



Anjani Portland Cement Limited

35th Annual Report
2018-19





35th Annual Report 2018 - 19

www.anjanicement.com

Anjani Portland Cement Limited

Board of Directors

Mr. A. Subramanian		Managing Director
Mrs. V. Valliammai		Chairperson, Independent Director
Mr. RM. Palaniappan		Independent Director (w.e.f. May 16, 2019)
Mr. V. Palaniappan		Non-Executive Director (w.e.f. May 16, 2019)
Dr. (Mrs.) S.B Nirmalatha		Non-Executive Director

Management Team

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

Registered Office

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

Corporate Office

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

Statutory Auditors

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

Cost Auditors

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

Factory

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

Internal Auditors

M. Bhaskara Rao & Co.,
Chartered Accountants,
5-4, 5th Floor, "Kautilya", 6-3-652,
Somajiguda, Hyderabad– 500482

Registrars & Share Transfer Agents

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

Bankers

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

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PERFORMANCE AT A GLANCE

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

*Including 1,77,565 MT of Traded Cement

FINANCIAL HIGHLIGHTS	₹ in Lakhs					
	Turnover (Gross)	32,590	30,436	31,944	36,010	37,359
Gross Profit	2,321	5,236	8,300	8,369	6,068	5,750
Finance Costs	3,538	2,780	1,584	944	625	172
Depreciation	1,491	1,059	2,312	1,706	1,875	1,913
Profit/(Loss) Before Tax	(2,708)	1,397	4,404	5,719	3,568	3,665
<i>Provision for Taxation</i>						
- Current Tax	106	-	929	1,247	763	1,419
- Deferred Tax	(879)	(274)	1,496	(16)	461	(70)
Net Profit/(Loss) After Tax	(1,935)	1671	1,979	4,488	2,344	2,316
PAID - UP SHARE CAPITAL	1,839	1,839	1,839	2,529	2,529	2,529
RESERVES & SURPLUS	4,280	5,907	6,894	17,894	19,944	21,636
RATIOS						
PBDIT to Gross Sales	7.28%	17.33%	25.99%	23.26%	16.25%	13.14%
(%) PBTto Gross Sales	-8.49%	4.62%	13.79%	15.90%	9.55%	8.38%
(%) EPS (in Rupees)	(10.52)	9.09	9.87	18.60	9.27	9.16
Debt to Equity	2.38	2.47	1.58	0.37	0.18	0
Book Value per Share (in Rupees)	33	42	47	81	89	96
Dividend (%)	-	-	-	20	20	25

ANJANI PORTLAND CEMENT LIMITED

CIN:L26942MH1983PLC265166

Regd Office : A-610, Kanakia Wall Street, Chakala Junction, Andheri-Kurla Road,
Andheri (East), Mumbai 400093 Tel. 022 62396051

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

Notice

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Wednesday, August 28, 2019, at 10.00 a.m. at Hotel Kohinoor Continental, Ruby Hall, Andheri-Kurla Road, J B Nagar, Andheri East, Mumbai, Maharashtra 400059 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, 2019, together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year 2018-19.
3. To appoint a Director in place of Dr. (Mrs.) S.B Nirmalatha, (DIN 03092392) who retires by rotation and being eligible, offers herself for re-appointment.
4. Re-appointment of Statutory Auditors and fixing their remuneration.

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 of the Companies Act, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, M/s Ramanatham & Rao (Firm Registration Number No-S2934) be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of this meeting until the conclusion of the 40th Annual General Meeting at such remuneration as may be fixed by the Board of Directors in consultation with the Statutory Auditors."

SPECIAL BUSINESS

5. Ratification of Remuneration payable to Cost Auditor.

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

"RESOLVED THAT subject to Section 148 and other applicable provisions of the Companies Act, 2013 and the relevant rules thereunder, a remuneration of ₹ 2,00,000 (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses, payable to M/s Narasimha Murthy & Co., (Firm Registration Number 000042) Cost Auditors for audit of the cost records of the Company for the financial year ending March 31, 2020 as approved by the Board of Directors of the Company be and is hereby ratified."

