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 Pvt. Ltd.)

ANJANI CEMENT

14.09.2017

To,

The Corporate Relationship Department
BSE Limited
Phiroze Jeejebhoy Towers
Dalal Street
Mumbai 400001

Scrip Code:518091

National Stock Exchange of India Ltd (NSE),
Listing & Corporate Communications Dept.,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400051

Scrip Symbol :APCL

Dear Sirs,

Sub: Compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements),Regulations 2015.

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 33rd Annual General Meeting (AGM) of the Company held on Friday, September 08, 2017 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)

ANJANI CEMENT

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

33rd ANNUAL REPORT
2016-17

ANJANI CEMENT

ANJANI

33rd Annual Report 2016 - 17

www.anjanicement.com

Anjani Portland Cement Limited

Board of Directors

Mr. A. Subramanian	I	Managing Director
Mr. Gopal Perumal	I	Independent Director
Mr. V. Subramanian	I	Independent Director
Mrs. S.B. Nirmalatha	I	Non-Executive Director
Mrs. V. Valliammai	I	Additional Director (from 25.05.2017)

Management Team

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

Registered Office
306A, The Capital, 3rd Floor,
Plot No.C-70, G-Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,
Maharashtra, Tel. No. 022 4023 9909
www.anjanicement.com

Corporate Office
#6-3-553, Unt Nos.E3&E4,
4th Floor, Quena Square,
Off Taj Deccan Road, Erramanzil,
Hyderabad – 500 082, Telangana.

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

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

Factory
Chintalapalem (V& M),
Suryapet (District),
Telangana State - 508246

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.

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	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
PRODUCTION in MT's						
Cement	7,89,174	8,37,993	8,01,105	6,55,896	7,57,229	8,49,656
Capacity Utilisation (%)	68%	72%	69%	57%	65%	73%
SALES IN MT's						
Cement & Clinker	8,14,740	8,70,066	8,57,318	6,85,022	7,60,174	8,49,933
FINANCIAL HIGHLIGHTS	(₹ in Lakhs)					
Turnover (Gross) Including Other Income	38,440.53	33,285.78	32,590.46	30,435.56	31,943.84	36,009.71
Gross Profit	6,945.73	5,342.68	2,321.13	5,236.31	8,300.45	8,369.48
Finance Costs	3,376.83	3,445.68	3,538.06	2,779.87	1,584.06	944.44
Depreciation	1,383.27	1,433.79	1,490.91	1,059.37	2,312.21	1,705.57
Profit/(Loss) Before Tax	2,185.63	463.21	(2,707.84)	1,397.07	4,404.19	5,719.47
Provision for Taxation						
- Current Tax	365.19	1.14	106.22	-	928.93	1,247.12
- Deferred Tax	239.99	152.96	(879.23)	(274.19)	1,496.03	(15.73)
Net Profit/(Loss) After Tax	1,580.45	309.11	(1,934.84)	1,671.26	1,979.23	4,488.09
PAID - UP SHARE CAPITAL	1,838.96	1,838.96	1,838.96	1,838.96	1,838.96	2,528.57
RESERVES & SURPLUS	5,906.22	6,215.33	4,280.49	5,907.17	6,894.39	17,893.95
RATIOS						
PBDIT to Gross Sales (%)	18.45%	16.28%	7.28%	17.33%	25.99%	23.26%
PBT to Gross Sales (%)	5.81%	1.41%	-8.49%	4.62%	13.79%	15.90%
EPS (in Rupees)	8.59	1.68	(10.52)	9.09	9.87	18.60
Debt to Equity	2.66	2.60	2.38	2.47	1.58	0.37
Book Value per Share (in Rupees)	42	44	33	42	47	81
Dividend (%)	12	-	-	-	-	20

ANJANI PORTLAND CEMENT LIMITED

CIN:L26942MH1983PLC265166

Regd Office : 306-A, The Capital, 3rd Floor, Plot no C.70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Tel. 022 4023 9909,
email id: secretarial@anjanicement.com, website: www.anjanicement.com

Notice

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Friday, September 8, 2017, 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, 2017, together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the Financial year 2016-17.
3. 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.
4. 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 and pursuant to the recommendation of the Audit Committee, appointment of M/s Ramanatham & Rao, Chartered Accountants (Firm Registration Number (S-2934),who had been appointed as Statutory Auditors of the Company at the 32nd Annual General Meeting of the Company for a period of three years to hold office upto the conclusion of the 35th Annual General Meeting, be and is hereby ratified, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

5. 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 taxes 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, 2018 as approved by the Board of Directors of the Company be and is hereby ratified."
6. 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 for transactions relating to transfer of resources, services, obligations, between the Company and Chettinad Cement Corporation Private Limited a related party of the Company as per the provisions of the Companies Act, 2013 and Listing Regulations, for an amount not exceeding ₹ 300 crores.

   RESOLVED FURTHER THAT the Board of directors of the Company be and are 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."
7. 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 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI(Listing Obligations and Disclosure Requirements) Regualtion, 2015, Mrs. V. Valliamai (DIN 01197421) who was appointed as an Additional Director of the Company with effect from May 25, 2017 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office as such upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice from a member under Section 160 of the Companies Act 2013, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years, and that she is not liable to retire by rotation."

On Behalf of the Board of Directors

Anu Nair
Company Secretary
Membership No A30525

Date: August 9, 2017
Place: Chennai

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 2, 2017 to Friday, September 8, 2017 (both days inclusive).The record date for determining entitlement to dividend for the year ended March 31, 2017 to be declared at the AGM shall be Friday, September 1, 2017
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, 2010 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 2016-17 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 1, 2017. The remote e-voting facility will be available during the following voting period:

Commencement of e-voting :	From 9 a.m. (IST) on September 5, 2017
End of e-voting:	Upto 5 p.m. (IST) on September 7, 2017

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 person authorized by him in writing within forty-eight hours from the conclusion of this Meeting. The results declared along with the consolidated Report of the Scrutinizer shall be immediately placed on the website of the Company at www.anjanicement.com and on the website of Karvy Computershare Private Limited at https://evoting.karvy.com. The voting results shall simultaneously be forwarded to the BSE Limited and NSE of India Limited.

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 1, 2017). 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. Raghu Veedha 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 5

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 taxes and out of pocket expenses for the Financial year 2017-18.

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 2017-18 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 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 resolution.

Item No 6

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 Company proposes to enter in to transactions relating to transfer of resources, services, obligations, with Chettinad Cement Corporation Private Limited. The proposed related party transactions of the Company to be entered into during the financial year 2017-18 with Chettinad Cement Corporation Private Limited (CCCPL), a related party of the Company under Regulation 23 of the said Regulations, is expected to exceed 10% of the annual turnover of the Company for the last financial year 2016-17. 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 Chettinad Cement Corporation Private Limited during the financial year 2017-18. 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. 6 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 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.

The Promoter, Chettinad Cement Corporation Private Limited is interested in the passing of this resolution.

Item No 7

The Board of Directors of the Company appointed pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs. V. Valliammai as additional Director of the Company with effect from May 25, 2017. In terms of provisions of Section 161(1) of the Act, Mrs. V. Valliammai would hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. V. Valliammai for the office of Independent Director of the Company.

Section 149 of the Act inter alia stipulates the criteria of independence should a Company propose to appoint an Independent Director on its board. As per the said Section 149, an Independent Director can hold office for a term up to 5 consecutive years on the Board of a Company and she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mrs. V. Valliammai that she meets the criteria of independence as prescribed under Sub-Section (6) of Section 149 of the Act.

In the opinion of the Board of Directors of the Company Mrs. V. Valliammai fulfills the conditions in the Companies Act, 2013 and rules made thereunder as Independent Directors and she is independent of the Management of the Company.

The Board recommends the Ordinary Resolution set out in Item no 7 for approval by shareholders.

Except for Mrs. V. Valliammai , none of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of these resolutions

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

Particulars	**Dr. (Mrs) S.B. Nirmalatha**	**Mrs. V. Valliammai**
Date of Birth	16/08/1974	24/01/1975
Date of Appointment	February 10, 2015	May 25, 2017
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	Chartered Accountant
Expertise in Specific Functional Area	A Lawyer practicing with the High Court in Chennai. She specializes in Intellectual Property and Corporate matters including Trademarks, and Copyright	She is a member of the Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce with an experience of over 15 years. Her core areas of expertise include debt financing and project management. She is currently serving as the Chief Financial Officer at Chettinad Super Specialty Hospital.
Directorships held in other companies	Nil	Nil
Memberships/Chairmanships of Committees of other companies	Nil	Nil
Number of Shares held in the Company	Nil	Nil

Directors' Report

Your Directors take pleasure in presenting the Thirty Third Annual Report and the Audited Accounts of the Company for the year ended March 31, 2017.

- **FINANCIAL RESULTS:**

(₹ in Lakhs)

	Current Year Ended 31/03/2017	Previous Year Ended 31/03/2016
Revenue from Operations(Gross)	36,010	31,944
Profit before Interest, Depreciation	8,369	8,300
Less: Interest	944	1,584
Less: Depreciation	1,706	2,312
Profit/(Loss) Before ax	5,719	4,404
Provision for Taxation including deferred Tax	1,231	2,425
Profit/(Loss)after Taxation	4,488	1,979
Appropriations		
Debenture Redemption Reserve	500	500
Dividend	252.86	---
Dividend Distribution Tax	51.48	---

- **INDIAN ACCOUNTING STANDARDS**

The Company has adopted Indian Accounting Standards (Ind AS) as per the notification issued by the Ministry of Corporate Affairs .The Company has published financials using Ind AS for the year ended March 31, 2017 along with the comparable figures as on March 31, 2016 and opening Statement of Assets and Liabilities as on April 1, 2015.

- **DIVIDEND**

Your Directors have recommended a final dividend of ₹1/- per equity share for FY 2016-17. The Interim Dividend of ₹1/- per equity share was paid in the month of September, 2016. The Final Dividend subject to the approval of the shareholders at the ensuing AGM, will be paid within the time stipulated as per the Companies Act, 2013 . The total dividend for the financial year, including the proposed Final Dividend, amounts to ₹ 2/- per equity share and will absorb ₹ 608.67 lakhs, including Dividend Distribution Tax of ₹ 102.95 lakhs.

- **PERFORMANCE OF THE COMPANY**

	PRODUCTION in M.T	SALES in M.T
Cement	**8,49,656**	**8,49,933**

OPERATIONS

This is covered under the topic Management Discussion and Analysis.

- **MANAGEMENT DISCUSSION AND ANALYSIS**

- **Economy and Developments**

In 2016-17 the world economy showed a very moderate increase. The global economy for a long time has been bearing the brunt of the sluggish pace in global investment and adding to the woes have been the diminishing growth of world trade. For the April 2016-March 2017 period, the Indian economy advanced 7.1 percent, in line with the estimate but below 8 percent in the previous year. However as compared to the world economy the Indian economy has shown a positive trend.

The demonetization move by the Government in December 2016 had a short term adverse impact on the Indian economy. For the first time in over a decade the production volume in the Industry showed a decline. However the Cement Industry was quickly able to recover from this disturbance and was probably one of the sectors to show the quickest recoveries.

- **Opportunities, Threats, Risks, Concerns and Outlook**

The Union Budget 2017-18 has been considered as a very optimistic budget especially for the infrastructure sector. With the PM Awaas Yojana, there will be one crore houses to be made for the homeless, the allocation for the same has increased from ₹ 15,000 crore to ₹ 23,000 crore.

Infrastructure and Rural development as in the last year has been a focus in the current year as well which will definitely boost the demand for cement.

The prices of coal and petcoke have risen sharply in the past six months, leading to higher fuel costs, which is a matter of high concern for the Cement Industry.

However considering the Government's constant endeavor towards infrastructural development, the best days for the Cement Industry are not far away

- **Segment wise or Product Performance**

The Company has only one business segment and that is manufacturing and sale of cement. Given below are the variety - wise production figures for the financial year 2016-17.

Grades of Cement	Quantity in M.T
OPC-43 grade and 53 grade	6,26,679
PPC	2,09,883
RHPC	13,094

- **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 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**

In the Financial year 2016-17, the Company's production level touched 8.50 lakh tons, which reflects a growth of 12.20% year on year.

The volume of Cement sales was at 8.5 lakh tons recording a growth of 11.80%. This was mainly because of significant efforts made by the Company in Andhra Pradesh and Tamilnadu cement market.

