



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

32nd ANNUAL REPORT
2015-16



32nd Annual Report 2015 - 16

www.anjanicement.com

Anjani Portland Cement Limited

Board of Directors

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

Management Team

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

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

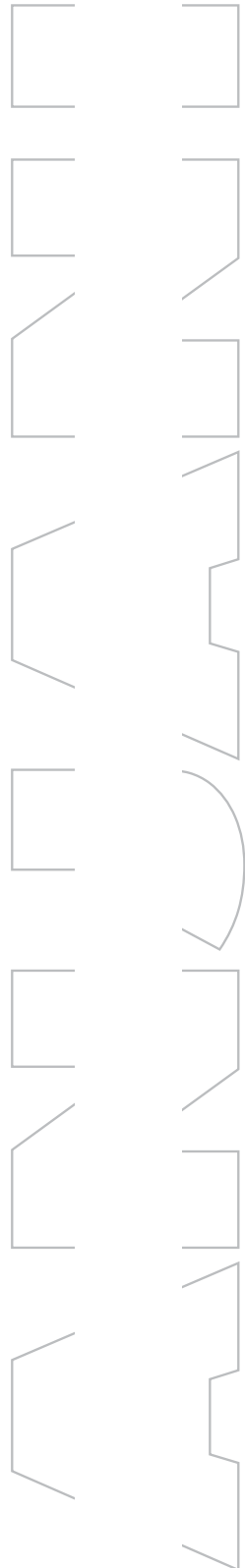
Debenture Trustees

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.

NOTICE

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

| | |
|--|--|
| Particulars | Dr. (Mrs.) S. B. Nirmalatha (DIN No -03092392) |
| Date of Birth | 16/08/1974 |
| Qualifications | Master's Degree, M.L in Department of Legal studies, University of Madras, Doctorate programme, PHD in the field of Intellectual property Rights in the University of Madras |
| Expertise in Specific 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 |

Directors' Report

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

1. FINANCIAL RESULTS:

(₹ in Lakhs)

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

2. DIVIDEND

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

3. TRANSFER TO RESERVES

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

4. PERFORMANCE OF THE COMPANY

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

5. OPERATIONS

This is covered under the topic Management Discussion and Analysis.

6. MANAGEMENT DISCUSSION AND ANALYSIS

• Economy and Developments

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

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

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

• Opportunities, Threats, Risks, Concerns and Outlook

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

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

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

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

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

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

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

- **Segmentwise or Productwise Performance**

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

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

- **Internal Control System and their adequacy**

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

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

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

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

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

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

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

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

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

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

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

7. FIXED DEPOSITS:

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

8. ISSUE OF SHARES ON A RIGHTS BASIS

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

9. CAPTIVE POWER PLANT

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

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

10. PRODUCT LAUNCH

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

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

11. REPORT ON CORPORATE GOVERNANCE:

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

12. STATUTORY AUDITORS:

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

13. COST AUDITORS:

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

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

14. REQUIREMENT UNDER THE COMPANIES ACT, 2013

A. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

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

C. EXTRACT OF ANNUAL RETURN

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

D. NUMBER OF MEETINGS OF THE BOARD

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

E. INDEPENDENT DIRECTORS' DECLARATION

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

F. POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

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

G. AUDITORS AND SECRETARIAL AUDITORS REPORT

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

H. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

I. RELATIONSHIP BETWEEN DIRECTORS

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

J. TRANSACTIONS WITH RELATED PARTIES

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

K. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

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

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

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

M. RISK MANAGEMENT POLICY

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

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

N. POLICY ON CORPORATE SOCIAL RESPONSIBILITY

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

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

O. PARTICULARS OF REMUNERATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

R. BOARD EVALUATION

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

EVALUATION OF THE BOARD

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

EVALUATION OF THE COMMITTEES

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

EVALUATION OF THE INDIVIDUAL DIRECTORS

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

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

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

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

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

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

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

U. SUBSIDIARY COMPANIES:

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

V. DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

15 CAUTIONARY STATEMENT:

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

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

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

16. ACKNOWLEDGEMENT:

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

On Behalf of the Board of Directors

Place: Chennai
Date: August 11, 2016

A. Subramanian V. Subramanian
Managing Director Director

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

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

(B) Technology absorption:

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

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31st, 2016

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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

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

i). Category-wise Share Holding

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

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

ii) Shareholding of Promoters

| S. No. | Shareholders Name | Shareholding at the beginning of the year (01.04.2015) | | | Shareholding at the end of the year (31.03.2016) | | | % change in share holding during the year |
|--------|-----------------------------------|---|----------------------------------|---|---|----------------------------------|---|---|
| | | No. of shares | % of total Shares of the Company | % of shares Pledged/ Encumbered to total shares | No. of shares | % of total Shares of the Company | % of shares Pledged/ Encumbered to total shares | |
| 1 | Chettinad Cement Corporation Ltd. | 13792197 | 75 | 0 | 13792197 | 75 | 0 | 0 |

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

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

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

| Sl. No. | Name of share holder | Shareholding of the beginning of the year | | Cumulative shareholding During the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total Shares of the company | No. of shares | % of total Shares of the company |
| 1 | SANGEETHA S | 763578 | 4.15 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | (101875) | (0.55) | | |
| | At the end of the year | | | 661703 | 3.60 |
| 2 | PRATIBHUTI VINIHIT LTD | 300000 | 1.63 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | 0 | 0 | | |
| | At the end of the year | | | 300000 | 1.63 |
| 3 | SAVITHA S | 247390 | 1.34 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | (1770) | (0.009) | | |
| | At the end of the year | | | 245620 | 1.33 |
| 4 | SATHYA S | 225160 | 1.22 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | (2169) | (0.01) | | |
| | At the end of the year | | | 222991 | 1.21 |
| 5 | BHAVNA GOVINDBHAI DESAI | 7022 | 0.04 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | 142234 | 0.77 | | |
| | At the end of the year | | | 149256 | 0.81 |
| 6 | BREEZE ENTERPRISES PVT. LTD., | 8435 | 0.04 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | 103555 | 0.56 | | |
| | At the end of the year | | | 111990 | 0.60 |
| 7 | ENVIROPURE MARKETING AGENCIES PVT. LTD. | 121742 | 0.66 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | (34000) | (0.18) | | |
| | At the end of the year | | | 87742 | 0.47 |
| 8 | GREEN VALLEY MINERALS AND METALS PVT. LTD. | 0 | 0 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | 52220 | 0.28 | | |
| | At the end of the year | | | 52220 | 0.28 |
| 9 | MADAN DAULATRAM BAHAL | 0 | 0 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | 42482 | 0.23 | | |
| | At the end of the year | | | 42482 | 0.23 |
| 10 | FUTURISTIC HANDLING SERVICES | 0 | 0 | | |
| | Transactions (Sale/Purchase) from 01.04.2015 | 35207 | 0.19 | | |
| | At the end of the year | | | 35207 | 0.19 |

v) Shareholding of Directors and Key Managerial Personnel:

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

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

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

V. INDEBTEDNESS

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

(₹ in Lakhs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakhs

| Sl. No. | Particulars of Remuneration | Mr. A. Subramanian (M.D) |
|---------|---|----------------------------------|
| 1 | Gross Salary (a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961 | 30.27 |
| 2 | Stock option | - |
| 3 | Sweat Equity | - |
| 4 | Commission - as % of profit - Others, specify | - |
| 5 | Others, please specify | - |
| | Total | 30.27 |
| | Ceiling as per the Act | 5% of net profits of the company |

B. Remuneration to other directors:

₹ in Lakhs

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

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

(₹ in Lakhs)

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

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

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

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

To

The Members

Anjani Portland Cement Ltd

306A, The Capital, 3rd Floor

Plot No C 70, G block

BandraKurla Complex

Bandra (East), Mumbai - 400 051

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of secretarial audit, I hereby report that in my opinion the Company has during the period covering April 01, 2015 to March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

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

I further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

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

Place: Mumbai

Signature

Date: July 21, 2016

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

Other Observations:

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

Place: Mumbai

Sd/-

Date: July 21, 2016

SHAILASHRI BHASKAR
FCS: 5778; CP : 5092

32nd Annual Report 2015 - 16

CORPORATE GOVERNANCE REPORT

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

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

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

2. Board of Directors:

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

Composition of the Board as on March 31, 2016.