6. Appointment of Mr. RM. Palaniappan as Independent Director.

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

"RESOLVED THAT, pursuant to recommendation of the Nomination and Remuneration Committee, as approved by the Board of Directors of the Company and subject to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mr. RM. Palaniappan (DIN : 00143198), who was appointed as an Additional Director, in an Independent capacity, of the Company with effect from May 16, 2019 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from May 16, 2019."

7. Appointment of Mr. V. Palaniappan as Non-Executive Director.

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

"RESOLVED THAT, pursuant to recommendation of the Nomination and Remuneration Committee, as approved by the Board of Directors of the Company and subject to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, Mr. V. Palaniappan (DIN : 00645994), who was appointed as an Additional Director, in a Non-Executive capacity, of the Company with effect from May 16, 2019 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Non-Executive Director of the Company liable to retire by rotation."



8. Approval for Material Related Party Transactions.

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

“RESOLVED THAT, pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and the relevant rules thereunder and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), the approval of shareholders be and is hereby accorded to the Board of Directors of the company to enter into a Material Purchase and Sale Agreement with Chettinad Cement Corporation (P) Limited (‘CCCPL’), a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, for purchase and sale of materials and services.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to execute such other agreements, deeds and documents and amend, modify or supplement the Material Purchase and Sale Agreement, as they deem appropriate to give effect to the transactions contemplated in the Material Purchase and Sale Agreement.

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

On Behalf of the Board of Directors

Anu Nair

Company Secretary

Membership No A30525

Date: July 29, 2019

Place: Chennai

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. 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 Thursday, August 22, 2019 to Wednesday, August 28, 2019 (both days inclusive). The record date for determining entitlement to dividend for the year ended March 31, 2019 to be declared at the AGM shall be Wednesday, August 21, 2019.
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 Fintech 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, 2012 will 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 Fintech 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 thereunder, 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 2018-19 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 August 21, 2019. The remote e-voting facility will be available during the following voting period:

Commencement of e-voting :	From 9 a.m. (IST) on August 25, 2019
End of e-voting:	Upto 5 p.m. (IST) on August 27, 2019

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. Mr. A.Sekar, Practising Company Secretary (CP No 2450) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The results shall be declared by the Chairperson or any person authorized by her in writing within forty-eight hours from the conclusion of this Meeting. The results declared along with the consolidated Report of the Scrutinizer shall be immediately placed on the website of the Company at www.anjanicement.com and on the website of Karvy Fintech Private Limited at <https://evoting.karvy.com>. The voting results shall simultaneously be forwarded to the BSE Limited and NSE of India Limited.

Other Instructions

1. In case of members whose email ids are registered with the Company user ID and password shall be sent to them by Karvy Fintech 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 Fintech 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 (August 21, 2019). 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 Fintech 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. Raghunath Veedha on (040)67161606.

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

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

Item No 5

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Narasimha Murthy & Co., Cost Accountants (Firm Registration Number 000042), to conduct the Cost Audit of the Cost Records of the Company at a remuneration of ₹2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses for the Financial year 2019-20.

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 2019-20 as set out in the Resolution for the aforesaid services to be rendered by them.

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

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

Item No 6

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors had appointed Mr. RM. Palaniappan as an Additional Director, in an Independent capacity, of the Company with effect from May 16, 2019.

Mr. RM. Palaniappan aged about 50 years is Commerce graduate from Bharathidasan University, Tamil Nadu, and has over 25 years of experience in the field of Accounting, Administration and Corporate Affairs. With his vast and varied experience in Management, the Nomination and Remuneration Committee was of the opinion that he would be a value addition on to the Board of the Company.

In terms of provisions of Section 161(1) of the Act, Mr. RM. Palaniappan would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. RM. Palaniappan as Director of the Company. Mr. RM. Palaniappan is not disqualified from being appointed as a director in terms of Section 164(2) of the Act and has given his consent to act as a Director.

Further he has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act.

