.46
Disputed Liability in respect of Service Tax ***	3.36	3.36
Bank Guarantees	112.35	131.79
<b>Total</b>	<b>860.02</b>	<b>980.74</b>
*Does not include penalty amount of Rs.180.32 Lakhs		
**Does not include penalty amount of Rs.103.70 Lakhs		
***Does not include penalty amount of Rs.2.19 Lakhs		

### 30.2 Commitments

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Estimated amount of contracts remaining to be executed on account of capital and not provided for	6,079.78	282.36

## Note - 31 : Value of Imported and Indigenous Raw Materials and Consumables Stores

₹ in Lakhs

Particulars	Raw Material				Consumable stores			
	2015-16		2014-15		2015-16		2014-15	
	%	In Rs.	%	In Rs.	%	In Rs.	%	In Rs.
Imported	-	-	-	-	-	-	-	-
Indigenous	100%	3017.92	100%	3724.73	100%	866.97	100%	722.76

### Note 32:

The company operates in single business segment of Cement only, hence segment reporting is not applicable as per AS 17.

### Note 33:

We have recorded all known liabilities in the financial statements. The Company has not received any intimations from suppliers regarding their status under the micro, small and medium enterprises development act, 2006 and hence disclosures, if any relating to amounts unpaid as at the yearend together with interest paid or payable as required under the said Act have not been given.

### Note 34 : Employee Benefits:

#### i) Defined Contribution Plan :

₹ in Lakhs

Sl. No	Particulars	For the period ended 31st March 2016	For the year ended 31st March 2015
1	Company's Contribution to Provident Fund	74.26	76.53
	<b>Total</b>	<b>74.26</b>	<b>76.53</b>

#### ii) Defined Benefit Plan

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2016 and recognized in the financial statements in respect of Employee Benefit Schemes:

**I Actuarial Assumptions**

₹ in Lakhs

Sl. No	Particulars	For the period ended 31st March 2016		For the year ended 31st March 2015	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
1	Discount Rate	8.00%	8.00%	8.00%	8.00%
2	Salary Escalation	8.00%	8.00%	8.00%	8.00%

**II Components of Employer Expenses**

₹ in Lakhs

Sl. No	Particulars	For the period ended 31st March 2016		For the year ended 31st March 2015	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
1	Current Service Cost	12.44	11.37	11.19	2.64
2	Interest Cost	17.79	5.94	10.73	5.23
3	Employee Contributions	-	-	-	-
4	Expected Return on planned assets	(1.24)	-	1.02	-
5	Premium Expenses	0.96	-	-	-
6	Net Actuarial (Gains) / Losses	78.04	72.85	66.31	1.00
7	Past service Cost	-	-	55.53	-
8	Settlement / Curtailment (Gain)	-	-	-	-
9	Total Expenses	107.99	90.16	144.78	8.87

The Gratuity expenses have been recognized in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 22.

**III. Net Assets / (Liability) recognized in the Balance Sheet.**

₹ in Lakhs

Sl. No	Particulars	For the period ended 31st March 2016		For the year ended 31st March 2015	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Present value of Defined Benefit obligation as at the end of the year	325.58	36.10	222.41	74.25
2	Fair value of plan as at the end of the year	64.56	-	8.34	-
3	Funded Status (surplus / (Deficit) )	(261.02)	(36.10)	(214.07)	(74.25)
4	Net Assets / (Liability) recognized in the balance sheet	(261.02)	(36.10)	(214.07)	(74.25)

**IV. Change in obligation during the year**

₹ in Lakhs

Sl. No	Particulars	For the period ended 31st March 2016		For the year ended 31st March 2015	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Present Value of obligation at the beginning of the year	222.41	74.25	78.65	65.38
2	Current Service Cost	12.44	11.37	11.19	2.64
3	Interest Cost	17.79	5.94	10.73	5.23
4	Settlement / Curtailment (Gain)	-	-	-	-
5	Past Service Cost	-	-	55.53	-
6	Employee Contributions	-	-	-	-
7	Actuarial (Gain) / Losses on obligation	78.05	72.85	85.23	1.00
9	Benefits paid	(5.11)	(128.31)	(18.92)	-
10	Present Value of obligation at the end of the year	325.58	36.10	222.41	74.25

V. Change in Fair value of the assets

₹ in Lakhs

Sl. No	Particulars	For the period ended 31st March 2016		For the year ended 31st March, 2015	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Fair value of the plan assets at the beginning of the year	8.34	-	26.24	-
2	Expected return on planned assets	1.24	-	1.02	-
3	Contributions	61.06	-	-	-
4	Benefits paid	(5.11)	-	(18.92)	-
5	Premium Expenses	(0.96)	-	-	-
6	Actuarial Gain / (Loss) on plan assets	-	-	Nil	-
7	Fair value of the plan assets at the end of the year	64.57	-	8.34	-

**Note.35 :**

Section 135(5) of the Companies Act 2013 stipulates that the company needs to spend two per cent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy.