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

3. Board Procedure:

Board Meetings:

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

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

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

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

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

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

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

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

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

None of the Directors are related to each other.

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

4. Board Committees

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

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

4.1. Audit Committee:

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

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

The Company Secretary acts as the Secretary to the Committee.

(B) Terms of Reference

The Audit Committee shall have the following Scope and Responsibilities:

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

(C) Meetings and Attendance:

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

The details are as given below:

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

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

4.2 Nomination and Remuneration Committee (NRC):

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

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

- (B) Remuneration Policy

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

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

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

- (C) Terms of Reference

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

- (D) Meetings and Attendance:

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

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

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

Performance evaluation criteria for Independent Directors:

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

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

4.3. Stakeholders Relationship Committee (SRC) :

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

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

(B) Meetings and Attendance

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

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

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

Shareholder's grievances status:

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

4.4 Corporate Social Responsibility Committee:

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

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

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

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

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

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

4.5 Debenture Issue Committee:

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

4.6 Rights Issue Committee:

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

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

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

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

5. Remuneration of Directors

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

6. General Body Meetings:

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

Special Resolutions passed in the previous three Annual General Meetings:

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

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

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

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

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

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

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

7. Disclosures:

Disclosure regarding materially significant related party transactions:

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

Disclosure of non-compliance by the Company:

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

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

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

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

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

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

8. Managing Director Certification:

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

9. Means of Communication :

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

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

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

10. General Shareholder Information:

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

a. Annual General Meeting

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

b. Financial Year

1st April 2015 to 31st March 2016

c. Dates of Book Closure :

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

d. Listing on Stock Exchange

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

e. Registrar and Share Transfer Agents :

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

f. Share Transfer System

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

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

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

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

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

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

BSE Scrip Code : 518091 BSE Scrip ID : APCL

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

- i. Performance in comparison to broad based indices

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

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

- j. Dematerialisation of Shares

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

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

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

Series B - "INE071F07027"

- k. Address for Correspondence

The Company Secretary

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

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

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

- l. Unclaimed Dividend

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

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

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

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

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

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

- n. Plant Location

Chintalapalem Village
Mellacheruvu Mandal
Nalgonda Dist,
Telangana State - 508246

Declaration on Code of Conduct

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

Place :Chennai
Date : 11.08.2016

A. Subramanian
Managing Director

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, 2016 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement/ Listing Regulations as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

C. Kameshwar Rao
Partner
M.No.024363

Place: Chennai
Date: 11th August, 2016



Independent Auditors' Report

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

We have audited the accompanying financial statements of Anjani Portland Cement Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and effectively design, implementation and maintenance of adequate internal financial controls, that were operating for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's management and board of directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143 (3) of the Act, we further report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position vide Note No. 30.1 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

C. Kameswara Rao
Partner
Membership No.24363

Place: Chennai
Date : 27th May 2016

Annexure - A to the Auditors' Report

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

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

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

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

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

C. Kameswara Rao
Partner
Membership No.24363

Place: Chennai
Date: 27th May 2016

Annexure - B to the Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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



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

C. Kameswara Rao
Partner
Membership No.24363

Place : Chennai
Date : 27th May 2016



Balance Sheet

as at 31st March, 2016

₹ in Lakhs

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

The accompanying notes form an integral part of financial statements

As Per our report of even date

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

C. Kameswara Rao
Partner
Membership No : 24363

Place: Chennai
Date : 27.05.2016

For and on behalf of the Board

A. Subramanian
Managing Director

M. L. Kumavat
Chief Financial Officer

V. Subramanian
Director

Anu Nair
Company Secretary

Statement of Profit and Loss

for the year ended 31st March, 2016

₹ in Lakhs



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

The accompanying notes form an integral part of financial statements

As Per our report of even date

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

C. Kameswara Rao
Partner
Membership No : 24363

Place: Chennai
Date : 27.05.2016

For and on behalf of the Board

A. Subramanian
Managing Director

V. Subramanian
Director

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary

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Cash Flow Statement

for the year ended 31st March, 2016

₹ in Lakhs

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

The accompanying notes form an integral part of financial statements

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

As Per our report of even date

For Ramanatham & Rao

Chartered Accountants
FR No : S-2934

C. Kameswara Rao

Partner
Membership No : 24363

Place: Chennai
Date : 27.05.2016

For and on behalf of the Board

A. Subramanian
Managing Director

V. Subramanian
Director

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary

Notes on Accounts

Note – 1: Significant Accounting Policies:

1) Basis of Preparation:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

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

2) Revenue Recognition:

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

3) Fixed Assets

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

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

4) Depreciation:

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

5) Investments:

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

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

6) Borrowing Costs:

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

7) Accounting for Leases:

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

8) Inventories:

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

9) Employee Benefits:

a) Defined Contribution Plan:

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

b) Defined Benefit Plan

Compensated absences:

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

Gratuity:

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

10) Taxes on Income:**a) Current Tax:**

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

b) Deferred Tax:

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

11) Foreign Currency Transactions

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

12) Provisions, Contingent Liabilities and Contingent Assets

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

13) Use of Estimates

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

14) Impairment

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

Note - 2 : Share Capital

₹ in Lakhs

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

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

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

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

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

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

Note - 3 : Reserve & Surplus

₹ in Lakhs

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

Note - 4 : Long Term Borrowings

₹ in Lakhs

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

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

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

₹ in Lakhs

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

₹ in Lakhs

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

Note - 5 : Deferred Tax Liabilities (Net)

₹ in Lakhs

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

Note - 6 : Other Long Term Liabilities

₹ in Lakhs

| Particulars | 31st March 2016 | 31st March 2015 |
|--------------------------------|-----------------|-----------------|
| Security Deposits from Dealers | 1,079.62 | 943.84 |
| Creditors For Capital Goods | 14.68 | 3.00 |
| Total | 1,094.30 | 946.84 |

Note - 7 : Long Term Provisions

₹ in Lakhs

| Particulars | 31st March 2016 | 31st March 2015 |
|--|-----------------|-----------------|
| Provision for Employee Benefits | | |
| Gratuity | 253.17 | 211.93 |
| Leave Encashment | 34.87 | 6.37 |
| Total | 288.04 | 218.30 |

Note - 8 : Short Term Borrowings

₹ in Lakhs

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

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

Note - 9 : Other Current Liabilities

₹ in Lakhs

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

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

Note - 10 : Short Term Provisions

₹ in Lakhs

| Particulars | 31st March 2016 | 31st March 2015 |
|---|-----------------|-----------------|
| Provision For Employee Benefits: | | |
| Gratuity | 7.85 | 2.14 |
| Leave Encashment | 1.23 | 67.88 |
| Superannuation | 67.50 | 67.50 |
| Total | 76.58 | 137.52 |

Note - 11 : Fixed Assets - Tangible Assets

₹ in Lakhs

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

Note - 12 : Long Term Loans and Advances

₹ in Lakhs

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

Note - 13 : Current Investments

₹ in Lakhs

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

Note - 14 : Inventories

₹ in Lakhs

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

Note - 15 : Trade Receivables

₹ in Lakhs

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

Note - 16 : Cash & Cash Equivalents

₹ in Lakhs

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

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

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

Note - 17 : Short Term Loans and Advances

₹ in Lakhs

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

Note - 18 : Revenue from Operations

₹ in Lakhs

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

Note - 19 : Other Income

₹ in Lakhs

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

Note - 20 : Cost of Materials Consumed

₹ in Lakhs

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

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

₹ in Lakhs

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

Note - 22 : Employee benefits expense

₹ in Lakhs

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

Note - 23 : Finance Costs

₹ in Lakhs

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

Note - 24 : Other Expenses

₹ in Lakhs

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

Note - 25 : Payments to Auditors

₹ in Lakhs

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

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

| Particulars | For the year ended 31st March 2016 | For the year ended 31st March 2015 |
|------------------|---------------------------------------|---------------------------------------|
| Packing Material | - | - |
| Coal | - | - |
| Total | - | - |

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

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

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

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

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

Note - 29 : Related Party Disclosure :
A) Relationship

- a) Holding Company
Chettinad Cement Corporation Limited

b) Key Management Personnel

A.Subramanian, Managing Director

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

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

Note - 30 : Contingent Liabilities and Commitments

30.1 Contingent Liabilities

Claims against the Company not acknowledged as debt:

₹ in Lakhs

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

30.2 Commitments

₹ in Lakhs

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

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

₹ in Lakhs

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

Note 32:

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

Note 33:

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

Note 34 : Employee Benefits:

i) Defined Contribution Plan :

₹ in Lakhs

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

ii) Defined Benefit Plan

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

I Actuarial Assumptions

₹ in Lakhs

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

II Components of Employer Expenses

₹ in Lakhs

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

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

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

₹ in Lakhs

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

IV. Change in obligation during the year

₹ in Lakhs

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

V. Change in Fair value of the assets

₹ in Lakhs

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

Note.35 :

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

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

Note.36 :

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

As Per our report of even date

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

C. Kameswara Rao
Partner
Membership No : 24363

Place: Chennai
Date : 27.05.2016

For and on behalf of the Board

A. Subramanian
Managing Director

V. Subramanian
Director

M. L. Kumavat
Chief Financial Officer

Anu Nair
Company Secretary

ANJANI PORTLAND CEMENT LIMITED

CIN:L26942MH1983PLC265166

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

ATTENDANCE SLIP

(To be presented at the entrance)

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

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

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ Signature _____

Name of the Proxyholder _____ Signature _____

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



ANJANI PORTLAND CEMENT LIMITED

CIN:L26942MH1983PLC265166

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

PROXY FORM

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

Name of the Member(s) : _____

Registered Address : _____

E-mail ID : _____

Folio No/ Client Id No : _____

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

1. Name : _____ Email Id: _____

Address: _____ Signature _____

or failing him

2. Name : _____ Email Id: _____

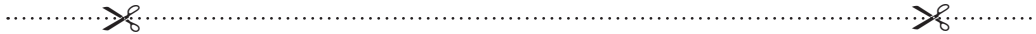
Address: _____ Signature _____

or failing him

3. Name : _____ Email Id: _____

Address: _____ Signature _____

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



Ordinary Resolution

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

Special Resolution

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

Signed this _____ day of _____ 2016

Signature of Shareholder _____

Signature of Proxy Shareholder _____

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

Notes: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, Not less than 48 hours before the commencement of the Meeting. Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A Proxy need not be a member.

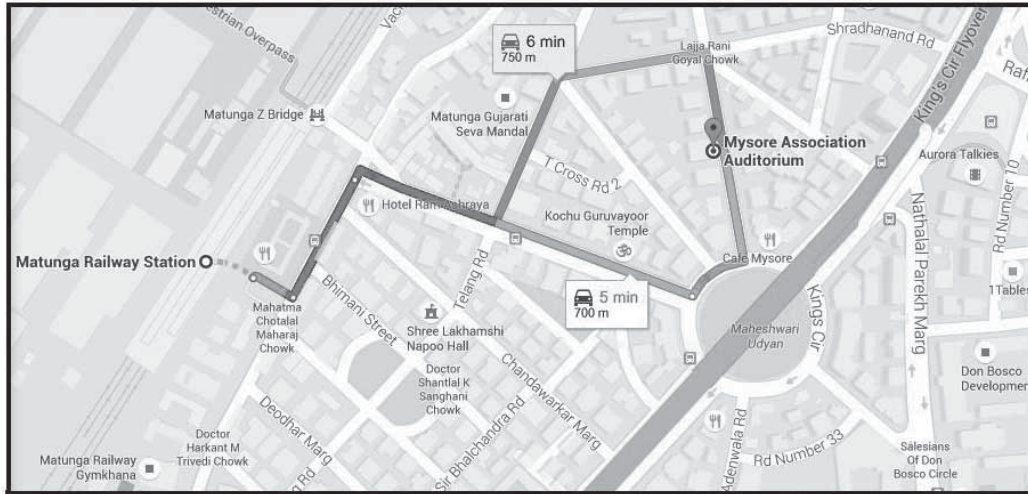
ROUTE MAP TO AGM VENUE

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

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

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

Nearest Landmark - Maheshwari Udyan





Anjani Portland Cement Limited

Regd Office

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

Tel : 022 40239909
www.anjanicement.com