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

Except for Mr. RM. Palaniappan and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

Item No 7

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, the Board of Directors had appointed Mr.V.Palaniappan as an Additional Director, in a Non-Executive capacity of the Company with effect from May 16, 2019.

Mr.V.Palaniappan aged about 45 years is Masters in the Commerce from the Annamalai University, Tamil Nadu and has over 25 years of experience in the arena of Accounts and Finance. He is currently working for the holding Company, Chettinad Cement Corporation Private Limited.

In terms of provisions of Section 161(1) of the act, Mr.V.Palaniappan would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. V. Palaniappan as a Director of the Company. Mr. V. Palaniappan is not disqualified from being appointed as a director in terms of Section 164(2) of the Act and has given his consent to act as a Director.

The Board recommends the Ordinary Resolution set out at item number 7 for approval by shareholders.

Except for Mr. V. Palaniappan and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

Item No 8

Shareholders had via Postal Ballot on July 11, 2018, approved the Material Purchase Agreement to enable the Company to procure Cement and Clinker from the Plants of CCCPL which is in close proximity to the markets of your Company to benefit from economical advantages. However to achieve greater economies of scale it is proposed that the Company enters into a Material Purchase and Sale Agreement which will enable your Company to purchase and sell materials and services from/to Chettinad Cement Corporation Private Limited(CCCPL) as may be required in Cement Production business.

Although due to the varying demand-supply conditions it is difficult to determine the revenue/volume predictions for this venture, the transaction with CCCPL is expected to exceed 10% of the turnover of the Company for the last financial year and hence would get classified as a Material Related party transaction within the meaning of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations").

Pursuant to Section 188 of Companies Act, 2013, prior approval of Members through ordinary resolution is required for related party transactions (other than those on arm's length basis and in the ordinary course of business) involving sale, purchase or supply of any goods or materials or services in excess of the prescribed limits. Transaction with CCCPL will be in the regular course of business and at arm's length, however as an abundant caution the approval of the members of the Company is also sought under Section 188 of the Companies Act, 2013.

Further as per Regulation 23 of the LODR Regulations approval of Members through ordinary resolution is required for all material related party transactions.

The Board of Directors of both the Companies would mutually decide on suitable supply and pricing mechanism that would provide the best economic advantage to their respective entities.

Approval of shareholders of the Company is being sought under the provisions of Section 188 of the Companies Act, 2013 and Regulation 23(4) of the LODR Regulations, for the transactions of the Company with CCCPL.

The Board recommends the Ordinary Resolution set out at item number 8 for approval by shareholders.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in this Resolution.

The Promoter CCCPL is interested in passing of this resolution.



DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.

Particulars	Dr. (Mrs) S.B. Nirmalatha	Mr. RM. Palaniappan	Mr. V. Palaniappan
Date of Birth	August 16,1974	June16,1969	October 13,1973
Date of First Appointment on the Board	February 10, 2015	May 16,2019	May 16,2019
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	Commerce graduate from Bharathidasan University	M.Com from the Annamalai University
Nature of Expertise	Legal	Management	Finance
Terms and Conditions of Appointment or re-appointment	Re-appointment as Non-Executive Director subject to retirement by rotation	Appointment as Independent Director for a term of five years	Appointment as Non-Executive Director subject to retirement by rotation
Last Drawn remuneration Details along with remuneration sought to be paid	Please refer to the Extract of Annual Return.	Shall be entitled to sitting fees for attending meeting of the Board.	
Directorships held in other companies	Nil	<ul style="list-style-type: none"> • Chettinad Structural & Engineering Limited • Chettinad Holdings Private Limited • Chettinad Developers Private Limited 	<ul style="list-style-type: none"> • Arasampalayam Farms Private Limited • Brownstone Minerals & Metals Private Limited • Mangala Sugars and Chemicals Private Limited • Chettinad Print Media Private Limited • Chettinad Engineering and Allied Services Private Limited • Chettinad Projects Development Private Limited • K u n d a m p a k a m Property Developers Private Limited • Emerald Property & Power Developersprivate Limited • Vidyut Property & Power Developers private Limited • Kalavakkam Properties Private Limited • Chettinad Properties Private Limited • Neervalur Property Developers Private Limited • Chettinad Developers Private Limited

