



Anjani Portland Cement Limited

36th Annual Report

2019-20





36th Annual Report 2019 - 20

www.anjanicement.com

Anjani Portland Cement Limited

Board of Directors

Mr. N. Venkat Raju		Managing Director (w.e.f. January 24, 2020)
Mrs. V. Valliammai		Chairperson, Independent Director
Mr. A. Subramanian		Non-Executive Director (w.e.f. January 19, 2020) (Managing Director till January 18, 2020)
Mr. RM Palaniappan		Independent Director
Mr. V. Palaniappan		Non-Executive Director
Dr. (Mrs.) S.B. Nirmalatha		Non-Executive Director

Management Team

Mr. A. Narayana Rao		Sr. Vice President (Marketing) (w.e.f. June 10, 2020)
Mr. M.L. Kumavat		Chief Financial Officer
Mr. M. Nagabhushana Rao		Vice President (Mechanical)
Mr. D.V. Subba Raju		Assistant Vice President (E & I)
Mr. Rohit Taparia		Company Secretary (w.e.f. April 01, 2020)

Registered Office

A-610, Kanakia Wall Street,
Chakala Junction,
Andheri-Kurla Road,
Andheri (East),
Mumbai – 400093

Corporate Office

#6-3-553, Unit Nos. E3 & E4,
4th Floor, Quena Square,
Off Taj Deccan Road, Erramanzil,
Hyderabad – 500082

Statutory Auditors

Ramanatham & Rao
Chartered Accountants,
P.B.No. 2102, Flat No. 302,
Kala Mansion, Sarojini Devi Road,
Secunderabad – 500003, TS

Cost Auditors

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

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 – 500482

Registrars & Share Transfer Agents

KFIN Technologies 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.

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PERFORMANCE AT A GLANCE

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
PRODUCTION in MT's							
Cement	8,01,105	6,55,896	7,57,229	8,49,656	9,18,441	9,88,030	8,29,656
Capacity Utilisation (%)	69%	57%	65%	73%	79%	85%	72%
SALES IN MT's							
Cement & Clinker	8,57,318	6,85,022	7,60,174	8,49,933	9,26,810	11,69,878*	11,07,446**

*Including 1,77,565 MT of Traded Cement **Including 2,24,098 MT of Traded Cement

FINANCIAL HIGHLIGHTS	(₹ in Lakhs)						
Turnover (Gross)	32,590	30,436	31,944	36,010	37,359	43,747	40,893
Gross Profit	2,321	5,236	8,300	8,369	6,068	5,750	8,393
Finance Costs	3,538	2,780	1,584	944	625	172	33
Depreciation	1,491	1,059	2,312	1,706	1,875	1,913	2,004
Profit/(Loss) Before Tax	(2,708)	1,397	4,404	5,719	3,568	3,665	6,356
<i>Provision for Taxation</i>							
- Current Tax	106	-	929	1,247	763	1,419	2,369
- Deferred Tax	(879)	(274)	1,496	(16)	461	(70)	(48)
Net Profit/(Loss) After Tax	(1,935)	1,671	1,979	4,488	2,344	2,316	4,035
PAID - UP SHARE CAPITAL	1,839	1,839	1,839	2,529	2,529	2,529	2,529
RESERVES & SURPLUS	4,280	5,907	6,894	17,894	19,944	21,636	24,863
RATIOS							
PBDIT to Gross Sales	7.28%	17.33%	25.99%	23.26%	16.25%	13.14%	20.52%
(%) PBT to Gross Sales	(8.49%)	4.62%	13.79%	15.90%	9.55%	8.38%	15.54%
(%) EPS (in Rupees)	(10.52)	9.09	9.87	18.60	9.27	9.16	15.96
Debt to Equity	2.38	2.47	1.58	0.37	0.18	0	0
Book Value per share (in Rupees)	33	42	47	81	89	96	108
Dividend (%)	-	-	-	20	20	25	50

ANJANI PORTLAND CEMENT LIMITED



CIN: L26942MH1983PLC265166

Regd. Office: A-610, Kanakia Wall Street, Chakala Junction, Andheri-Kurla Road,
Andheri (East), Mumbai 400093. Tel. No.: 022 62396051

