



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

32nd ANNUAL REPORT

2015-16



32nd Annual Report 2015 - 16

www.anjaniment.com

Anjani Portland Cement Limited

Board of Directors

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

Management Team

Mr. N. Venkata Raju	I	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	Asst. Vice President (Mechanical)
Mr. K.V. Gopala Raju	I	General Manager (Purchase)
Mr. D.V. Subba Raju	I	Sr. General Manager (E & I)
Mr. K. Mohan Raju	I	General Manager (Projects)
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 – 400051,
Maharashtra
Tel.: 022 4023 9909

Corporate Office

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

Statutory Auditors

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

Cost Auditors

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

Factory

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

Internal Auditors

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

Registrars & Share Transfer Agents

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

Bankers

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

Debenture Trustees

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

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PERFORMANCE AT A GLANCE

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

ANJANI PORTLAND CEMENT LIMITED

CIN:L26942MH1983PLC265166



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

Notice

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

ORDINARY BUSINESS

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

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

SPECIAL BUSINESS

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

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

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

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

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

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

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

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

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

On Behalf of the Board of Directors

Date: August 11, 2016

Place: Chennai

Anu Nair

Company Secretary

NOTES

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

9. PROCEDURE AND INSTRUCTIONS FOR E-VOTING

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

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

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

Other Instructions

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

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

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

Item No 4

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

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

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

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

Item No 5

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

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

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

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

Item No 6

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

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

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

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

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

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