Memberships/ Chairmanships of Committees of other companies	Nil	Nil	Nil
Number of Shares held in the Company	Nil	Nil	201
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Nil	Nil	Nil
No. of Board Meetings attended during the year	Please refer to Corporate Governance Report	Not applicable	

Directors' Report

Your Directors take pleasure in presenting the Thirty Fifth Annual Report and the Audited Accounts of the Company for the year ended March 31, 2019.

FINANCIAL RESULTS

(₹ in Lakhs)

	Current Year Ended 31/03/2019	Previous Year Ended 31/03/2018
Revenue from Operations (Gross)	43,747	37,359
Profit before Interest, Depreciation	5,750	6,068
Less: Interest	172	625
Less: Depreciation	1,913	1,875
Profit/(Loss) Before Tax	3,665	3,568
Provision for Taxation including deferred Tax	1,349	1,224
Profit/(Loss) After Tax	2,316	2,344
<i>Appropriations</i>		
Dividend	505.71	252.86
Dividend Distribution Tax	103.95	51.48

DIVIDEND

Your Directors have recommended a final dividend of ₹ 2.50 per equity share for the financial year 2018-19. The Dividend subject to the approval of the shareholders at the ensuing Annual General Meeting will be paid within the time as stipulated in the Companies Act, 2013. The dividend will absorb an amount of ₹762.08 lakhs, including Dividend Distribution Tax of ₹129.94 lakhs.

TRANSFER TO RESERVES

There is no amount proposed to be transferred to reserves out of profits for the financial year 2018-19.

PERFORMANCE OF THE COMPANY

CEMENT

	PRODUCTION in M.T	SALES in M.T
Cement	9,88,030	11,69,878*

*Including 1,77,565 MT of traded cement

CAPTIVE POWER PLANT

The Gross power generation from the 16MW Captive Thermal Power Plant during the year under review was 928.73 lakh units as against 821.29 lakh units in the previous year, with an auxiliary consumption of 72.25 lakh units as against 68.87 lakh units in the previous year. The Net generation for the current year was 856.48 lakh units as against 752.42 lakh units last year. Of the net units generated in the current year, 846.59 lakh units were captively consumed and 9.89 lakh units were sold.

OPERATIONS

This is covered under the topic Management Discussion and Analysis.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS

Based on the compliance systems established and maintained by the Company, the work performed by the internal, statutory, secretarial auditor and external consultants including the audit of internal financial controls over financial reporting by statutory auditors along with the Company's self-assessment procedures the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended March 31, 2019.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance along with the Management Discussion and Analysis Statement as required under the Listing Regulations forms part of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. V. Subramanian and Mr. P. Gopal, Independent Directors having completed their term of five years as on May 15, 2019, have conveyed their inability to continue for a second term.

The Board of Directors at their meeting held on May 15, 2019 appointed Mr. V. Palanippan, as an Additional Director in a Non-Executive position and Mr. RM. Palaniappan as an Additional Director in an Independent position.

Further in compliance with the Companies Act, 2013 Dr. (Mrs.) S.B Nirmalatha, Non-Executive Director retires by rotation and being eligible offers herself for re-appointment.

All the Independent Directors have given their declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration policy enumerates the policy on Directors Appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director. Other details pertaining to the Nomination and Remuneration Committee have been provided in the Corporate Governance section of this Annual Report.

The Nomination and Remuneration policy of the Company is available on the Company's website, at http://www.anjanicement.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf.

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.