Email id: secretarial@anjanicement.com, website: www.anjaniment.com

Notice

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Friday, August 21, 2020, at 12.00 noon through Video Conferencing (VC) / Other Audio Visual Means (OAVM) 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, 2020, together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year 2019-20.
3. To appoint a Director in place of Mr. V. Palaniappan (DIN: 00645994) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. A. Subramanian (DIN: 06693209) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Appointment of Mr. N. Venkat Raju as Director:

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

"RESOLVED THAT, pursuant to recommendation of the Nomination and Remuneration and Committee, as approved by the Board of Directors of the Company and subject to the provisions of Section 149 and 152 of the Companies Act, 2013 and other applicable provisions, if any, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, including any statutory modification or re-enactment thereof for the time being in force, Mr. N. Venkat Raju (DIN: 08672963) who was appointed as an Additional Director of the Company with effect from January 24, 2020 under Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, and whose term of office expires at the ensuing Annual General Meeting and in respect of whom, the Company has received a notice under Section 160 of the Companies Act 2013, be and is hereby appointed as a Director of the Company."

6. Appointment of Mr. N. Venkat Raju as Managing Director:

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

"RESOLVED THAT in accordance with the provisions of Section 196, 197, 203 and the Schedule V and Article of Association of the Company and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 as amended from time to time, the consent of the Company be and is hereby accorded to the appointment of Mr. N. Venkat Raju (DIN: 08672963) as the Managing Director of the Company for a period of five years effective from January 24, 2020 to January 23, 2025 subject to control, superintendence and direction of the Board of Directors of the Company, who are hereby authorized to delegate to him such further powers of substantial management of the Company as they may deem fit.

RESOLVED FURTHER THAT, Mr. N. Venkat Raju, Managing Director (effective from January 24, 2020) be paid a remuneration of ₹ 66,78,084/- (Rupees Sixty Six Lakhs Seventy Eight Thousand and Eighty Four Only) per annum and subject to such revision as may be recommended by Nomination and Remuneration Committee and decided by the Board during the tenure of his office.

RESOLVED FURTHER THAT in the event of Loss or inadequacy of Profits, in any Financial Year, the Board of Directors of the Company be and are hereby authorized to sanction such yearly remuneration payable to Mr. N. Venkat Raju, Managing Director, such that the remuneration shall not exceed the maximum limits prescribed under Part A of Section II of Part II of the Schedule V of the Companies Act, 2013 based on the Effective Capital of the Company.

RESOLVED FURTHER THAT, the remuneration payable to Mr. N. Venkat Raju, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

7. Ratification of Remuneration payable to Cost Auditor:

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 and the relevant rules thereunder, a remuneration of ₹ 2,00,000 (Rupees Two Lakhs 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, 2021 as approved by the Board of Directors of the Company be and is hereby ratified."

8. Approval for Material Related Party Transactions:

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

"RESOLVED THAT, pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and the relevant rules thereunder and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the approval of shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Chettinad Cement Corporation Private Limited ("CCCPL"), a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, for purchase and sale of cement and allied products, materials and services on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 200 Crore per financial year starting from F.Y. 2020-21 for a period of three financial years, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and also to delegate all or any of the above powers to the Managing Director of the Company."

On Behalf of the Board of Directors

Rohit Taparia

Company Secretary

Membership No A35756

Date: June 29, 2020

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. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. Corporate Members are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to KFin Technologies Private Limited (Kfintech), Registrar and Transfer Agent, by e-mail through its registered e-mail address to raghu.veedha@kfintech.com or secretarial@anjanacement.com.
5. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.anjanacement.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Kfintech at www.kfintech.com.
6. Members whose email address are not registered can register the same in the following manner:
 - a. Members holding share(s) in physical mode can register their e-mail ID by sending mail to raghu.veedha@kfintech.com and provide the requisite details of their holdings and documents for registering their e-mail address; and
 - b. Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.
7. The Company has engaged the services of Kfintech, Registrar and Transfer Agent as the authorized agency for conducting of the AGM and providing e-voting facility.
8. Relevant documents referred to in the accompanying Notice calling the AGM are available on the website of the Company for inspection by the Members.
9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
11. Members are advised to refer to the section titled 'Investor Relation' provided on the website of the Company at www.anjaniment.com for the Annual Report.
12. As mandated by SEBI, effective from April 1, 2019, that securities of listed companies shall be transferred only in dematerialised form. In order to facilitate transfer of share(s) in view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.
13. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, August 15, 2020 to Friday, August 21, 2020 (both days inclusive). The record date for determining entitlement to dividend for the year ended March 31, 2020 to be declared at the AGM shall be Friday, August 14, 2020.
14. Instructions for attending the AGM and e-voting are as follows:

A. Instructions for attending the AGM:

1. Members will be able to attend the AGM through VC / OAVM by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM at <https://evoting.karvy.com/>. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be closed on expiry of 15 minutes from the conclusion of the AGM. Members who want to ask question may write to the company at secretarial@anjaniment.com atleast two days prior to the date of AGM and the same will be answered during the AGM.
3. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
4. Members who need technical assistance before or during the AGM, can contact Kfintech at 18003454001 (toll free) or contact Mr. Raghunath Veedha on (040)67161606 or write mail at emeetings@kfintech.com.

B. Instructions for e-voting:

1. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of the SEBI Listing Regulations, the Company is offering e-voting facility to all Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. August 14, 2020 only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM. Kfintech will be facilitating remote e-voting to enable the Members to cast their votes electronically. Members can cast their vote online from 10:00 A.M. (IST) on Tuesday, August 18, 2020 till 5:00 P.M. (IST) on Thursday, August 20, 2020. At the end of remote e-voting period, the facility shall forthwith be blocked.
2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
3. The Members present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
4. The procedure and instructions for e-voting are as follows:
 - a. Open your web browser during the remote e-voting period and navigate to <https://evoting.karvy.com>.
 - b. Enter the login credentials (i.e., user-id and password) mentioned in the letter. Your Folio No. / DP ID No. / Client ID No. will be your User- ID.

User – ID For Members holding shares in Demat Form:-

For NSDL :- 8 Character DP ID followed by 8 Digits Client ID.

For CDSL :- 16 digits beneficiary ID.

User – ID For Members holding shares in Physical Form:-

Event Number followed by Folio No. registered with the Company.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.

- c. After entering these details appropriately, click on "LOGIN".
 - d. Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). Kindly note that this password can be used by the Demat holders for voting in any other Company on which they are eligible to vote, provided that the other company opts for e-voting through Kfintech e-voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it.
 - e. You need to login again with the new credentials.
 - f. On successful login, system will prompt you to select the 'Event' i.e. 'Company Name'.
 - g. If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and have cast your vote earlier for any company, then your existing login ID and password are to be used.
 - h. On the voting page, you will see Resolution Description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents the number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not wish to vote, please select 'ABSTAIN'.
 - i. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - j. Once you 'CONFIRM' your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.
5. Corporate Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board or governing body Resolution / Authorisation together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to 'raghu.veedha@kfintech.com' or 'secretarial@anjanicement.com' (Details are given in point 4 above). The file / scanned image of the Board Resolution / authority letter should be in the naming format 'Corporate Name Event no.'
 6. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date being Friday, August 14, 2020.

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 Kfintech.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM.
 7. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on <https://evoting.karvy.com/> to reset the password.
 15. The Board of Directors have appointed Mrs. Shailashri Bhaskar, Practising Company Secretary (CP No 5092) as the Scrutiniser to scrutinise the voting process in a fair and transparent manner. The Scrutiniser will submit her report to the Chairperson or any person authorised by him / her after completion of the scrutiny and the results of voting will be announced within forty eight hours from the conclusion of the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM. The result of the voting will be submitted to the Stock Exchanges, where the shares of the Company are listed and posted on the website of the Company at www.anjanicement.com and also on the website of Kfintech at <https://evoting.karvy.com>.
 16. In case of any query pertaining to e-voting, please visit Help and FAQs section available at Kfintech's website <https://evoting.karvy.com> OR contact toll free no. 18003454001 or contact: Mr. Raghunath Veedha on (040)67161606.