Cement Sales revenue grew 12.66% to ₹ 35,981 lakhs mainly on account of increased sale volumes and also due to better price realization.

Company continued to maintain its cost streamlining efforts during the year. The continued efforts resulted in bringing down the variable costs at slightly lower levels as compared to previous year.

The Company rationalized its finance costs during the year by repaying its term loan through internal accrual and efficient utilization of working capital limits.

Depreciation cost during the year was lower as compared to previous year as major part of Plant & Machinery (Line I) was depreciated fully during previous year based on useful life as provided in Part C of Schedule II to the Companies Act, 2013.

As a result of combined effect on account of growth in cement volumes, cost rationalization and improved price realization, profit before tax of Company was up by 29.86% to ₹ 5719 lakhs.

- **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 277.

- **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 2016-17.

- **CAPTIVE POWER PLANT**

Tha Captive Power Plant was commissioned in January 2017. The Gross power generation for the year under review was 184.88 lakh units, out was which 16.30 lakh units were auxiliary consumed and the balance of 168.58 lakh units were captively consumed by the Cement plant.

- **CHANGE OF STATUS OF HOLDING COMPANY**

  With effect from May 3, 2017, the status of the Holding Company was changed to a Private Limited Company pursuant to the conversion of the same being approved by its Shareholders and the National Company Law Tribunal.

- **LISTING ON NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

  The Equity shares of our Company are listed on the BSE Limited. The Board of Directors were of the opinion that, NSE of India Limited being the largest exchange in the country and having trading platforms all over the country, it would be considered advisable to list the Company's shares on the NSE of India Limited so as to create more visibility. In pursuance of this, the shares of the Company were listed on the NSE of India Limited on April 10, 2017.

- **REPORT ON CORPORATE GOVERNANCE**

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

- **STATUTORY AUDITORS**

  At the 32nd AGM of the Company, of M/s Ramanatham & Rao, Chartered Accountants (Firm Registration Number (S-2934) were appointed as Statutory Auditors for a period of three consecutive years. As required under the Companies Act, 2013, the appointment of the auditors will be placed before the shareholders for their ratification at every Annual General Meeting. Accordingly a resolution seeking ratification from Members is included as Item no. 4 of the Notice convening the Annual General meeting.

- **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 2017-18 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 included as Item no. 5 of the Notice convening the Annual General meeting.

  The Cost Audit Report for the Financial year 2015-16 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 26, 2016. The Cost Audit Report for the Financial year 2016-17 would be filed within the period mentioned in the Companies (Cost Record and Audit) Rules 2014.

- **REQUIREMENT UNDER THE COMPANIES ACT, 2013**

A. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has been no change in the composition of the Directors and the Key Managerial Personnel for the Financial year ended March 31, 2017.

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 there under. The details of the Policy are uploaded on the website of the Company.

No complaint was filed during the financial year 2016-17.

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

6 meetings of the Board of Directors of the Company were held during the year. For detail of the meetings, please refer to 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 (Section 149(6)) 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 on the Company's website: 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

There have been no loans, guarantees and investments under Section 186 of the Act during the financial year 2016-17.

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 not entered into contract / arrangements pursuant to provisions of Section 188 (1)of the Act.

The Company however has entered into related party transactions pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These transactions were material in nature and appropriate shareholder approval pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained at the Annual General Meeting of the Company held last year

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 STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the Financial position of the Company which have occurred between the end of the Financial Year to which the financial statement relates and the date of the report.

M. RISK MANAGEMENT POLICY

The management of the Company is spearheaded by a Whole Time 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.

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 report on CSR is given as an Annexure and forms part of this report.

The Company was required to spend an amount of ₹19.51 Lakhs in CSR activities during the financial year 2016- 17, as per the provisions of 135(5) of the Companies Act, 2013 and the Company has spent an amount of ₹ 24.49 Lakhs during the year.

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	15.51 times

The median remuneration of the employees of the Company for the financial year 2016-17 is ₹ 3.09 lakhs.

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

Name of Person	Percentage Increase in Remuneration
Non-Executive Directors	
Mr. P. Gopal	-
Mr. V. Subramanian	-
Dr. (Mrs.) S. B. Nirmalatha	-
Executive Directors	
Mr. A. Subramanian	-
CFO and CS	
Mr. M.L. Kumavat	-
Mrs. Anu Nair	16

c) The percentage increase in the median remuneration of employees in the Financial year 2016-17 is 8.75%.

d) The number of permanent employees on the rolls of Company: 277.

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, salaries of employees decreased by 3.47%.

There has been no change in the managerial remuneration for the year under consideration.

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.

h) Statement containing Particulars of Employees pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, as per the provisions of Sections 134 and 136 of the Companies Act, 2013, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding the Statement containing Particulars of Employees, which is available for inspection by the Members at the Registered Office of the Company during business hours on all working days (except Saturdays), upto the date of ensuing Annual General Meeting. Any Member interested in obtaining a copy of such Statement may write to the Company Secretary at the Registered Office 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 THERETO.

There were no related party transactions pursuant to the provisions of Section 188(1) of the Act.

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 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. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS ANDOUTGO:

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

T. SUBSIDIARY COMPANIES

Your Company has no subsidiaries within the meaning of Section2(6)oftheCompaniesAct,2013.

U. DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 134(5) of the Companies Act, 2013, the Directors here by 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 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.

• 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.

• 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

	A. Subramanian	V. Subramanian
Place: Chennai	Managing Director	Director
Date: August 9, 2017	(DIN : 06693209)	(DIN 06693099)

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy:

i. The steps taken and impact on conservation of energy;

Various improvement steps were taken, which have resulted reduction in power consumption per ton of cement from 90.56KWH/T to 90.12KWH/T. These are as below:

- Change the pulley size of the blower in cement silo and fly ash silo in Line 1
- Avoid recirculation cooling water pumping system in Line 2 cement mill.
- Install VFD and avoid damper loss in coal mill fan
- Improve coal conveying phase density by reducing blower speed by changing v pulley
- Remove damper and avoid damper loss in cooler ESP fan in Line 2 operating with VFD
- Reduce speed and avoid excess air venting from PA blower
- Increase specific surface area of GM in 2nd chamber in Cement Mills by resizing the grinding media
- Replacing faulty capacitors with new one
- Optimize loading of motors by installing Auto star delta star converter
- Replacement of aluminum blades with FRP blades in cooling tower fan
- Reduce pressure drop across bag filter and install VFD in Cement Mill 1

ii. The steps taken by the Company for utilizing alternate sources of energy;

Alternate Fuels like industrial wastes were used in place of indigenous/imported coal to substitute coal to an extent of 20.85% of thermal energy requirement in the plant.

iii. The capital investment on energy conservation equipment's;

Two VFD installed for Cement mill-1 & Coal Mill-2 : ₹ 8.0 Lacs

(B) Technology absorption:

(i) The efforts made towards technology absorption;

1. Alternate fuel firing system to Kiln-2 TAD.
2. FK Pump installed for Kiln-2 PC coal feeding system.
3. Dense phase system installed for Line-2 to Line-1 Raw meal transportation
4. Packer -1 up gradation to electronic system

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

To reduce cost the following steps were implemented:

1. Consumption of Alternative Raw Material at Zero Cost.
2. Consumption of Alternative Fuels at Zero cost in place of coal/ imported coal.
3. Consumption of Fly Ash in finished product.
4. Consuming of limestone from new mine pit which is nearer to plant and saving ₹ 30/Ton.
5. Optimization of capacities to reduce power consumption.

(iii) There has been no technology imported during the last three years reckoned from the beginning of the financial year

(iv) The expenditure incurred on Research and Development is as follows

S.No	Description	₹ in Lakhs
1	Civil aid, Bagavathiana lab, Lucid lab (Final Product Sample Testing)	3.06
2	Monthly Stacks & Ambient air Monitoring by M/s.Global Envirotech.	1.02
	Total	4.08

Foreign Exchange outgo during the year 91,293 Euros

Annexure-2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2017

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: L26942MH1983PLC265166
2) Registration Date : December 17,1983
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, 3rd Floor, Plot No.C-70,
   G-Block, Bandra Kurla Complex,
   Bandra (East), Mumbai – 400051
   Tel. 022 4023 9909
   email id: secretarial@anjanicement.com
   website: www.anjanicement.com
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 / 1606
   email id: raghu.veedha@karvy.com

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)

*The status of the Promoter was converted from a "Public Company" to a "Private Company" on May 3, 2017.

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 01-04-2016				No. of shares held at the end of the year 31-03-2017				% 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 Corporate	1,37,92,197	0	1,37,92,197	75	1,89,64,270	0	1,89,64,270	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
SUB-TOTAL A(1) :	1,37,92,197	0	1,37,92,197	75	1,89,64,270	0	1,89,64,270	75	0
(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
Sub-Total A(2):	0	0	0	0	0	0	0	0	0
Total A =A(1) + A(2)	1,37,92,197	0	1,37,92,197	75	1,89,64,270		1,89,64,270	75	0
(B) Public Shareholding									

Category of Shareholder	No. of shares held at the beginning of the year 01-04-2016				No. of shares held at the end of the year 31-03-2017				% Change During The year
	Demat	Physical	Total	% of total	Demat	Physical	Total	% of total	
(1) INSTITUTIONS									
(a) Mutual Funds/UTI	0	34,400	34,400	0.19	0	34,400	34,400	0.14	(0.05)
(b) Financial Institutions/Banks	0	7,800	7,800	0.04	0	7700	7,700	0.03	(0.01)
(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
Sub-Total B(1)	0	42,200	42,200	0.23	0	42,100	42,100	0.17	(0.06)
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	7,86,107	18,300	8,04,407	4.37	11,52,599	18,300	11,70,899	4.63	0.26
(b) Individuals									
(i) Individuals holding nominal Share capital upto ₹ 1 Lakh	9,73,335	9,40,337	19,13,672	10.41	15,23,072	9,24,810	24,47,882	9.68	(0.73)
(ii) Individuals holding nominal Share capital in excess of ₹ 1 Lakh	17,37,254	68,010	18,05,264	9.82	25,50,005	68,010	26,18,015	10.35	0.54
(c) Others									
CLEARING MEMBERS	11,989	0	11,989	0.07	11,566	0	11,566	0.05	(0.02)
NON RESIDENT INDIANS	19,868	0	19,868	0.11	19,557	0	19,557	0.08	(0.03)
NBFCs Registered with RBI	0	0	0	0	5,400	0	5,400	0.02	0.02
NRI Non Repatriable	0	0	0	0	6,007	0	6,007	0.02	0.02
Sub-Total B(2):	35,28,553	10,26,647	45,55,200	24.77	52,68,206	10,11,120	62,79,326	24.83	(0.06)
Total B = B(1) + B(2)	35,28,553	10,68,847	45,97,400	25.00	52,68,206	10,53,220	63,21,426	25.00	0
Total (A + B)	1,73,20,750	10,68,847	1,83,89,597	100.00	2,42,32,476	10,53,220	2,52,85,696	100	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
(2) Public		0	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C) :	1,73,20,750	10,68,847	1,83,89,597	100.00	2,42,32,476	10,53,220	2,52,85,696	100	0

ii). Shareholding of Promoters

S. No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% change in share holding during the year
		No. of shares	% of total Shares of the Company	%of shares Pledged/ Encumbured to total shares	No. of shares	% of total Shares of the Company	%of shares Pledged/ Encumbured to total shares	
1	Chettinad Cement Corporation Ltd.	1,37,92,197	75	0	1,89,64,270	75	0	0

On May 3, 2017, the status of the promoter changed from that of a Public Limited Company to a Private Limited Company.