AUDITORS

- a) **Statutory Auditors:** The Statutory Auditors of your Company M/s Ramanatham & Rao have completed their first term of five years as per the provisions of the Companies Act, 2013. The Board of Director's have recommended the re-appointment of the Statutory Auditors for a second term of five years to hold office from the conclusion of the 35th Annual General Meeting until the conclusion of the 40th Annual General Meeting at a remuneration as may be fixed by the Board of Directors in consultation with the Auditors thereof.
- b) **Secretarial Auditor:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by Mrs. Shailashri Bhaskar, Practising Company Secretary.
- c) **Cost Auditor:** In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad, as Cost Auditor of the Company for conducting the Cost Audit for the Financial Year 2019-20, at a remuneration as mentioned in the Notice of 35th Annual General Meeting. A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 35th Annual General Meeting and the same is recommended for your consideration and ratification. Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required to be maintained by the Company and accordingly such accounts and records are made and maintained.

The Auditor's report and Secretarial Audit Report do not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is annexed as Annexure 4 and is a part of this report.

AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report which is a part of this Report. During the year, all recommendations of the Audit Committee were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review your Company has fulfilled its obligation towards Corporate Social Responsibility by spending a sum of ₹91,28,399 during the year. The report on CSR activities as required under Section 135 of the Companies Act, 2013 is given as Annexure 1, forming part of this Report. The CSR policy is available on the Company's website. For other details regarding the CSR committee please refer to the Corporate Governance Report.

RISK MANAGEMENT POLICY

The management of the Company is spearheaded by a Whole Time Managing Director and risk assessment and mitigation, forms a concurrent part of the management procedures. Periodical reviews of various operational, marketing and legal parameters affecting the Company, as per the Risk Management Policy is conducted and risk management and mitigating procedures are adopted on a continuous basis.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a Whistle Blower Policy with a view to provide a mechanism for the directors and employees to report genuine concerns or grievances. The policy is available on <http://www.anjanicement.com/policies.html>

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was filed during the financial year 2018-19.

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 Annexure 3 in the prescribed form MGT-9 and forms part of this Report.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met five times during the Financial Year 2018-19. The details of Board Meetings are provided in the Corporate Governance Report. The intervening gap between two meetings of the board is within the stipulated time frame prescribed in the Companies Act 2013 and Listing Regulations.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loans, guarantees and investments under Section 186 of the Act during the financial year 2018-19.

TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of Section 188(1) of the Act.

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

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

- Transfer of Unclaimed Dividend- As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to ₹4,84,987 pertaining to the financial year ended on 31st March 2011 lying with the Company for a period of seven years was transferred during the financial year 2018-19, to the Investor Education and Protection Fund established by the Central Government.
- Transfer of shares to IEPF: As required under Section 124 of the Act, 33,812 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2018-19. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

PARTICULARS OF REMUNERATION

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

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	
Mrs. V. Valliammai	-
Mr. P. Gopal	-
Mr. V. Subramanian	-
Dr.(Mrs.) S.B. Nirmalatha	-
Executive Directors	
Mr. A. Subramanian	11.39 times

The median remuneration of the employees of the Company for the financial year 2018-19 is ₹ 4.21 lakhs

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	
Mrs. V. Valliammai	-
Mr. P. Gopal	-
Mr. V. Subramanian	-
Dr. (Mrs.) S. B. Nirmalatha	-
Executive Directors	
Mr. A. Subramanian	-
CFO and CS	
Mr. M.L. Kumavat	9
Mrs. Anu Nair	20

The percentage increase in the median remuneration of employees in the Financial year 2018-19 is 14.18%.

The number of permanent employees on the rolls of Company: 287.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- On an average, salaries of employees increased by 14.37%.
- There has been no change in the managerial remuneration for the year under consideration.

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

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

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

BOARD EVALUATION

Based on the parameters set out by the Nomination and Remuneration Committee the Board of Directors carried out an annual evaluation of its own performance, Committees and Individual Directors. Further in a separate meeting of Independent Directors, the performance of non-independent directors, the Board as a whole and the Chairperson of the Company were evaluated. Performance of the independent Director's was evaluated by the entire Board excluding the director being evaluated.