The Company has incurred an average net loss for the past 3 years and hence is not required to spend on CSR activities for the Current Financial Year 2015-16.

**Note.36 :**

Previous year figures have been reclassified /regrouped and rearranged wherever necessary.

As Per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameswara Rao**  
Partner  
Membership No : 24363

Place: Chennai  
Date : 27.05.2016

For and on behalf of the Board

**A. Subramanian**  
Managing Director

**V. Subramanian**  
Director

**M. L. Kumavat**  
Chief Financial Officer

**Anu Nair**  
Company Secretary







**ANJANI PORTLAND CEMENT LIMITED**

CIN:L26942MH1983PLC265166

Regd. Office : 306-A, The Capital, 3<sup>rd</sup> Floor, Plot no C.70, G Block, Bandra Kurla Complex,  
Bandra East, Mumbai 400051

**ATTENDANCE SLIP**

(To be presented at the entrance)

32nd ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 9, 2016 AT 10.00 A.M.

at Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai,  
Maharashtra - 400019

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only member/Proxyholder can attend the meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the meeting.

**ANJANI PORTLAND CEMENT LIMITED**

CIN:L26942MH1983PLC265166

Regd. Office : 306-A, The Capital, 3<sup>rd</sup> Floor, Plot no C.70, G Block, Bandra Kurla Complex,  
Bandra East, Mumbai 400051

**PROXY FORM**

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

Name of the Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Folio No/ Client Id No : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ Shares of Anjani Portland Cement Limited, hereby appoint

1. Name : \_\_\_\_\_ Email Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature \_\_\_\_\_

or failing him

2. Name : \_\_\_\_\_ Email Id: \_\_\_\_\_

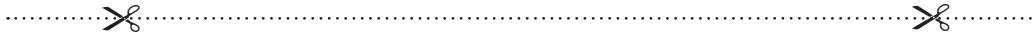
Address: \_\_\_\_\_ Signature \_\_\_\_\_

or failing him

3. Name : \_\_\_\_\_ Email Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Second Annual General Meeting of the Company to be held on Friday, 9th September, 2016 at 10.00 A.M. at Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai, Maharashtra – 400019 and at any adjourned meeting thereof in respect of such resolutions as are indicated below.



**Ordinary Resolution**

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2016.
2. Re-appointment of Dr (Mrs.) S.B. Nirmalatha as Director of the Company.
3. Appointment of Statutory Auditors
4. Ratification of Remuneration to Cost-Auditors
5. Approval under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Special Resolution**

6. Approval under Section 186 of the Companies Act, 2013.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Shareholder \_\_\_\_\_

Signature of Proxy Shareholder \_\_\_\_\_

Affix Re. 1.00 Revenue stamp
---------------------------------------

Notes: 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. Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A Proxy need not be a member.

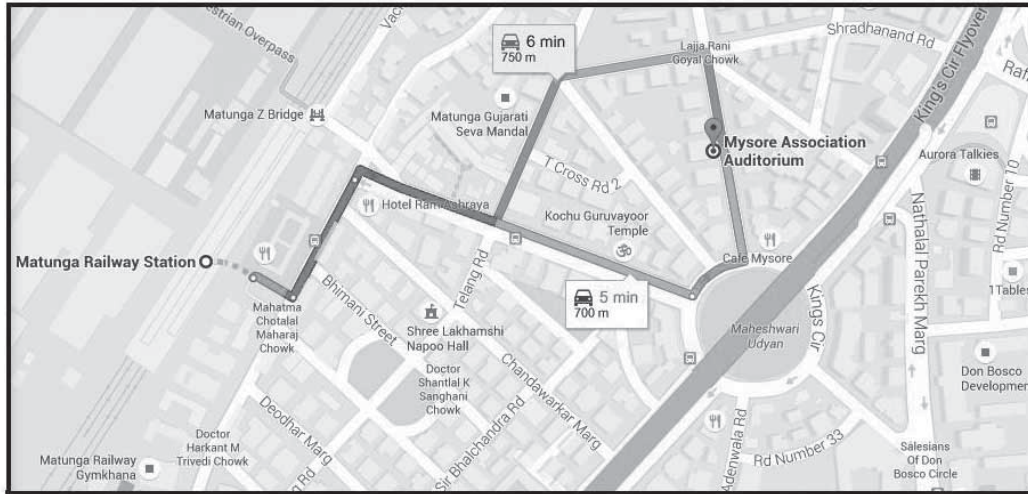
## ROUTE MAP TO AGM VENUE

**VENUE** - Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai, Maharashtra – 400019

**Nearest Railway Station** - Matunga (Central Railway)  
(approximately 700 metres from railway station)

- Matunga Road (Western Railway) (approximately 3 km)

**Nearest Landmark** - Maheshwari Udyan







## **Anjani Portland Cement Limited**

### **Regd Office**

306-A, The Capital,  
3rd Floor, Plot no C.70,  
G Block, Bandra Kurla Complex,  
Bandra East, Mumbai 400051.

Tel : 022 40239909  
[www.anjanicement.com](http://www.anjanicement.com)