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

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	%of total shares of the Company	No of Shares	%of total shares of the Company
1	Chettinad Cement Corporation Limited				
2	At the Beginning of the year	1,37,92,197	75.00		
3	Date wise increase / decrease in Promoters Shareholding during the year				
4	24/06/2016 (Rights Issue Allotment)	51,72,073	N.A	1,89,64,270	75.00
	Total	1,89,64,270	75.00		

iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of for the year ended March 31, 2017)

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	%of total shares of the Company	No of Shares	%of total shares of the Company
1.	**SUBRAMANIAN P**				
	At the Beginning of the year	2,000	0.01		
	Date wise increase / decrease in Promoters Shareholding during the year				
	24/06/2016 (Rights Issue Allotment)	4,02,000	1.59	4,04,000	1.60
	22/07/2016 (Sale of Shares)	- 450	0.00	4,03,550	1.60
	19/08/2016 (Sale of Shares)	- 100	0.00	4,03,450	1.60
	14/10/2016 (Purchase of Shares)	10,63,790	4.21	14,67,240	5.80
	31/03/2017 (Sale of Shares)	-10,767	- 0.04	14,56,473	5.76
	At the end of the year	14,56,473	5.76		
2.	**PRATIBHUTI VINIHIT LIMITED**				
	At the Beginning of the year	3,00,000	1.63		
	Date wise increase / decrease in Promoters Shareholding during the year				
	24/06/2016 (Right Issue Allotment)	1,40,000	N.A	4,40,000	1.74
	At the end of the year	4,40,000	1.74		
3.	**BHAVNA GOVINDBHAI DESAI**				
	At the Beginning of the year	1,49,256	0.81		
	Date wise increase / decrease in Promoters Shareholding during the year				
	08/04/2016 (Purchase of Shares)	25,225	0.14	1,74,481	0.95
	24/06/2016 (Right Issue Allotment)	2,25,519	N.A	4,00,000	1.58
	30/06/2016 (Sale of Shares)	-1,000	- 0.00	3,99,000	1.58
	At the end of the year	3,99,000	1.58		
4.	**VENKATA VISHNU RAJU KALIDINDI**				
	At the Beginning of the year	2,67,246	1.45		
	Date wise increase / decrease in Promoters Shareholding during the year				
	24/06/2016 (Right Issue Allotment)	1,00,217	N.A	3,67,463	1.45
	At the end of the year	3,67,463	1.45		
5.	**BREEZE ENTERPRISES PRIVATE LIMITED**				
	At the Beginning of the year	1,11,990	0.61		
	Date wise increase / decrease in Promoters Shareholding during the year				
	24/06/2016 (Right Issue Allotment)	41,996	N.A	1,53,986	0.61
	At the end of the year	1,53,986	0.61		
6.	**GOVINDBHAI BALDEV DESAI**				
	At the Beginning of the year	29,835	0.16		
	Date wise increase / decrease in Promoters Shareholding during the year				
	08/04/2016 (Purchase of Shares)	9,859	0.05	39,694	0.22
	24/06/2016 (Right Issue Allotment)	62,306	N.A	1,02,000	0.40
	At the end of the year	1,02,000	0.40		
7.	**APOGEE CLEARING AND FORWARDING PRIVATE LIMITED**				
	At the Beginning of the year	0	0.00		
	Date wise increase / decrease in Promoters Shareholding during the year				
	20/05/2016 (Purchase of Shares)	35,238	0.19	35,238	0.19
	24/06/2016 (Right Issue Allotment)	64,438	N.A	99,676	0.39
	At the end of the year	99,676	0.39		
8.	**GREEN VALLEY MINERALS AND METALS PRIVATE LIMITED**				
	At the Beginning of the year	52,220	0.28		
	Date wise increase / decrease in Promoters Shareholding during the year				
	24/06/2016 (Right Issue Allotment)	19,582	N.A	71,802	0.28
	At the end of the year	71,802	0.28		
9.	**BULL INVESTMENTS (MADRAS) PVT LTD**				
	At the Beginning of the year	0	0.00		
	Date wise increase / decrease in Promoters Shareholding during the year				
	10/03/2017 (Purchase of Shares)	19,000	0.08	19,000	0.08
	17/03/2017 (Purchase of Shares)	31,000	0.12	50,000	0.20
	24/03/2017 (Sale of Shares)	-10,000	- 0.04	40,000	0.16
	31/03/2017 (Purchase of Shares)	12,500	0.05	52,500	0.21
	At the end of the year	52,500	0.21		
10.	**FUTURISTIC HANDLING SERVICES**				
	At the Beginning of the year	35,207	0.14		
	Date wise increase / decrease in Promoters Shareholding during the year				
	24/06/2016 (Right Issue Allotment)	13,202	0.05	48,409	
	At the end of the year	48,409			

Note: During FY16-17, the Company had issued 68, 96,099 Equity Shares on Rights Basis in ratio of 3 (Three) Rights Equity Shares for every 8 (Eight) Equity Shares held.

None of the Directors/Key Managerial Personnel of the Company, held any Equity Shares of the Company either at the beginning of the year i.e. April 1, 2016 or at the end of the year i.e. March 31, 2017 or dealt in the Equity Shares of the Company during financial year 2016-17

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment as on March 31, 2017

(₹ in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness of the financial year i) Principal Amount	9,383.33	800.00	0	10,183.33
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	234.05	0	0	234.05
Total (i+ii+iii)	**9,617.38**	**800.00**		**10,417.38**
Change in Indebtedness during the financial year Addition	0	4300.00	0	4,300.00
Reduction	3,391.50	5,100.00	0	8,491.50
Net Change	**(3,391.50)**	**(800.00)**	**0**	**(4,191.50)**
Indebtedness at the end of the financial year i) Principal Amount	6,000.00	0	0	6,000.00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	225.88			225.88
Total (i+ii+iii)	**6,225.88**	**0**	**0**	**6,225.88**

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) Income tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	48.00
2	Stock option	NIL
3	Sweat Equity	NIL
4	Commission - as % of profit - Others, specify….	NIL
5	Others, please specify	NIL
	Total	48.00
	Ceiling as per the Act	5% of net profit 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 - Commission - Others, please specify	0.25 --- ---	0.30 --- ---	--- --- ---	0.55 --- ---
Total (1)	0.25	0.30		0.55
2. Other Non-Executive Directors - Fee for attending board/ committee meetings - Commission - Others, please specify	--- --- ---	--- --- ---	0.25 --- ---	0.25 --- ---
Total (2)			0.25	0.25
Total (B) = (1+2)	**0.25**	**0.30**	**0.25**	**0.80**

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

(₹ in Lakhs)

Particulars of Remuneration	Key Managerial Personnel		
	CFO	Company Secretary	Total
1. Gross Salary (a) Salary as per provisions contained In Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	42.56	6.99	49.55
2. Stock Option	NIL	NIL	NIL
3. Sweat Equity	NIL	NIL	NIL
4. Commission - as % of profit - others, specify	NIL	NIL	NIL
5. Others, please specify retirements	3.91	0.64	5.26
Total	46.47	7.63	54.81

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

There were no penalties, punishments or compounding of offences during the year ended March 31, 2017.

REPORT ON CSR ACTIVITIES AND ITS IMPLEMENTATION

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

   The CSR policy of the Company is focused on fostering social well-being. Through our CSR initiative, we strive to attain the same. The Company as per its CSR policy may carry out any project, program or activity in the areas specified under Schedule VII of the Act as on date, or as may be specified from time to time.

   The CSR policy is available on the website of the Company i.e. www.anjanicement.com.

2. The composition of the CSR committee:

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

3. Average Net profit of the Company for the last 3 years:, ₹ 9,75,26,923
4. Prescribed CSR expenditure (2% of the amount mentioned in item no. 3 above): ₹19, 50,539
5. Details of CSR spent during the financial year:
   - Total amount to be spent for the financial year- ₹ 24,49,472/-
   - Amount unspent if any –Nil
   - Manner in which the amount spent during the financial year is detailed as below,

Sr. No	CSR Project/ activity identified	Sector in which the project is covered	Location	Amount outlay (budget)	Amount spent on the project		Cumulative expenditure	Amount spent Direct or through implementing agency
					Direct	Overhead		
1	Smt Sita Memorial School	Promoting Education	Nalgonda, Telanagana	24,49,472	23,69,897	79,575	24,49,472	Direct

CSR Committee Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company

Date: August 9, 2017	Mr. A. Subramanian Managing Director	Mr.V. Subramanian	Dr.(Mrs) S.B. Nirmalatha
	CSR committee Chairman (DIN : 06693209)	CSR committee Member (DIN 06693099)	CSR committee Member (DIN 03092392)

Form No: MR - 3

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014]

To
The Members
Anjani Portland Cement Ltd
306A, The Capital, 3rd Floor
Plot No C 70, G block
Bandra Kurla 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 1, 2016 to March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period April 1, 2016 to March 31, 2017 according to the provision of :

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contract (Regulation) act, 1956 ("SCRA") and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 an 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, 2015

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

   (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

   (e) 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;

   (f) The Securities and Exchange Board of India (Employees Share Based Benefits) Regulations, 2014 -- Not Applicable

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable; and

   (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

(i) Secretarial Standards Issued by The Institute of Company Secretaries of India

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

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.

There are adequate systems and processes in the Company, including a Compliance Management System commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, The same has been reviewed as part of the Audit.

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, except making a rights issue of 68,96,099 Equity Shares of Rs.10/- each at a price of Rs. 108.75/- per share aggregating Rs.75 crores at a ratio of 3 shares for every 8 shares held. The issue opened on May 25, 2016 and closed on June 08, 2016. The issue was fully subscribed.

Sd./-

Place : Mumbai
Date : July 06, 2017

Shailashri Bhaskar
Company Secretary
FCS5778 CP 5092

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd./-

Place : Mumbai
Date : July 06, 2017

Shailashri Bhaskar
Company Secretary
FCS5778 CP 5092

CORPORATE GOVERNANCE REPORT

Pursuant to the 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, 2017 the composition of the Board and directors is as mentioned below,

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 compliances, 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 2016-2017, six meetings of the Board of Directors were held on April 16, 2016, May 27, 2016, August 11, 2016, September 14, 2016, December 12, 2016 and February 14, 2017,

   The details of attendance of each Director of the Board and last AGM held during the financial year 2016-2017 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
A. Subramanian	Executive	6	Yes	---	---	----
Mr. V. Subramanian	Independent, Non-Executive	5	No	---	----	----
Mr. P. Gopal	Independent, Non-Executive	6	Yes	---	----	-----
Dr .(Mrs) S.B. Nirmalatha	Non-Independent, Non-Executive	5	No.	---	----	-----

Mr. V. Subramanian is the Chairperson 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.anjanicement.com

4. Board Committees

As on March 31, 2017 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.

4.1. Audit Committee:

(A) Composition of the Audit Committee as on March 31, 2017.

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

Mrs. Anu Nair, 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 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 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 Management Discussion and Analysis of Financial condition and Results of Operations.

k) Reviewing of statements of significant related party transactions.

l) Reviewing of Internal Audit Reports relating to Internal Control Weaknesses.

m) Any other items considered appropriate or necessary to have effective overview of financial reporting.

(C) Meetings and Attendance:

During the financial year 2016-17, Five meetings of the Audit Committee were held on April 16, 2016, May 27, 2016, September 14, 2016, December 12, 2016 and February 14, 2017. The details are as given below:

Name	Meetings held during FY 2016-17	Meetings Attended
Mr. V. Subramanian	5	4
Mr. P. Gopal	5	5
Mr. A. Subramanian	5	5

4.2 Nomination and Remuneration Committee (NRC):

(A). Composition of the Nomination and Remuneration Committee as on March 31, 2017.

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

(B). Terms of Reference

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) Formulate criteria for evaluation of Independent Directors and the Board.

c) 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.

d) To recommend evaluation criteria of every Director's performance.

e) To recommend to the Board the appointment and removal of Directors and Senior Management.

f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

g) Ensure the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

h) To devise a policy on Board diversity.

i) 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.

j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

(C) Meetings and Attendance:

During the financial year 2016-17, two meeting of the Nomination and Remuneration Committee were held on April 16, 2016 and September 14, 2016. The details are as given below:

Name	Meetings held during FY 2016-17	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.anjanicement.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): Composition of the Stakeholders Relationship Committee as on March 31,2017.

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

(B). Meetings and Attendance

During the financial year 2016-17, four meetings of the Stakeholders Relationship

Committee was held. The details are as given below:

Name	Meetings held during FY 2016-17	Meetings Attended
Mr. P. Gopal	4	4
Mr. A. Subramanian	4	4
Mr. V. Subramanian	4	4

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

Shareholder's grievances status:

Opening Balance	Received during the year 2016-17	Resolved during the Year 2016-17	Closing Balance
Nil	53	53	Nil

4.4 Corporate Social Responsibility Committee:

(A). Composition of the Corporate Social Responsibility Committee as on March 31, 2017.

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

Corporate Social Responsibility (CSR) Committee met once during the Financial Year on December 12, 2016.

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

4.5 Debenture Issue Committee:

The Debenture Issue Committee (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.Debenture Issue Committee did not meet during the financial year ended 2016-17.

