

25th Annual Report 2008-2009



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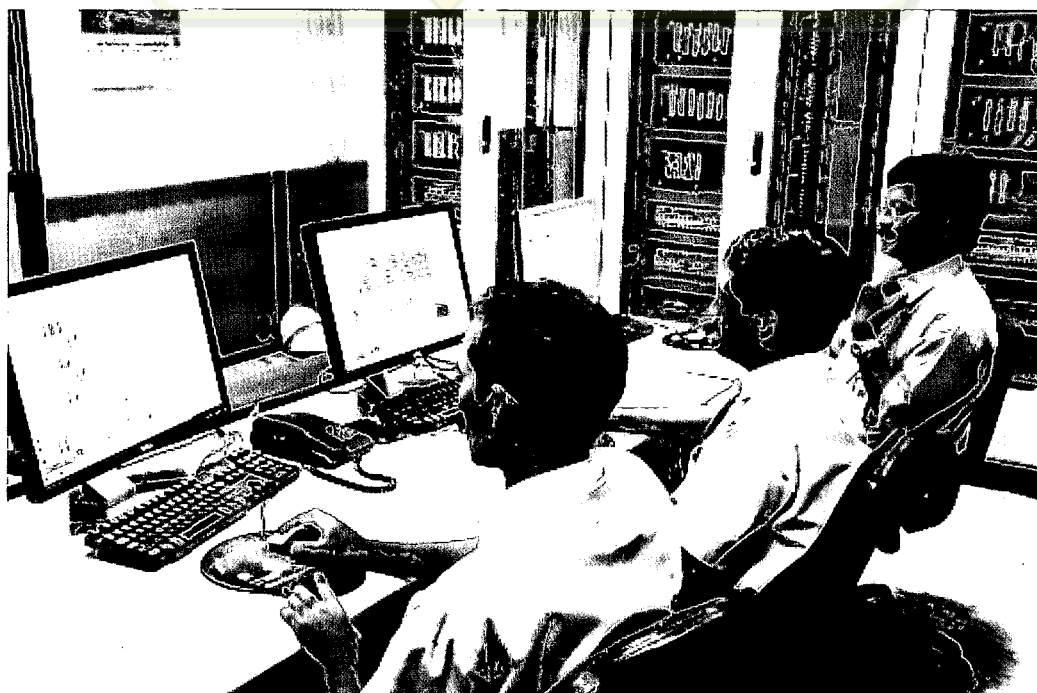


ANJANI PORTLAND CEMENT LIMITED



Anjani Cement Plant

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Central Control Room of Cement Plant

BOARD OF DIRECTORS

K.V. Vishnu Raju	Chairman & Managing Director
P.V.R.L. Narasimha Raju	Executive Director
Vanitha Datla	Whole-time Director (upto 23.06.2008)
V.V. Rama Raju	Director (upto 08.12.2008)
R.A. Rama Raju	Director
P.S. Ranganath	Director

MANAGEMENT TEAM

S.V.S. Shetty	Chief Executive Officer
S.N. Raju	Vice President (Works)
Ch.Gandhi Raju	Vice President (Marketing)
P.Rajendra Babu	Chief General Manager (Finance) & Company Secretary
P.Sitharama Raju	Senior General Manager (Mechanical)
N.Venkata Raju	Senior General Manager (Works)
P.Satyanarayana Raju	Group General Manager (HR & MS)
P.Ganapathi Raju	General Manager (Quality Control)
M.Nagabhushana Rao	General Manager (Projects)
P. R. Raju	Financial Advisor

REGISTERED OFFICE

"Sitha Nilayam",
153, Dwarakapuri Colony,
Punjagutta,
Hyderabad – 500 082

FACTORY

Chintalapalem (Village),
Mellacheruvu (Mandalam)
Nalgonda (District)
Andhra Pradesh