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 in Annexure 2 to this report.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

Your Company has no subsidiaries / Joint Venture / Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, the Directors here by confirm that:-

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures are made from the same.
- Appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the period.
- 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.
- The annual accounts have been prepared on a going concern basis.
- Appropriate Internal Financial Controls have been laid down and followed and such internal financial controls are adequate and operating effectively.
- Proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company

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	Mr. A. Subramanian	Mrs.V. Valliammai
Date: July 29, 2019	Managing Director	Director
	(DIN: 06693209)	(DIN: 01197421)

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ANNUAL REPORT ON CSR ACTIVITIES

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

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

The CSR policy is available on the website of the Company i.e. <http://www.anjaniment.com/policies.html>

2. The composition of the CSR committee:

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

3. Average Net profit of the Company for the last 3 years: ₹ 45,64,19,953

4. Prescribed CSR expenditure (2% of the amount mentioned in item no. 3 above): ₹ 91,28,399

5. Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: ₹91,28,399
- Amount unspent if any - Nil
- Manner in which the amount spent during the financial year is detailed as below,

Sr. No	CSR Project/ activity identified	Sector in which the project is covered	Location	Amount outlay (budget) (₹)	Amount spent on the project		Cumulative expenditure (₹)	Amount spent Direct or through implementing agency
					Direct (₹)	Overhead (₹)		
1.	Smt. Sita Memorial School	Promoting Education	Suryapet, Telanagana	39,66,206	39,66,206	-	39,66,206	Direct
2.	Building of "pakka road"	Rural Development Project	Suryapet, Telanagana	1,62,193	1,62,193	-	1,62,193	Direct
3.	Donation to The Gandhi Nagar Education Society	Promoting Education	Chennai, Tamil Nadu	50,00,000	50,00,000	-	50,00,000	Amount contributed to 'The Gandhi Nagar Education Society'

CSR Committee Responsibility Statement

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

Mr. A. Subramanian
Managing Director
CSR Committee Chairman
(DIN : 06693209)

Dr.(Mrs) S.B. Nirmalatha
CSR committee Member
(DIN 03092392)

Mrs.V.Valliammai
CSR committee Member
(DIN 01197421)

Date: July 29, 2019

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO:

A. Conservation of Energy:

I. The steps taken and impact on conservation of energy.

Various improvement steps were taken, which have resulted in reduction in power consumption per ton of cement from 88.87 KWH/ T to 88.06 KWH/ T.

- Installed LED lights in place of Conventional SV & MV lamps for Line-1& 2 plants.
- Installed 150KW VFD drive for Line-1 RABH fan in place of outdated drive investment.
- Installed MD controller for load shedding to avoid EB MD penalties.
- Cement plant power consumption reduced by 16MW CPP frequency changing from 50Hz to 48.8Hz.

II. The steps taken by the company for utilizing alternate source of energy:

Alternate fuels like industrial waste were used in place of indigenous / imported coal to substitute coal to an extent 10.2 % of thermal energy requirement in the plant.

III. Capital investment on energy conservation equipment's :

- Installed 250KW VFD for kiln-1 main drive in place of DC drive Investment- Rs.10 lakhs.

B. Technology absorption:

I. The efforts made towards technology absorption:

- FK pumps installed for Kiln-1 Coal feeding system.
- Bag filters erected at Cement mill-1 feeding tunnel.
- Bag filters erected at Cement mill- 1 hoppers vent.
- Bag filter erected at Line-1 D.B.C. clinker discharge transfer point.

II. The benefits derived like product improvement, cost reduction, product development or import substitution:

To reduce cost the following steps were implemented:

- Consuming of alternative raw materials at zero cost.
- Consuming of alternative fuels at zero cost in place of coal / imported coal.
- Consuming of fly ash in finished product.
- Consuming of granulated slag in finished product.

III. There has been no technology imported during the last three years reckoned from the beginning of the financial year.