4.6 Rights Issue Committee:

Rights issue Committee comprising of the under mentioned 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	Chairperson
Mr.V. Subramanian	Independent, Non-Executive	Member

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

The Rights Issue Committee met three times during the year on May 7 2016, May 17, 2016 and June 16, 2016.

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	Special Resolutions
2013 -2014	Bhaskara Auditorium B.M. Birla Science Centre, Adarsh Nagar, Hyderabad	September 10,2014	11.00 a.m.	• Approval under Section 180(1)(a) of the Companies Act, 2013. • Approval under Section 180(1)(c) of the Companies Act, 2013
2014 -2015	20, Down Town, 2nd Floor, South-West Wing, Cambata Building, 42, M. Karve Road, Church Gate, Mumbai – 400020	September 9,2015	3.30 p.m.	No special resolution were passed at this meeting
2015 -2016	Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai – 400019	September 9,2016	10.00 a.m.	Approval under Section 186, of the Companies Act, 2013.

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

7. Disclosures:

Disclosure regarding materially significant related party transactions:

The materially significant related party transaction had no 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.anjanicement.com/investor/corporategovernance/related_party_transaction policy.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 on the portal of the Company, www.anjanicement.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.

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 Chairperson 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 have given a certificate to the Board of Directors as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, for the year ended March 31, 2017.

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 (English) and in Nav Shakthi (Marathi), they are also displayed on the official website of the Company (www.anjanicement.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.

    - Annual General Meeting

      The Thirty Third Annual General Meeting ("the AGM") of the Company will be held on Friday September 8, 2017 at 10.00 A.M at Mysore Association Hall, 393, Bhaudaji Road, Matunga East, Mumbai, Maharashtra- 400019.

    - Financial Year

      1st April 2016 to 31st March 2017.

    - Dividend Payment Date

      Dividend will be paid within the time stipulated as per the Companies Act, 2013.

    - Dates of Book Closure :

      The Register of Members and share transfer will remain closed from Saturday, the September 2, 2017 to Friday, the September 8, 2017 (both days inclusive).

    - Listing on Stock Exchange

      Listed with the BSE (Scrip Code 518091, Scrip ID APCL) and NSE (Scrip Code: APCL). Payment of Annual Listing fees has been done within the stipulated time frame. The shares of our Company were listed on the NSE from April 10, 2017 onwards. The Annual Listing Fees to the Stock Exchange(s) has been paid on time.

    - Registrar and Share Transfer Agents :

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

    - Share Transfer System

      The Stakeholder Relationship 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.

    - Shareholder Statistics and Distribution of Shareholdings as on March 31, 2017 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	4383	3418	679348	471155	2.68	1.86
501 - 1000	115	328	93662	256481	0.37	1.02
1001 - 2000	27	176	41400	265586	0.16	1.05
2001 - 3000	11	59	28600	150751	0.12	0.60
3001 - 4000	6	33	20500	119698	0.08	0.47
4001 - 5000	6	31	29400	146343	0.12	0.57
5001 - 10000	6	40	47600	278111	0.19	1.10
10001 & above	6	33	112710	22544351	0.45	89.16
Total	**4560**	**4118**	**1053220**	**24232476**	**4.17**	**95.83**
Grand Total (A+B)	**8678**		**25285696**		**100**	

Category	Number of shares held	As a percentage of total number of shares
Promoter and Promoter group	1,89,64,270	75.00
Mutual Funds/ UTS	34,400	0.14
Financial Institutions/Banks	7,700	0.03
Bodies Corporate	11,70,899	4.63
Indian Public	49,55,909	19.60
NRI	19,557	0.08
Others/Clearing Members	22,973	0.09
HUF	1,09,988	0.43
Total	2,52,85,696	100.00

- The monthly high and low share quotations of your Company during the Financial Year 2016-17 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, 2016	188.60	148.00
2	May, 2016	201.00	137.00
3	June, 2016	169.00	135.00
4	July, 2016	179.50	145.00
5	August, 2016	189.90	151.75
6	September, 2016	171.00	148.00
7	October, 2016	197.00	161.05
8	November, 2016	182.95	122.50
9	December, 2016	180.00	138.00
10	January, 2017	181.50	155.50
11	February, 2017	198.00	170.25
12	March, 2017	233.40	181.55

- 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, 2016	March 31, 2017	% Change
Company Share Price (closing)	152.40	227.00	48.95
SENSEX (closing)	25269.64	29620.50	17.22

- Dematerialisation of Shares

  Trading in Company's shares is permitted only in dematerialized 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 dematerialized form. Over 95% of the Company's shares are now held in electronic form.

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

  The ISIN of Dematerialized NCD's of the Company are : Series A - "INE071FO7019"
  Series B - "INE071FO7027"

- Address for Correspondence
  The Company Secretary
  Anjani Portland Cement Limited
  306-A, The Capital, Bandra Kurla Complex,
  Bandra East, Mumabi – 400051
  Phone No. 022-40239909
  email id: secretarial@anjanicement.com

  Any requests for transactions such as transfers, dematerialization 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
  email id: raghu.veedha@karvy.com

- **Unclaimed Dividend**

  The following table shows the details of Dividend relating to financial years 2009-10 to 2016-17 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 2009-2010 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
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
2016-17	14-09-2016	10	19-10-2023

  No Claim shall lie against the Company or the IEPF for the amounts so transferred prior to March 31, 2017, 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 2009-10 and onwards are requested to make their claim without any delay to Karvy Computershare Private Limited.

- 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.

- Plant Location :
Chintalapalem (V& M),
Suryapet (District),
Telangana State - 508246

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, 2017 as envisaged in Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Chennai **A. Subramanian**
Date : August 9, 2017 **Managing Director**

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 31st March, 2017, 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.

The compliance of condition 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: August 9, 2017

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, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and statement of changes in equity for the period 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 (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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 effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial 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 including the Ind AS of the financial position of the Company as at 31st March, 2017, and its financial performance (including other comprehensive income) 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.
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, the Statement of Cash Flows and statement of changes in equity 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.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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. 36 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; and

  iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 38(a) to the financial statements.

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

C. Kameshwar Rao
Partner
Membership No.24363

Place : Chennai
Date : 25th May 2017

Annexure A to the Auditors' Report

The Annexure referred to in Independent Auditors report to the members of the Company on the financial statements for the period ended on 31st March, 2017. 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 and on the basis of our examination of records of the Company, 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 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 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 security to parties covered under provisions of section 185 and 186 of the Companies Act, 2013. Hence, paragraph 3 of clause 4 of the order is not applicable.

5 During the year the Company has not accepted any deposits nor any deposits 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 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, 2017 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), Visakhapatnam
Customs Act, 1962	Customs Duty	9.16	Mar 2012	Commissioner of Customs (Appeals), Visakhapatnam

8 According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.

9 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 those were obtained other than amounts temporarily invested pending utilization of the funds for the intended use.

10 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 by its officers or employees was noticed or reported during the period.

11 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 Company is not a Nidhi Company; hence paragraph 3 clause 12 of the order is not applicable to the Company.

13 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 During the year Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence paragraph 3 clause 14 of the order is not applicable to the Company.

15 To the best of our knowledge and belief and according to the information and explanations given to us the Company has not entered into any non-cash transactions with directors or persons connected with them, hence paragraph 3 clause 15 of the order is not applicable to the Company.

16 As per the information available 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. Kameshwar Rao
Partner
Membership No.24363

Place : Chennai
Date : 25th May 2017

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 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

C. Kameshwar Rao
Partner
Membership No.24363

Place : Chennai
Date : 25th May 2017

Balance Sheet

All amounts in INR Lakhs unless otherwise stated

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	2	26,100	19,279	20,494
Capital work in progress	3	625	1,392	66
Other intangible assets	2	9	12	-
Financial assets				
i. Other financial assets	4	23	21	19
Other non-current assets	5	220	1,931	549
Total non-current assets		**26,977**	**22,635**	**21,128**
Current Assets				
Inventories	6	3,396	1,901	3,692
Financial assets				
i. Trade receivables	7	1,754	1,207	1,465
ii. Cash and cash equivalents	8	869	411	309
iii. Loans	9	1	4	12
iv. Other financial assets	4	91	40	66
Other current assets	10	2,829	1,554	3,812
Total current assets		**8,940**	**5,117**	**9,356**
Total Assets		**35,917**	**27,752**	**30,484**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	2,529	1,839	1,839
Other equity	12	17,894	6,894	4,966
Total equity		**20,423**	**8,733**	**6,805**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	13	2,999	8,513	16,243
(ii) Other financial liabilities	14	1,102	1,085	1,187
Provisions	15	249	288	218
Deferred tax Liabilities (net)	16	1,648	1,635	139
Government grants	17	47	55	63
Total non-current liabilities		**6,045**	**11,576**	**17,850**
Current liabilities				
Financial liabilities				
i. Borrowings	18	720	2,468	1,573
ii. Trade payables	19	1,899	698	700
iii. Other financial liabilities	20	5,005	2,364	1,842
Provisions	15	19	77	138
Government grants	17	8	8	8
Other current liabilities	21	1,798	1,828	1,568
Total current liabilities		**9,449**	**7,443**	**5,829**
Total liabilities		**15,494**	**19,019**	**23,679**
Total equity and liabilities		**35,917**	**27,752**	**30,484**
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. Kameshwar Rao
Partner
Membership No : 24363

Place: Chennai
Date : 25-05-2017

For and on behalf of the Board

A. Subramanian
Managing Director
(DIN 06693209)

V. Subramanian
Director
(DIN 06693099)

P. Gopal
Director
(DIN 06630431)

S. B. Nirmalatha
Director
(DIN 03092392)

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary
M. No. 30525

Statement of Profit and Loss

All amounts in INR Lakhs unless otherwise stated

Particulars	Note No	Year ended March 31, 2017	Year ended March 31, 2016
INCOME			
Revenue from operations	22	36,010	31,944
Other income	23	152	71
Total income		**36,162**	**32,015**
EXPENSES			
Cost of material consumed	24	3,453	2,904
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	25	(313)	717
Excise duty		5,041	4,625
Employee benefit expense	26	1,503	1,672
Depreciation and amortisation expense	27	1,706	2,312
Other expenses	28	18,109	13,797
Finance costs	29	944	1,584
Total expenses		**30,443**	**27,611**
Profit before tax		**5,719**	**4,404**
Income tax expense	30		
Current tax		1,247	929
Deferred tax		(16)	1,496
Total tax expense		**1,231**	**2,425**
Profit for the year		**4,488**	**1,979**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		9	(78)
Income tax relating to these items		(3)	27
Other comprehensive income for the year, net of tax		**6**	**(51)**
Total comprehensive income for the year		**4,494**	**1,928**
Earnings per equity share for profits from operations attributable to the owners of the Company:			
Basic earnings per share in Rupees	40	18.60	9.87
Diluted earnings per share in Rupees		18.60	9.87
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. Kameshwar Rao
Partner
Membership No : 24363

Place: Chennai
Date : 25-05-2017

For and on behalf of the Board

A. Subramanian
Managing Director
(DIN 06693209)

V. Subramanian
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(DIN 06630431)

S. B. Nirmalatha
Director
(DIN 03092392)

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary
M. No. 30525

Statement of Cash Flows

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Cash flow from operating activities		
Profit before tax	5,719	4,404
Adjustments for		
Depreciation and amortisation expense	1,706	2,312
Deferred revenue - Advance against Depreciation	0	0
(Gain)/loss on disposal of property, plant and equipment	(1)	(2)
Provisions Written Back	20	104
Amortisation of government grants	(8)	(8)
Amortisation of Interest on Rental Deposit	2	2
Interest Income on Rental Deposit	(2)	(2)
Employee Benefits - Comprahensive Income	10	(78)
Finance costs	944	1,584
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(567)	154
(Increase) in inventories	(1,495)	1,790
Increase in trade payables	1,226	(2)
(Increase) in other financial assets	(2)	(2)
(Increase)/decrease in other non-current assets	1,711	(1,382)
(Increase)/decrease in other current assets	(2,333)	3,358
Increase in employee benefit obligations	(96)	9
Increase in other current liabilities	(243)	699
Cash generated from operations	6,591	12,940
Income taxes paid	(1,114)	(700)
Net cash inflow from operating activities	**5,477**	**12,240**
Cash flows from investing activities		
Payments for property, plant and equipment	(7,757)	(2,436)
Increase / (Decrease) in Capital Creditors	705	12
(Increase) / Decrease in Capital Advances	1,005	(1,094)
Receipts of government grants	8	8
Proceeds from sale of property, plant and equipment	1	2
Repayment of loans by employees	3	8
Net cash outflow from investing activities	**(6,035)**	**(3,500)**
Cash flows from financing activities		
Interest paid	(949)	(1,976)
Increase / (Decrease) in Cash Credit Utilisation	(1,748)	895
Proceeds From Rights Issue	7,499	-
Repayment of Borrowing (Net)	(3,380)	(2,617)
Inter Corporate Deposit Received / (Repaid)	(100)	(4,900)
(Repayment) / Proceeds from Unsecured Loans	-	(24)
Dividends paid to Company's shareholders	(253)	-
Dividend Tax paid	(51)	-
Increase in Unpaid Dividend Account	7	-
Amount Transferred to Investor Education Protection Fund	(8)	(8)
Net cash inflow (outflow) from financing activities	**1,017**	**(8,630)**
Net increase (decrease) in cash and cash equivalents	459	110
Cash and cash equivalents at the beginning of the financial year	385	275
Cash and cash equivalents at end of the year	844	385
ADD :Balances in Statutory Restricted Accounts	25	26
Cash and Cash Equivalents (Note 8)	869	411