STATUTORY AUDITORS

M. Anandam & Co.,
Chartered Accountants,
7 'A', Surya Towers, S.P. Road,
Secunderabad – 500 003

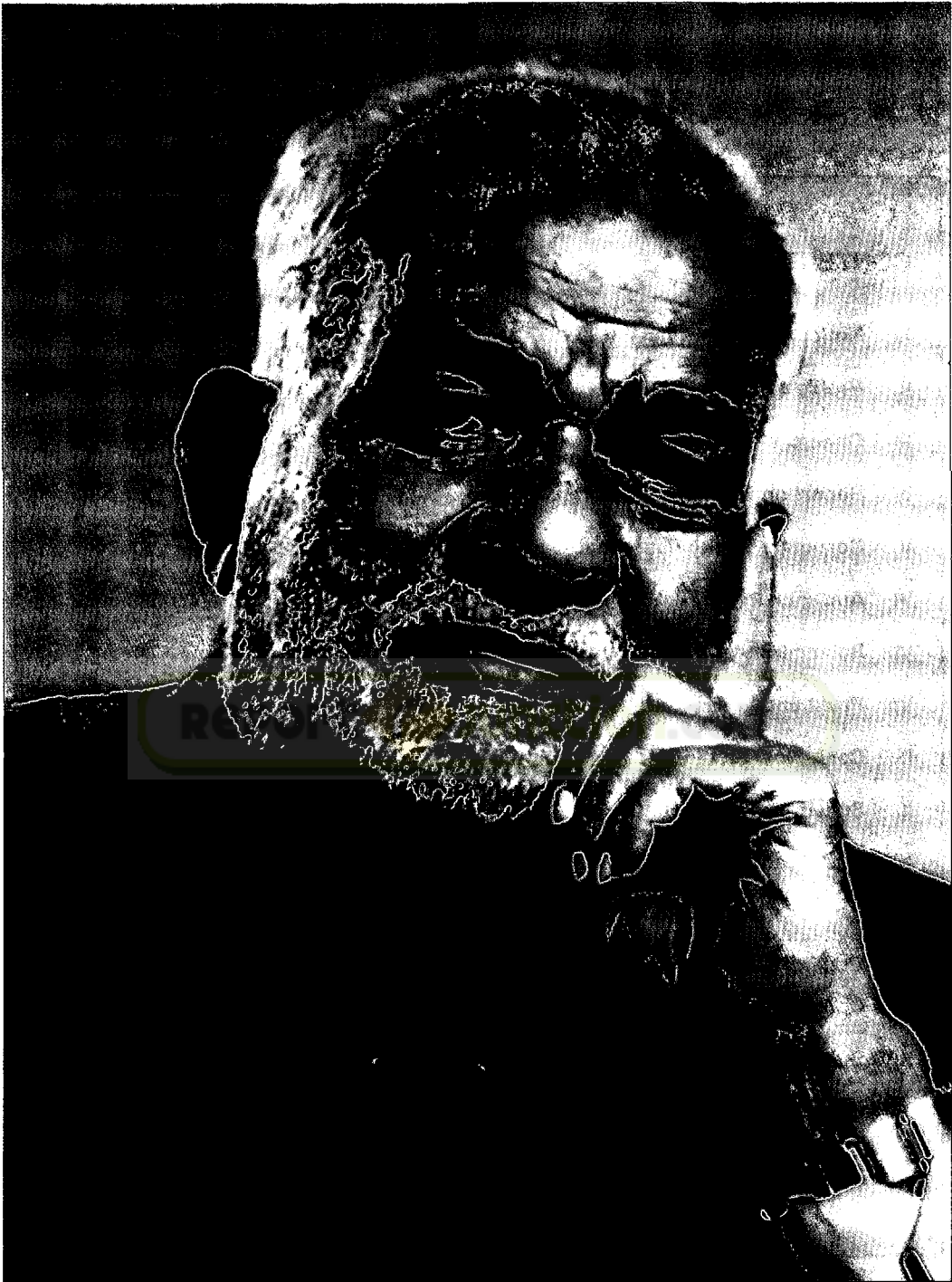
BANKERS

State Bank of India
Punjab National Bank
Indian Overseas Bank
State Bank of Hyderabad

Registrars & Share Transfer Agents :

Sathguru Management Consultants (P) Ltd. Plot No. 15, Hindi Nagar, Punjagutta,
Hyderabad - 500 034. Phone No(s) : 040-23356507, 23356975
E-mail : sta@sathguru.com

Anjani Portland Cement Limited



Padma Bhushan Dr. B.V.Raju - The Guiding Force

Anjani Portland Cement Limited

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Anjani Portland Cement Limited

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Friday, the 25th day of September, 2009 at 11.00 A.M. at Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2009, and the Audited Balance Sheet together with the Report of the Board of Directors' and the Auditors' thereon.
2. To declare dividend on Equity shares.
3. To appoint a Director in place of Mr. R.A. Rama Raju, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and fix their remuneration.