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. Kameshwar Rao
Partner
Membership No : 24363

Place: Chennai
Date : 25-05-2017

For and on behalf of the Board

A. Subramanian
Managing Director
(DIN 06693209)

V. Subramanian
Director
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S. B. Nirmalatha
Director
(DIN 03092392)

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary
M. No. 30525

All amounts in INR Lakhs unless otherwise stated

I) Reconciliation of total equity as at March 31, 2016 and April 1, 2015

Particulars	As at March 31, 2016	As at April 1, 2015
Total equity (shareholder's funds) as per previous GAAP	9,623	7,746
Adjustments		
Add/(Less): Deferral of the government grant (capital and IIDF subsidy)	(63)	(71)
Add/(Less): Depreciation on quarry land	(1)	(1)
Add/(Less): Borrowings - transaction cost adjustment	4	7
Add/(Less): Remeasurements of trade receivables	(8)	(66)
Add/(Less): Accumulated depreciation on capital spares	(9)	(5)
Add/(Less): Rectification of errors	(848)	(848)
Add/(Less): Deferred tax on Actuarial gains/losses recognised in Other Comprehensive Income	27	-
Add/(Less): Other adjustments	(38)	(3)
Add/(Less): Tax effects of adjustments	46	46
Total adjustments	**(890)**	**(941)**
Total equity as per Ind AS	**8,733**	**6,805**

II) Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Year ended March 31, 2016
Profit after tax as per previous GAAP	1,877
Adjustments	
Add/(Less): Deferral of the government grant (capital and IIDF subsidy)	8
Add/(Less): Borrowings - transaction cost adjustment	(3)
Add/(Less): Remeasurements of trade receivables	58
Add/(Less): Accumulated depreciation on capital spares	(4)
Add/(Less): Other adjustments	(35)
Add/(Less): Actuarial gains/losses recognised in Other Comprehensive Income	78
Total adjustments	**102**
Profit after tax as per Ind AS	**1,979**
Other comprehensive income	(51)
Total comprehensive income as per Ind AS	**1,928**

III) Impact of Ind AS adoption on cash flow statement for the year ended March 31, 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	11,156	1,084	12,240
Net cash flow from investing activities	(2,412)	(1,088)	(3,500)
Net cash flow from financing activities	(8,634)	3	(8,630)
Net increase/(decrease) in cash and cash equivalents	**110**	**-**	**110**
Cash and cash equivalents as at April 1, 2015	**275**		**275**
Cash and cash equivalents as at March 31, 2016	**385**		**385**

Notes to Accounts

Note - 1. Significant Accounting Policies

a) **Brief description of the Company**

Anjani Portland Cement Limited ('the Company') is a Public Limited Company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at No: 306A, The Capital, 3rd Floor, Plot No.C-70, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Maharashtra.

The Company manufactures high quality premium cement. The Company has manufacturing plant located at Chintalapalem Village, Mellavheruvu Mandal Nalogonda district, Telengana.

b) **Basis of preparation**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policies given below) which have been measured at fair value.

The financial statements upto year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 39 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance, changes in equity and cash flow.

c) **Use of estimates**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) **Critical Estimates and judgements**

The areas involving critical estimates or judgments are:

i) Estimation of current tax expense and payable

ii) Estimation of defined benefit obligation

iii) Estimation of useful life of Property, Plant and Equipment

iv) Impairment of trade receivables

v) Estimation of decommissioning liabilities for quarry mines

e) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates. It includes excise duty but excludes Value Added Tax and Sales Tax.

i) Sale of products:

Revenue from sale of products is recognised when the risk and reward of ownership pass to the dealer/ customer i.e. when the products are delivered to the dealer / customer or when delivered to the carrier, as the case may be, except in case of consignment sales where revenue is recognised only after the sale is made by the consignment agent.

ii) Interest income:

Interest income is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

f) **Property, Plant and Equipment**

Freehold Land is stated at historical cost. All other property plant and equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use. However, cost excludes excise duty, value added tax and service tax, wherever credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

g) Depreciation and amortization

i) Depreciation of fixed assets is provided on straight line method of depreciation based on the useful lives estimated by the Company from the technical evaluation carried out. The useful lives so determined are equal to those prescribed under the Part C of Schedule II of the Companies Act, 2013.

ii) The assets' residual values are measured at not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

iii) On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

iv) Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

h) Intangible assets

Intangible assets, namely computer software are recorded at their acquisition cost and are amortised over 4 years from the date on which they are ready for intended use.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

i) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which separately identifiable cash inflows can be generated which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j) Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, (including any non-cash assets transferred or liabilities assumed), is recognised in profit or loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

- Borrowing costs

  General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised up-to the time when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

  Other borrowing costs are expensed in the period in which they are incurred.

k) Transactions in foreign currencies

i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

ii) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

l) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of raw materials and components, packing materials, stores and spares, work-in-process and finished goods are ascertained on a weighted average basis.

ii) Cost of finished goods and work-in-process comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

iii) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

iv) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

v) Slow and non-moving material, obsolesces, defective inventories are duly provided for.

m) Employee benefits

i) Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long term employee benefit:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees; and

b) Defined contribution plans such as provident fund.

a) Gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

b) Provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iv) Bonus plans:

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where statutory liability exists, contractually obliged or where there is a past practice that has created a constructive obligation.

n) Income tax

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

o) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Company has a present or constructive obligation as a result of present obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

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

p) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

q) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the conditions attached to it.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented under other income.

Grants related to income are recongised in statement of profit or loss by deducting it from the the related expense.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

s) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

t) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

u) **Trade payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

v) **Investments and Other financial assets**

i) Classification

The Company classifies its financial assets as those subsequently measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

iii) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets:

A financial asset is derecognised only when:

a) the Company has transferred the rights to receive cash flows from the financial asset or

b) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

w) **Current and Non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Note - 2 : Property, plant and equipment

All amounts in INR Lakhs unless otherwise stated

The changes in the carrying value of fixed assets for the year ended March 31, 2017 are as follows:

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2016	Additions	Deletions / Adjust-ments	As at March 31, 2017	As at April 1, 2016	Deprecia-tion for the year	Deletions	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Land - Freehold	2,087	299	-	2,386	-	-	-	-	2,386	2,087
Building - Own	2,060	415	-	2,474	71	74	-	145	2,329	1,989
Plant and Machinery	17,344	7,799	-	25,143	2,201	1,608	-	3,809	21,334	15,142
Furniture and Fixtures	14	-	-	14	4	4	-	8	6	10
Office Equipment	45	11	-	57	26	11	-	37	20	19
Vehicles	32	-	4	28	1	6	4	3	25	32
Total	**21,582**	**8,524**	**4**	**30,102**	**2,303**	**1,703**	**4**	**4,002**	**26,100**	**19,279**

Other intangible assets

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2016	Additions	Deletions / Adjust-ments	As at March 31, 2017	As at April 1, 2016	Depre-ciation for the year	Deletions	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Computer Software										
- Acquired	13	-	-	13	1	3	-	4	9	12
Total	**13**	**-**	**-**	**13**	**1**	**3**	**-**	**4**	**9**	**12**

Note - 3 : Capital work in progress

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2016	Additions	Deletions / Adjust-ments	As at March 31, 2017	As at April 1, 2016	Depre-ciation for the year	Deletions	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Capital work in progress	1,392	7,176	7,943	625	-	-	-	-	625	1,392
	1,392	**7,176**	**7,943**	**625**	**-**	**-**	**-**	**-**	**625**	**1,392**

Notes:

(i) Refer to note 41 for information on property, plant and equipment pledged as security by the Company.

(ii) Capital work-in-progress comprises of Plant and Machinery acquired for the new captive power plant in Nalgonda, Telangana.

(iii) Refer to note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Refer to note 13 for information on borrowings raised by the Company against the hypothecation of all movable fixed assets.

Property, plant and equipment

All amounts in INR Lakhs unless otherwise stated

The changes in the carrying value of fixed assets for the year ended March 31, 2016 are as follows:

Asset Description	Gross Carrying Amount				Accumulated Depreciation and Amortisation				Net Carrying Amount
	Deemed Cost As at April 1, 2015	Additions	Deletions / Adjust-ments	As at March 31, 2016	As at April 1, 2015	Deprecia-tion for the year	Deletions	As at March 31, 2016	As at March 31, 2016
Land - Freehold	1,151	937	-	2,087	-	-	-	-	2,087
Building - Own	2,060	-	-	2,060	-	71	-	71	1,989
Plant and Machinery	17,185	159	-	17,344	-	2,201	-	2,201	15,142
Furniture and Fixtures	14	0	-	14	-	4	-	4	10
Office Equipment	44	1	1	45	-	27	0	26	19
Vehicles	40	-	8	32	-	9	8	1	32
Total	**20,494**	**1,097**	**9**	**21,582**	**-**	**2,312**	**8**	**2,303**	**19,279**

Other intangible assets

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2015	Additions	Deletions / Adjust-ments	As at March 31, 2016	As at April 1, 2015	Amortisa-tion for the year	Deletions	As at March 31, 2016	As at March 31, 2016	Deemed Cost As at April 1, 2015
Computer Software										
- Acquired	-	13	-	13	-	1	-	1	12	-
Total	**-**	**13**	**-**	**13**	**-**	**1**	**-**	**1**	**12**	**-**

Capital work in progress

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2015	Additions	Deletions / Adjustments	As at March 31, 2016	As at April 1, 2015	Amortisation for the year	Deletions	As at March 31, 2016	As at March 31, 2016	Deemed Cost As at April 1, 2015
Capital work in progress	66	1,326	-	1,392	-	-	-	-	1,392	66
	66	**1,326**	**-**	**1,392**	**-**	**-**	**-**	**-**	**1,392**	**66**

Notes:

(i) Refer to note 41 for information on property, plant and equipment pledged as security by the Company.

(ii) Capital work-in-progress comprises of Plant and Machinery acquired for the new capital power plant in Nalgonda, Telangana.

(iii) Refer to note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Refer to note 13 for information on borrowings raised by the Company against the hypothecation of all movable fixed assets.

Note - 4 : Other Financial Assets

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
Unsecured, considered good			
Security deposits	23	21	19
Total other financial assets - non-current	**23**	**21**	**19**
Current			
Security deposits	91	40	66
Total other financial assets - current	**91**	**40**	**66**

Note - 5 : Other Non-Current Assets

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital advances	200	1,205	111
Advances other than capital advances			
Balance with government authorities	20	726	438
Total other non-current assets	**220**	**1,931**	**549**

Note - 6 : Inventories

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw materials	2,019	967	1,781
Work-in-progress	556	229	866
Finished goods	257	271	351
Stores & spares	564	434	694
Total Inventories	**3,396**	**1,901**	**3,692**

Note - 7 : Trade Receivables

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables	1,969	1,402	1,557
Less: Allowance for doubtful debts	(215)	(195)	(92)
Total trade receivables	**1,754**	**1,207**	**1,465**
Break-up of security details			
Secured, considered good	380	350	390
Unsecured, considered good	1,374	857	1,075
Doubtful	215	195	92
Total	1,969	1,402	1,557
Allowance for doubtful debts	(215)	(195)	(92)
Total trade receivables	**1,754**	**1,207**	**1,465**

Note - 8 : Cash and Cash Equivalents

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with banks			
- in current accounts	607	373	266
- in earmarked accounts	25	26	34
Deposits	237	6	-
Cash on hand	0	6	9
Total cash and cash equivalents	**869**	**411**	**309**

Note - 9 : Loans

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured considered good			
Loan to employees	1	4	10
Loan to related parties	-	-	2
Total loans	**1**	**4**	**12**

Note - 10 : Other Current Assets

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advances other than capital advances			
Supplier advances	400	335	595
Balances with government authorities	1,764	554	800
Others	665	665	2,417
Total other current assets	**2,829**	**1,554**	**3,812**

Note - 11 : Equity Share Capital

All amounts in INR Lakhs unless otherwise stated

Authorised equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at April 1, 2015	300	3,000
Increase during the year	-	-
As at March 31, 2016	**300**	**3,000**
Increase during the year	-	-
As at March 31, 2017	**300**	**3,000**

Authorised preference share capital

Particulars	Number of shares (in lakhs)	Amount
As at April 1, 2015	10	100
Increase during the year	-	-
As at March 31, 2016	**10**	**100**
Increase during the year	-	-
As at March 31, 2017	**10**	**100**

(i) Movements in equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at April 1, 2015	184	1,839
As at March 31, 2016	**184**	**1,839**
Rights issue	69	690
As at March 31, 2017	**253**	**2,529**

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of INR 10. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of and amounts paid on equity shares held.

(ii) Shares of the Company held by holding / ultimate holding Company

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	Amount (INR)	Number of shares	Amount (INR)	Number of shares	Amount (INR)
Chettinad Cement Corporation Limited, Holding Company *	18,964,272	189,642,720	13,792,197	137,921,970	13,792,197	137,921,970
	18,964,272	**189,642,720**	**13,792,197**	**137,921,970**	**13,792,197**	**137,921,970**

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Chettinad Cement Corporation Limited, Holding Company *	190	75%	138	75%	138	75%
Subramanian P	15	6%	-	0%	-	0%
	205	**81%**	**138**	**75%**	**138**	**75%**

* The name of Holding Company has been changed from Chettinad Cement Corporation Limited to Chettinad Cement Corporation Private Limited w.e.f. 3rd May 2017.

Note - 12 : Reserves and Surplus

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
General reserve	500	500	500
Debenture redemption reserve	1,500	1,000	500
Retained earnings	9,084	5,394	3,966
Total reserves and surplus	**11,084**	**6,894**	**4,966**

a) **General reserve**

Particulars	As at March 31, 2017	As at March 31, 2016
Opening balance	500	500
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Closing balance	**500**	**500**

b) **Debenture redemption reserve**

Particulars	As at March 31, 2017	As at March 31, 2016
Opening balance	1,000	500
Additions during the year	500	500
Deductions/Adjustments during the year	-	-
Closing balance	**1,500**	**1,000**

c) **Retained earnings**

Particulars	As at March 31, 2017	As at March 31, 2016
Opening balance	5,394	3,966
Net profit for the period	4,488	1,979
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	6	(51)
Appropriations		
- Debenture Redemption Reserve	(500)	(500)
- Interim dividend (including dividend distribution tax)	(304)	
Closing balance	**9,084**	**5,394**

d) Securities Premium

Particulars	As at March 31, 2017	As at March 31, 2016
Opening balance	-	-
Additions during the year	6,810	-
Deductions/Adjustments during the year	-	-
Closing balance	**6,810**	**-**

Nature and purpose of other reserves

(i) General reserve

This reserve is used to record the transfers made from the retained earnings and was made on account of the requirements of the Companies Act, 1956 for payment of dividends.

(ii) Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend, for the purpose of redemption of debentures.

(iii) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

I) Equity Share Capital

Particulars	Note No	Amounts
Balance as at April 1, 2015		**1,839**
Changes in equity share capital during the year	11	**-**
Balance as at March 31, 2016		**1,839**
Changes in equity share capital during the year	11	**690**
Balance as at March 31, 2017		**2,529**

II) Other equity

Particulars	Reserves and surplus					
	Note No	General reserve	Debenture redemption reserve	Retained earnings	Securities Premium	Total
Balance as at April 1, 2015		**500**	**500**	**3,966**	**-**	**4,966**
Profit for the period	12			1,979	-	**1,979**
Other comprehensive income	12			(51)	-	**(51)**
Transactions with owners in their capacity as owners						
Transfer to debenture redemption reserve	12	-	500	(500)	-	**-**
Balance as at March 31, 2016		**500**	**1,000**	**5,394**	**-**	**6,894**
Profit for the period	12	-	-	4,488	-	**4,488**
Other comprehensive income	12	-	-	6	-	**6**
Transactions with owners in their capacity as owners						
Transfer to debenture redemption reserve		-	500	(500)	6,810	**6,810**
Dividends paid	33(b)	-	-	(304)	-	**(304)**
Balance as at March 31, 2017		**500**	**1,500**	**9,084**	**6,810**	**17,894**

Note - 13 : Non-Current Borrowings

All amounts in INR Lakhs unless otherwise stated

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured						
Debentures						
600, 10% Non-convertible debentures	14-Nov-2017 and 14-Apr-2018	Repayable on 14 November 2017 in case of Series A and 14 April 2018 in case of Series B	10.5% and 10% w.e.f 16-Dec-16	5,999	5,999	5,999
Term loans						
From banks						
Rupee loan	14-Nov-19	Repayable in sixteen equal installments from quarter ending December 2015	10.80% and 9.30% w.e.f 01-Jan-16	-	3,381	5,998
Unsecured						
From related parties						
Loan from fellow subsidiaries	20-Jul-19	Single repayment at end of the term	11%	-	100	5,339
Total Borrowings				**5,999**	**9,480**	**17,336**
Less: Current maturities of long-term debt (included in Note 20)				(3,000)	(967)	(1,093)
Non-current borrowings				**2,999**	**8,513**	**16,243**

The borrowings are secured as follows;

a) 10% Non-convertible debentures are secured under hypothecation by way of first pari-passu charge on movable fixed assets of the Company and Corporate guarantee issued by Chettinad Cement Corporation Limited (The Holding Company).

b) Term loan from banks are secured by a First Pari Passu charge on all Movable Fixed Assets and Corporate Guarantee issued by Chettinad Cement Corporation Limited (The Holding Company).

The carrying amount of financial and non-financial assets assets pledged as security for current and non-current borrowings are disclosed in Note 41.

Note - 14 : Other Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Interest accrued but not due on borrowings	-	-	238
Deposits from dealers	1,096	1,080	944
Others	6	5	5
Total other current financial liabilities	**1,102**	**1,085**	**1,187**

Note - 15 : Provisions

All amounts in INR Lakhs unless otherwise stated

Employee benefit obligations

Particulars	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	1	35	36	1	35	36	68	6	74
Gratuity	8	214	222	8	253	261	2	212	214
Superannuation	10	-	10	68	-	68	68	-	68
Total employee benefit obligations	**19**	**249**	**268**	**77**	**288**	**365**	**138**	**218**	**356**

(i) **Compensated absences**

The compensated absences obligations cover the Company's liability for the earned leave. The provision is presented as current and non-current based on the actuarial report obtained by the Company. However, based on past experience the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current compensated absences expected to be settled within the next 12 months	1	1	68

(ii) Post-employment obligations - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to the recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the period towards defined contribution plan is INR 73.81 Lakhs (March 31, 2016 - INR 74.26 Lakhs).

GRATUITY

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2015	**222**	**(8)**	**214**
Current service cost	12	-	12
Interest expense/(income)	18	(0)	18
Total amount recognised in profit or loss	**30**	**(0)**	**30**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	78	-	78
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	**78**	**-**	**78**
Employer contributions	-	(61)	(61)
Benefit payments	(5)	5	-
March 31, 2016	**325**	**(64)**	**261**
April 1, 2016	**325**	**(64)**	**261**
Current service cost	12	-	**12**
Interest expense/(income)	26	(5)	**21**
Total amount recognised in profit or loss	**38**	**(5)**	**33**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)			-
(Gain)/loss from change in demographic assumptions	(10)		(10)
(Gain)/loss from change in financial assumptions			-
Experience (gains)/losses			-
Total amount recognised in other comprehensive income	**(10)**	**-**	**(10)**
Employer contributions	-	(62)	(62)
Benefit payments	(31)	31	-
March 31, 2017	**322**	**(100)**	**222**

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Present value of funded obligations	322	325	222
Fair value of plan assets	(100)	(64)	(8)
Deficit of funded plan	**222**	**261**	**214**

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	March 31, 2017	March 31, 2016	April 1, 2015
Discount rate	8%	8%	8%
Salary growth rate	8%	8%	8%
Attrition rate	5%	5%	5%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for an employee retiring at age 58.

(v) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation (Increase/(Decrease)						
Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Discount rate	1%	1%	-10%	-11%	14%	13%
Salary growth rate	1%	1%	7%	6%	-6%	-7%
Attrition rate	1%	1%	-10%	-11%	14%	13%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(vi) **The major categories of plans assets are as follows:**

The Company has plan assets by way of investments funds in Life Insurance Corporation of India (LIC) under the group gratuity scheme. The fair value of the plan assets

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
	Unquoted	Unquoted	Total
Investment funds (Investments in LIC)	100	65	8
Total	**100**	**65**	**8**

(vii) **Risk exposure**

Through its defined benefit plans, The Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risks:

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to Government of India bond rate.If the return on plan asset is lower than this rate, then it will create a plan deficit.

Interest risks:

A decrease in bond rate will increase the plan liability although this will be partially offset by an increase in the value of the plans bond holdings.

Longevity risks (Life expectancy):

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Note - 16 : Deferred Tax Liabilities

All amounts in INR Lakhs unless otherwise stated

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred tax liabilities			
Property plant and equipment and intangible assets	3,674	3,214	2,819
Total deferred tax liabilities	3,674	3,214	2,819
Deferred tax assets			
Provision for employee benefits	(93)	(126)	(164)
Provision for doubtful debts	(75)	(68)	(32)
Others	(100)	(121)	(1,639)
Unused tax credits	(1,758)	(1,264)	(845)
Net deferred tax liabilities	**1,648**	**1,635**	**139**

Movement in deferred tax liabilities/(assets)

Particulars	Property plant and equipment and intangible assets	Provision for employee benefits	Provision for doubtful debts	Others	Unused tax credits	Total
At April 1, 2015	2,820	(164)	(32)	(1,639)	(845)	140
(Charged)/credited:						-
- to profit or loss	394	65	(36)	1,518	(419)	1,522
- to other comprehensive income	-	(27)	-	-		(27)
At March 31, 2016	**3,214**	**(126)**	**(68)**	**(121)**	**(1,264)**	**1,635**
(Charged)/credited:						
- to profit or loss	460	30	(7)	21	(494)	10
- to other comprehensive income	-	3	-	-		3
At March 31, 2017	**3,674**	**(93)**	**(75)**	**(100)**	**(1,758)**	**1,648**

Note - 17 : Government Grants

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	63	71	-
Less: Released to profit or loss	(8)	(8)	-
Closing balance	**55**	**63**	**-**
Current portion	8	8	8
Non-current portion	47	55	63
Total	**55**	**63**	**71**

Note - 18 : Current Borrowings

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<u>Secured</u>						
From Banks						
Bank Overdrafts	Payable on demand	Payable on demand	11% and 9.05% w.e.f. 16-Nov-16	720	1,768	573
Working capital demand loan	16-Sep-15	Single repayment at end of the term	11%	-	-	1,000
<u>Unsecured</u>						
From related parties						
Loan from holding Company	23-Nov-16	Payable on demand	8%	-	700	-
Total current borrowings				**720**	**2,468**	**1,573**

The borrowings are secured as follows;

a) Working Capital Demand Loan and Bank Overdrafts are secured under hypothecation by way of first pari-passu charge on current assets of the Company and Corporate guarantee issued by Chettinad Cement Corporation Limited (The Holding Company).

b) The carrying amount of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in Note 41.