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By order of the Board

P. Rajendra Babu

Chief General Manager (Finance)
& Company Secretary

Place : Hyderabad

Date : 25.6.2009



Anjani Portland Cement Limited

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. The proxy form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Members are requested to notify immediately any change in their address to the Demat Registrar & Share Transfer Agents of the Company.
4. The Register of Members and share transfer books of the Company will remain closed from Saturday, the 19th September, 2009 to Friday, the 25th September, 2009 (both days inclusive).
5. Payment of Dividend on shares, if declared at the meeting, will be made to those members whose names appear on the Company's Register of Members on 25th September, 2009 and as per list of beneficial ownership furnished by depositories for this purpose for shares held in Electronic Form.
6. Members are requested to utilize the Electronic Clearing System (ECS) for receiving dividend and may accordingly advise their Depository Participants in case the shares are held in electronic form and the Registrar & Share Transfer Agent in case of shares in physical form.
7. The members may note that share transfers, otherwise than through stock exchanges, in physical mode, will have to be sent to the company's Registrar & Share Transfer Agents M/s. Sathguru Management Consultants (Pvt) Limited directly for processing. The members may contact the Registrar & Share Transfer Agents of the Company (Ph: 23356507, 23356975) for any further clarification in this regard.
8. The shares of the Company are listed with Mumbai Stock Exchange. The Listing Fee for the year 2009 – 2010 has been paid to the Stock Exchange.
9. Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting.
10. A member desirous of seeking any information on the accounts or operations of the Company is requested to forward his/her query to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
11. Information required under Listing Agreement entered into with the Stock Exchange(s) with respect to the Directors retiring by rotation and Directors who are retiring at this Annual General Meeting is given under the head "Corporate Governance".

Anjani Portland Cement Limited

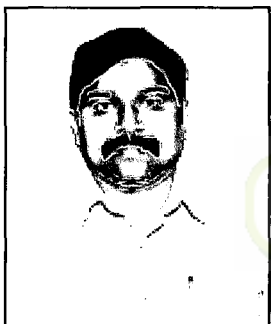
Profile of Directors



Mr. K.V. Vishnu Raju
Chairman and Managing Director

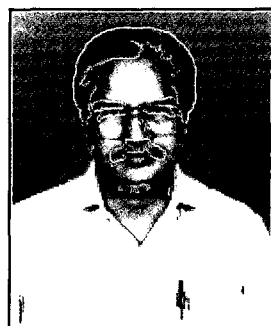
Mr. K.V. Vishnu Raju is the Chairman & Managing Director of the Company. He did his B.Tech in Chemical Engineering at R.E.C., Trichy and then M.S. from the Michigan Technological University in U.S. He started his career with Dupont, U.S.A. and later joined Raasi Cement Limited as Executive Director. His expertise in cement technology helped to bring remarkable change at Raasi Cements, where he later became the Managing Director. He is also credited in achieving a turn around of Raasi Ceramics Limited, where he was the Vice Chairman. Currently his visionary guidance has enabled the team at Anjani to achieve a commendable turn-around performance.

Mr. K.V. Vishnu Raju is also the Chairman of Sri Vishnu Educational Society, which runs a host of Educational Institutions.



Mr. P.V.R.L. Narasimha Raju
Executive Director

Mr. P.V.R.L. Narasimha Raju is a commerce graduate from Osmania University and has rich experience in Marketing and Finance in Cement, Construction, Ceramics and Agri-Business. He is actively involved in the marketing activities of Anjani Portland Cement Limited and also instrumental in execution of Power Plant i.e. Vennar Ceramics Ltd.



Mr. R.A. Rama Raju
Director

Mr.R.A. Rama Raju has done his B.Tech in Mechanical Engineering & has over 35 years of experience in the Cement Industry. He started his career in A.P. Scooters and had a long stint in Raasi Cement Ltd., and Priyadarshini Cement Ltd.,



Mr. P.S. Ranganath
Director

Mr. P.S. Ranganath, Chartered Accountant in practice for more than 17 years. JBRK & Co is a five partner firm having wide experience in management consultancy services and audits of public sector, government and private sector in areas including internal audit and special audits.

Anjani Portland Cement Limited

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report together with the audited accounts and Cash Flow statement for the year ended 31st March, 2009.