Note - 19 : Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade payables	1,899	698	700
Total trade payables	**1,899**	**698**	**700**

Note - 20 : Other Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current maturities of long term debts - secured	3,000	967	754
Current maturities of long term debts - unsecured	-	-	24
Capital creditors	720	15	3
Expenses payable	1,034	1,122	687
Unpaid dividends*	25	26	34
Interest accrued but not due on non-convertible debentures	226	234	339
Others	0	0	1
Total other financial liabilities	**5,005**	**2,364**	**1,842**

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

Note - 21 : Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance from customers	943	912	1,052
Provision for income-tax	214	118	-
Statutory dues	83	48	91
Duties & taxes payable	558	750	425
Total other current liabilities	**1,798**	**1,828**	**1,568**

Note - 22 : Revenue from Operations

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Sale of products (including excise duty)	35,981	31,939
Other operating revenue	29	5
Total revenue	**36,010**	**31,944**

Note - 23 : Other Income

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest income on deposits with banks	140	58
Profit on sale of fixed assets	1	2
Interest income from financial assets at amortised cost	2	2
Government grants #	8	8
Others	1	1
Total other income	**152**	**71**

Government grants relates to the capital subsidy and power subsidy received for investment in property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants.

Note - 24 : Cost of Material Consumed

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Raw materials consumed:		
i) Limestone	2,292	1,893
ii) Gypsum	683	590
iii) Iron Ore	10	4
iv) Fly Ash	424	417
v) Granulated Slag	15	-
vi) Laterite	29	-
Total cost of material consumed	**3,453**	**2,904**

Note - 25 : Changes in inventories of finished goods, Stock-in -Trade and work-in-progress

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening balance		
Finished goods	271	351
Work-in-progress	229	866
Total Opening balance (A)	500	1,217
Closing balance		
Finished goods	257	271
Work-in-progress	556	229
Total Closing balance (B)	813	500
Total Changes in inventories of finished goods, stock-in-trade and work-in-progress (A-B)	(313)	717

Note - 26 : Employee benefit Expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries, wages and bonus	1,219	1,338
Contribution to provident and other funds	131	113
Gratuity	33	30
Leave compensation	15	90
Staff welfare expenses	60	71
Directors' Remuneration	45	30
Total employee benefit expense	**1,503**	**1,672**

Note - 27 : Depreciation and Amortisation Expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment	1,703	2,312
Amortisation of intangible assets	3	0
Total depreciation and amortisation expense	**1,706**	**2,312**

Note - 28 : Other Expenses

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Consumption of stores and spares	953	1,105
Power & Fuel	9,510	7,680
Packing Materials	1,218	1,146
Repairs & Maintenance		
Repairs & Maintenance - Building	4	2
Repairs & Maintenance - Plant & Machinery	258	213
Repairs & Maintenance - Others	108	213
Communication Expenses	12	12
Rent	69	65
Rates & Taxes	58	16
Travel & conveyance	145	149
Printing & Stationery	5	5
Professional charges	87	128
Payment to Auditors	8	12
Insurance	23	21
Provision for doubtful debts	20	104
Freight outward	4,690	2,084
Selling and marketing expenses	378	439
Miscellaneous Expenses	205	171
Others	358	232
Total other expenses	**18,109**	**13,797**

Details of payments to auditors

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Payment to auditors		
As auditors:		
Audit fee	4	4
Tax audit fee	2	2
In other capacities		
Certification fees	2	5
Reimbursement of expenses	0	1
Total	**8**	**12**

Note - 29 : Finance Costs

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest and finance charges on financial liabilities calculated using effective interest rate	944	1,583
Unwinding effect of discounting provisions	0	1
Total finance costs	**944**	**1,584**

Note - 30 : Income Tax Expense

(a) Income tax expense

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Current tax		
Current tax on profits for the year	1,219	924
Adjustments for current tax of prior periods	28	5
Total current tax expense	**1,247**	**929**
Deferred tax		
Decrease/(increase) in deferred tax assets	(476)	1,102
(Decrease)/increase in deferred tax liabilities	460	394
Total deferred tax expense/(benefit)	**(16)**	**1,496**
Income tax expense	**1,231**	**2,425**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit before income tax expense	5,719	4,404
Tax at the Indian tax rate of 34.608%	1,979	1,524
Tax credits for which no deferred income tax was recognised	(782)	-
Prior period tax expense	28	5
Other items	6	896
Income tax expense	**1,231**	**2,425**

Note - 31 : Fair Value Measurements

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial instruments by category									
Financial assets									
Trade receivables	-	-	1,754	-	-	1,207	-	-	1,465
Cash and cash equivalents	-	-	869	-	-	411	-	-	309
Security deposits	-	-	114	-	-	61	-	-	85
Loans			1			4			13
Total financial assets	**-**	**-**	**2,738**	**-**	**-**	**1,683**	**-**	**-**	**1,872**
Financial liabilities									
Borrowings	-	-	3,719	-	-	10,981	-	-	17,817
Trade payables	-	-	1,899	-	-	698	-	-	700
Others	-	-	6,108	-	-	3,448	-	-	3,029
Total financial liabilities	**-**	**-**	**11,726**	**-**	**-**	**15,127**	**-**	**-**	**21,546**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
Security deposits	4	-	-	115	115
Loans to employees	9	-	-	1	1
Loan to related parties	-	-	-	-	-
Total financial assets		**-**	**-**	**116**	**116**
Financial Liabilities					
Borrowings	13 & 18	-	3,719		3,719
Trade payables	19	-	-	1,899	1,899
Others	14 & 20	-	-	6,108	6,108
Total financial liabilities		**-**	**3,719**	**8,007**	**11,726**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2016	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
Security deposits	4	-	-	61	61
Loans to employees	9	-	-	4	4
Loan to related parties	-	-	-		
Total financial assets		**-**	**-**	**65**	**65**
Financial Liabilities					
Borrowings	13 & 18	-	10,981		10,981
Trade payables	19	-	-	698	698
Others	14 & 20	-	-	3,449	3,448
Total financial liabilities		**-**	**10,981**	**4,147**	**15,127**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at April 1, 2015	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
Security deposits	4	-	-	85	85
Loans to employees	9	-	-	10	10
Loan to related parties	9	-	-	2	2
Total financial assets		**-**	**-**	**97**	**97**
Financial Liabilities					
Borrowings	13 & 18	-	17,817		17,817
Trade payables	19	-	-	700	700
Others	14 & 20	-	-	3,029	3,029
Total financial liabilities		**-**	**17,817**	**3,729**	**21,546**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation processes

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Loans	1	1	4	4	12	12
Security deposits	114	115	61	61	85	85
Total financial assets	**115**	**116**	**65**	**65**	**97**	**97**
Financial Liabilities						
Borrowings	3,719	3,719	10,981	10,981	17,817	17,817
Total financial liabilities	**3,719**	**3,719**	**10,981**	**10,981**	**17,817**	**17,817**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. Since there are no changes in the borrowing rate contracted with the bank, thus the fair value is equal to the amortised cost.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note - 32 : Financial Risk Management

All amounts in INR Lakhs unless otherwise stated

The Company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long-term and Short-term borrowings at variable interest rates.	Sensitivity analysis	Availability of committed credit lines and borrowing facilities

The Company's risk management is carried out by the treasury team under policies approved by the board of directors. The treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors.

(i) Credit risk management

Credit risk is managed on a wholistic basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on external credit rating system. The finance department under the guidance of the board, assess the credit rating system. Credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk The Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(ii) *Provision for expected credit losses*

The Company provides for expected credit loss based on the following:

Internal rating	Category	Description of Category	Basis of recognition of expected credit loss provision	
			Loans and security deposits	Trade receivables
VL 1	High-quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where risk of default is negligible or nil	12-month expected credit losses	Life-time expected credit losses (simplified approach)
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past		
VL 3	Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong		
VL 4	Substandard assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due	Life-time expected credit losses	
VL 5	Low quality assets, very high credit risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due		
VL 6	Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Assets being written off	

Year ended 31 March 2017:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	115	0%	-	115

(b) Expected credit loss for trade receivables under simplified approach:

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	1,740	22	10	197	1,969
Expected loss rate	0	5%	10%	50%	
Expected credit losses (Loss allowance provision)	9	1	1	99	109
Provision carried in books #	17	9	4	185	215
Carrying amount of trade receivables (net of impairment)	**1,723**	**13**	**6**	**12**	**1,754**

Provision carried in books include provision made on specific identification.

Year ended 31 March 2016:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	65	0%	-	65

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	1,138	54	27	183	1,402
Expected loss rate	0.50%	5%	10%	50%	
Expected credit losses (Loss allowance provision)	6	3	3	92	103
Provision carried in books #	6	3	10	176	195
Carrying amount of trade receivables (net of impairment)	**1,132**	**51**	**17**	**7**	**1,207**

Provision carried in books include provision made on specific identification.

As at 01 April 2015:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	97	0%	-	97

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	1,315	43	75	124	1,557
Expected loss rate	0.50%	5%	10%	50%	
Expected credit losses (Loss allowance provision)	6	2	7	62	
Provision carried in books #	6	11	12	62	92
Carrying amount of trade receivables (net of impairment)	**1,309**	**32**	**63**	**62**	**1,465**

Provision carried in books include provision made on specific identification.

(iii) Reconciliation of loss allowance provision- Loans and deposits

There are no loss allowance provision created for the loans and deposits.

(iv) **Reconciliation of loss allowance provision – Trade receivables**

Loss allowance on 1 April 2015	92
Changes in loss allowance	104
Loss allowance on 31 March 2016	**195**
Changes in loss allowance	20
Loss allowance on 31 March 2017	**215**

(B) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The funding sources of the Company include short-term working capital loans from banks and related parties. Long term borrowings are primarily in the form of non-convertible debentures and term loans from banks.

(i) *Financing arrangements*

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Floating rate			
- Expiring within one year (bank overdraft)	1,280	232	1,427
- Expiring beyond one year (bank loans)	-	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of '5 ' years.

(ii) *Maturities of financial liabilities*

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
31 March 2017						
Non-derivatives						
Borrowings	720	-	-	2,999	-	3,719
Trade payables	1,899	-	-	-	-	1,899
Other financial liabilities	1,754	25	3,226	-	1,103	6,108
Total non-derivative liabilities	**4,373**	**25**	**3,226**	**2,999**	**1,103**	**11,726**
31 March 2016						
Non-derivatives						
Borrowings	2,468	-	-	3,000	5,513	10,981
Trade payables	698	-	-	-	-	698
Other financial liabilities	2,103	261	-	-	1,085	3,449
Total non-derivative liabilities	**5,269**	**261**	**-**	**3,000**	**6,598**	**15,128**
01 April 2015						
Non-derivatives						
Borrowings	1,573	-	-	-	16,243	17,816
Trade payables	700	-	-	-	-	700
Other financial liabilities	1,468	374	-	-	1,187	3,029
Total non-derivative liabilities	**3,741**	**374**	**-**	**-**	**17,430**	**21,545**

(C) **Market risk**

(i) **Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions with respect to US $ and EUR on account of purchase of capital goods. Foreign exchange risk arises from recognised liabilities denominated in a currency that is not the Company's functional currency (INR). Since the there are only insignificant foreign currency transactions, there are no high risks foreseen by the Company on account of foreign currency fluctuations.

The Company has not taken forward contracts, options, futures or any other derivative instruments to manage the foreign currency risk. The strategy followed by the Company is tracking the foreign currency exchange rates and settlement of the payables at the time when the exchange rates are favourable.

a) Foreign currency exposure

In absolute denominations

The Company's exposure to foreign currency risk at the end of the reporting period expressed in the EUR is as follows:

	As at March 31, 2017 EUR	As at March 31, 2016 EUR	As at April 1, 2015 EUR
Financial assets	-		
Net exposure to foreign currency risk (assets)	-		
Financial liabilities			
Trade payables	10,107		
Net exposure to foreign currency risk (liabilities)	**10,107**		

b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

	Impact on Profit after tax	
	As at March 31, 2017	As at March 31, 2016
EUR Sensitivity		
INR/EUR - Increase by 8% (31 March 2016 - NA)*	0.57	
INR/EUR - Decrease by 8% (31 March 2016 - NA)*	(0.57)	-

* Holding all other variables constant

(ii) Interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has not taken any interest rate swaps to convert the floating rate borrowings to fixed rate loans. The Company monitors the movement in the interest rates and uses the prepayment option to repay the borrowings at the time when the interest rates are unfavourable. The assessment of viability of using the pre-payment option shall be evaluated by the finance team.

a) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Variable rate borrowings	6,719	11,147	13,570
Fixed rate borrowings	-	800	5,339
Total	**6,719**	**11,947**	**18,909**

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit after tax	
	As at March 31, 2017	As at March 31, 2016
Interest rates – increase by 70 basis points (60 bps) *	(4)	(40)
Interest rates – decrease by 70 basis points (60 bps) *	4	40

* Holding all other variables constant

Note - 33 : Capital Management

(a) Risk management

For the purpose of capital management, capital includes issued equity capital attributable to the parent Company.

The Company's objectives when managing capital are to;

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Net debt	2,850	10,570	17,507
Total equity	20,423	8,733	6,805
Net debt to equity ratio	**0.14**	**1.21**	**2.57**

(i) Loan covenants

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

(b) **Dividends**

Particulars	As at March 31, 2017	As at March 31, 2016
(i) Equity shares		
Interim dividend for the year ended March 31, 2017 of INR 1 per fully paid share	304	-
(i) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 1 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	304	-

Note - 34 : Segment information

(a) **Description of segments and principal activities**

The Company primarily operates in the cement segment. The Chief Operating Decision Maker (CODM) reviews the performance of the cement segment at the consolidated level and makes decisions on sales volumes and profitability.

(b) **Major Customers in Cement Segment**

25% of Revenue is coming from 28 customers in cement segment.

Note - 35 : Related Party Transactions

(a) **Parent entities**

The Company is controlled by following entity:

Name of entity	Ownership interest held by the group				
	Place of Incorporation	Registered Address	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Chettinad Cement Corporation Limited - Holding Company	India	Rani Seetaiah Hall Building No : 603, Annasalai,Chennai - 600006	75%	75%	75%

(b) **Subsidiaries and Fellow Subsidiaries**

The Company does not have any subsidiaries and fellow subsidiaries.

(c) **Key management personnel compensation**

Mr A.Subramanian, Managing Director

Particulars	As at March 31, 2017	As at March 31, 2016
Short-term employee benefits	48	29
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Total compensation	**48**	**29**

(d) **Transactions with related parties**

The following transactions occurred with related parties:

Particulars	As at March 31, 2017	As at March 31, 2016
Parent Company		
Interest on loans taken	192	76
Loans taken	4,300	3,500
Loans repaid	5,000	2,800

(e) **Outstanding balances arising from sales/purchases of goods and services**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	As at March 31, 2017	As at March 31, 2016
Trade payables	-	-
Entities controlled by key management personnel	-	-

Total payables to related parties

Particulars	As at March 31, 2017	As at March 31, 2016
Trade receivables	-	-
Entities controlled by key management personnel	-	-
Total receivables from related parties	**-**	**-**

Note - 36 : Contingent Liabilities and Contingent Assets

(a) **Contingent liabilities** **All amounts in INR Lakhs unless otherwise stated**

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Claims against the Companies not acknowledged as debts			
Income tax related	295	295	295
Excise related *	180	180	180
Customs related **	130	130	130
Service tax related	-	3	3
Others	138	138	239
Total	**743**	**746**	**847**

*Does not include penalty amount of Rs.180.32 Lakhs

**Does not include penalty amount of Rs.103.70 Lakhs

(b) **Contingent assets**

The Company does not have any contingent assets as at March 31, 2017, March 31, 2016 and April 1, 2015.

Note - 37 : Commitments

(a) **Capital commitments (net of capital advances)**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for;			
Property, plant and equipment	890	6,080	282
Investment property	-	-	-
Intangible assets	-	-	-
Total	**890**	**6,080**	**282**

Note - 38 : Other Disclosure

(a) Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is provided as below :

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016 In Rupees	198,000	237,169	435,169
(+) Permitted Receipts In Rupees	-	365,228	365,228
(-) Permitted Payments In Rupees	103,500	397,408	500,908
(-) Amount deposited in Banks In Rupees	94,500	-	94,500
Closing Cash in Hand as on 30.12.2016 In Rupees	**-**	**204,989**	**204,989**

(b) Corporate Social Responsibility (CSR)

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 (CSR) Policy.

The Company has spent Rs 24.49 lakhs during financial year 2016-17 towards CSR activities.

(c) The Company has 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 year end together with interest paid or payable as required under the said Act have not been given.

(d) Power & Fuel cost shown in Note 28 is net of Captive Power Plant Income.

Note - 39 : Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS (Refer note 1 on the basis for preparation). The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (The Company's date of transition).

In preparing its first Ind AS financial statements in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has applied the relevant mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS. Material optional exemptions applied by the Company are as follows:

A.1 Ind AS optional exceptions

1. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

The Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2. Stripping costs in the production phase of a surface mine

The Company has elected to apply this exemption and follow the requirements of Appendix B of Ind AS 16 only for the stripping activity undertaken after the transition date.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

C: Notes to first-time adoption:

Note 1: Trade receivables

As per Ind AS 109, The Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by INR 8.37 lakhs as at 31 March 2016 (1 April 2015 – 66.46 lakhs). Consequently, the total equity as at 31 March 2016 decreased by INR 66.46 lakhs (1 April 2015 – 8.37 lakhs) and profit for the year ended 31 March 2016 increased by INR 58.09 lakhs.

Note 2: Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, The Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by INR 9.60 lakhs as at 31 March 2016 (1 April 2015 – INR 11.46 lakhs). The prepaid rent increased by INR 9.17 lakhs as at 31 March 2016 (1 April 2015 - INR 11.46 lakhs). However there was no change in equity as at April 1, 2015. The profit for the year and total equity as at 31 March 2016 decreased by INR 0.43 lakhs due to amortisation of the prepaid rent of INR 2.29 lakhs which is partially off-set by the notional interest income of INR 1.86 lakhs recognised on security deposits.

Note 3: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2016 increased by INR 78.04 lakhs. There is no impact on the total equity as at 31 March 2016.

Note 4: Borrowings

Ind As 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of the borrowings on initial recognition. These costs are recognised in the statement of profit or loss over the tenure of the borrowing as a part of the interest expense by applying the effective interest rate method. Under the previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31 March 2016 have been reduced by INR 3.98 lakhs (1 April 2015 - INR 7.09 lakhs) with a corresponding adjustment to the retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31 March 2016 reduced by INR 3.11 lakhs as a result of the additional interest expense.

Note 5: Decommissioning cost

Under the previous GAAP, recognition of decommissioning cost liability was not mandatory and also discounting of provisions was not allowed. Under Ind AS, the decommissioning liability in respect of the mines have been recognised at discounted amounts since the effect of time value of money is material. Accordingly the non-current provisions have been discounted to their present values. This change has reduced the non-current provisions as at 1 April 2015 by INR 9.36 lakhs. Consequently the profit for the year ended 31 March 2016 decreased by INR 0.62 lakhs due to unwinding of interest on the decommissioning liability initially recognised.

Note 6: Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under the Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in the total revenue and total expenses for the year ended 31 March 2016 by INR 4624.48 lakhs. However there is no impact on total equity and profit.

Note 6: Capitalisation of stores and spares

Under the previous GAAP, there was no guidance on capitalisation of the stores and spares as an item of property, plant and equipment. Under the Ind AS 16, stores and spares whose estimated useful life is more than one period (assumed to be equal to normal operating cycle of 12 months) are to be capitalised and be depreciated over the useful life. Consequently the Company had capitalised stores and spares for INR 49.63 lakhs as at 1 April 2015. The accumulated depreciation on those spares from the respective date adjusted against the retained earnings has reduced the equity by INR 8.98 lakhs as at 31 March 2016 (1 April 2015 - INR 4.97 lakhs).

Note - 40 : Earnings per Share

All amounts in INR Lakhs unless otherwise stated

(a) Basic earnings per share

Particulars	As at March 31, 2017	As at March 31, 2016
Basic earnings per share attributable to the equity holders of the Company in Rupees	18.60	9.87

(b) Diluted earnings per share

Particulars	As at March 31, 2017	As at March 31, 2016
Diluted earnings per share attributable to the equity holders of the Company in Rupees	18.60	9.87

(c) Reconciliations of earnings used in calculating earnings per share

Particulars	As at March 31, 2017	As at March 31, 2016
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basis earnings per share	4,488	1,979
	4,488	1,979
Diluted earnings per share		
Profit attributable to equity holders of the Company	4,488	1,979
Used in calculating basis earnings per share		
Used in calculating diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating basis earnings per share	4,488	1,979

Note - 41 : Assets Pledged as Security

All amounts in INR Lakhs unless otherwise stated

The carrying amount of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Financial assets			
First charge			
Trade receivables	1,754	1,207	1,465
Cash and cash equivalents	869	411	309
Loans	1	4	12
Others	91	40	66
Non-financial assets			
First charge			
Inventories	3,396	1,901	3,692
Other current assets	2,829	1,554	3,812
Total current assets pledged as security	**8,940**	**5,117**	**9,356**
Non-Current			
First charge			
Plant and Machinery	21,748	15,142	-
Furniture and Fixtures	6	10	-
Office Equipment	17	19	-
Vehicles	25	32	-
Total non-current assets pledged as security	**21,796**	**15,203**	**-**
Total assets pledged as security	**30,736**	**20,320**	**9,356**

Note - 42 : Events Occurring after the Reporting Period

No events were noted after the reporting period which require an adjustment nor disclosure as provided under Ind AS 10.

As Per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 24363

For and on behalf of the Board

A. Subramanian
Managing Director
(DIN 06693209)

V. Subramanian
Director
(DIN 06693099)

P. Gopal
Director
(DIN 06630431)

S. B. Nirmalatha
Director
(DIN 03092392)

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary
M. No. 30525

Place: Chennai
Date : 25-05-2017

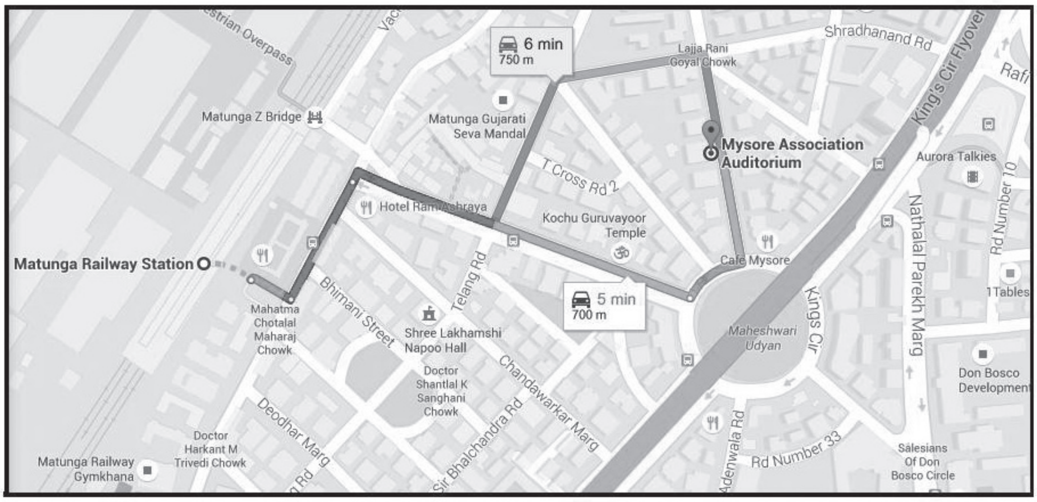
ROUTE MAP TO AGM VENUE

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

CIN:L26942MH1983PLC265166

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

email id: secretarial@anjanicement.com, website: www.anjanicement.com

ATTENDANCE SLIP

(To be presented at the entrance)

33rd ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 8, 2017 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.

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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 :____

DP 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 Third Annual General Meeting of the Company to be held on Friday, 8th September, 2017 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. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a final Dividend of ₹ 1/- per share for the financial year ended March 31, 2017.
3. To appoint a Director in place of Dr (Mrs.) S.B. Nirmalatha, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To ratify the appointment of M/s Ramanatham & Rao , Chartered Accountants (Firm Registration No. S-2934) as Statutory Auditors to hold office till the conclusion of the next Annual General Meeting.
5. To ratify remuneration of payable to M/s Narasimha Murthy & Co (Registration No. 000042), Cost Auditors for the financial year 2017-18.
6. To approve Related Party Transactions with Chettinad Cement Corporation Private Limited.
7. To appoint Mrs. V. Valliamai as Independent Director of the Company.

Signed this_____ day of ______2017

Affix
Re. 1.00
Revenue
stamp

Signature of Shareholder__________________________

Signature of Proxy Shareholder_____________________

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.

ANJANI
CEMENT

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

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