Financial Results:

The Financial results for the year ended 31st March, 2009 are summarised below:

	2008- 2009 Rs. in Lakhs	2007 - 2008 Rs. in Lakhs
Sale / Income	16622.46	13565.80
Profit before		
Interest, Depreciation	3536.49	3273.50
Less : Interest	629.14	655.72
Less : Depreciation	372.93	312.89
Profit for the year	2534.42	2304.89
Provision for Taxation	832.88	373.85
Fringe Benefit Tax	10.93	7.33
Deferred Tax	23.35	292.59
Profit after Taxation	1667.26	1631.12

Appropriations:

General Reserve	90.00	90.00
Dividend	275.84	275.84
Dividend Tax	46.88	46.88

Review of Operations:

The Company has achieved a record production of 474030 M.T of Cement compared to previous year's production of 407851 M.T. of Cement registering an increase of 16 %, mainly because of better utilization of capacities and increase in the production of blended cement.

The gross sales for the financial year under review were at Rs166.00 Crores as against Rs 135.53 Crores for the previous financial year registering an increase of 22 %. The Profit before tax of Rs. 25.34 Crores and Profit after tax of Rs 16.67 Crores for the financial year under review as against Rs 23.05 Crores and

Rs 16.31 Crores respectively for the previous financial year have improved by 10 % and 2.21% respectively.

Expansion Project:

Your company has taken up expansion by adding additional capacity of 0.66 million tonnes of cement. The total cost of the expansion is estimated at Rs 181.53 Crores, of which Rs 115 Crores is being met by the Term Loans from Banks and the balance from internal accruals/unsecured loans.

The financial closure for the term loans has been completed with State Bank of India, Punjab National Bank, Indian Overseas Bank and State Bank of Hyderabad. It is expected that the Commercial Production would commence in the first quarter of the financial year 2010-2011. The production capacity of the Company, after expansion would be 1.20 million Tonnes per annum.

Dividend:

The Board of Directors of the Company has recommended a dividend of Rs. 1.50 per equity share of Rs.10/- each on Paid up Equity Share Capital of the Company for the year ended 31st March, 2009.

Fixed Deposits:

The aggregate amount of deposits accepted by the Company stood at Rs.113.64 Lakhs and matured and unclaimed deposits as on 31st March, 2009 were NIL.

Directors:

In accordance with the provisions of the Companies Act, 1956 and in terms of Articles of Association of the Company Mr. R.A. Rama Raju retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The detailed profile of the above director is given under the head "Corporate Governance".

During the year Mrs. Vanitha Datla and Mr. V.V. Rama Raju have resigned as Directors effective 23.06.2008 & 08.12.2008 respectively. The Board takes this opportunity to thank them for their valuable contribution during the tenure of their directorship.



Anjani Portland Cement Limited

Directors' Responsibility Statement:

Pursuant to provision of Section 217 (2AA) of the Companies (Amendment) Act, 2000 your Directors hereby confirm :

a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;

c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the Directors have prepared the accounts for the financial year ended 31st March, 2009 on a 'going concern' basis.

Subsidiary Companies:

The Ministry of Corporate Affairs (MCA), Government of India vide their letter No.47/188/2009-CL-III, dated 24.4.2009, granted exemption from attaching the Balance Sheet, Profit & Loss Account, Directors Report and Auditors Report of Subsidiary Companies to the Balance sheet of the Company. Your Company will provide with the copy of the Annual Accounts of the subsidiary companies and other related information upon written request by any member of your Company or its Subsidiary Companies. These documents will be available for inspection by any shareholder at the Registered Office of the Company, on any working day during business hours.

A statement of Anjani Portland Cement Limited (Holding Company) interest in Hitech Print Systems Limited and Vennar Ceramics Limited (Subsidiary Companies) is enclosed as required under Section 212 of the Companies Act, 1956.

The information of Subsidiary companies as required to be disclosed as per the directions given by MCA while granting exemption under section 212(8) of the Companies Act, 1956 is enclosed and forms part of the Annual Report.

Consolidated Financial Statements:

Your Directors have pleasure in attaching the consolidated financial statements pursuant to Clause 41 of the Listing Agreement entered into with the Stock Exchanges. These statements were prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India in this regard.

The Auditors' Report does not contain any qualifications.

Corporate Governance:

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, forms part of this Report.

Auditors:

M/s. M. Anandam & Co., Chartered Accountants, Secunderabad, the Statutory Auditors of the company, retire at the ensuring Annual General Meeting and are eligible for re-appointment.

Particulars of Employees:

Information on particulars of employees under Section 217 (2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975 (as amended) forms part of this Report.