C. Foreign Exchange Earnings and outgo

Foreign Exchange Earnings: NIL

Foreign Exchange outgo: 28,847 Euros for spares

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31,2019

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:
A-610, Kanakia Wall Street, 6th Floor, Andheri Kurla Road,
Chakala Junction, Andheri (East),
Mumbai – 400093
- 6) Whether Listed Company : Yes
- 7) Name, Address and Contact details of Registrar and Transfer Agent, if any
Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032
Tel: +91 40 67161606

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:

S I . 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 Private Limited	U93090TN1962PTC004947	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 01/04/2018				No. of shares held at the end of the year 31/03/2019				% 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 Gov/State Govt(s)	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	18964270	0	18964270	75	18964270	0	18964270	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) :	18964270	0	18964270	75	18964270	0	18964270	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)	18964270	0	18964270	75	18964270	0	18964270	75	0
(B) Public Shareholding									
(1) INSTITUTIONS									
(a) Mutual Funds/ UTI	0	27800	27800	0.11	0	27800	27800	0.11	0
(b) Financial Institutions / Banks	162	5200	5362	0.02	0	5200	5200	0.02	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
Sub-Total B(1)	162	33000	33162	0.13	0	33000	33000	0.13	0
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	1099977	18000	1117977	4.42	1072425	17900	1090325	4.31	(0.11)
(b) Individuals									
(i) Individuals holding nominal share capital upto Rs.1 lakh	1612957	549952	2162909	8.55	1689761	485720	2175481	8.60	0.05
(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	2547379	68010	2615389	10.34	2533124	68010	2601134	10.29	-0.06
CLEARING MEMBERS	9878	0	9878	0.04	4165	0	4165	0.02	(0.02)
I E P F	358721	0	358721	1.42	392533	0	392533	1.55	0.13
NON RESIDENT INDIANS	19800	0	19800	0.08	18339	0	18339	0.07	(0.01)
NRI Non Repatriation	3590	0	3590	0.01	6449	0	6449	0.03	0.02
(D) Qualified Foreign Investor	0	0	0		0	0	0		
Sub-Total B(2):	5652302	635962	6288264	24.87	5716796	571630	6288426	24.87	0
Total B = B(1) + B(2)	5652464	668962	6321426	25.00	5716796	604630	6321426	25.00	0
Total (A + B)	24616734	668962	25285696	100.00	24681066	604630	25285696	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
(2) Public		0	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C) :	24616734	668962	25285696	100.00	24681066	604630	25285696	100.00	0

ii) Shareholding of Promoters

S.No.	Shareholders Name	Share holding at the beginning of the year (01.04.2018)			Share holding at the end of the year (31.03.2019)			% 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 Pvt. Ltd.	18964270	75	0	18964270	75	0	0

iii) Changes in Promoters' Shareholding (Please specify, if there is no change) : There has been 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 shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
1	SUBRAMANIAN P	1435570	5.68		
	Transactions (Sale/Purchase) from 01.04.2018	0			
	At the end of the year			1435570	5.68
2	BHAVANA GOVINDBHAI DESAI	501000	1.98		
	Transactions (Sale/Purchase) from 01.04.2018				
	11.05.2018 (Sale)	-994	0		
	At the end of the year			500006	1.98
3	PRATIBHUTI VINIHIT LTD.	440000	1.74		
	Transactions (Sale/Purchase) from 01.04.2018	0			
	At the end of the year			440000	1.74
4	Investor Education and Protection Fund Authority	358721	1.42		
	Transfer to IEPF Authority 23.11.2018	33812	0.13		
	At the end of the year			392533	1.55
5	VENKATA VISHNU RAJU KALIDINDI	364463	1.44		
	Transactions (Sale/Purchase) from 01.04.2018	0			
	At the end of the year			364463	1.44
6	BREEZE ENTERPRISESPVT. LTD.,	153986	0.61		
	Transactions (Sale/Purchase) from 01.04.2018				
	10.08.2018 (sale)	-9200			
	17.08.2018 (sale)	-11000			
	24.08.2018 (purchase)	92995			
	31.08.2018 (sale)	-762			
	07.09.2018 (sale)	-13500			
	At the end of the year			212519	0.84
7	FUTURISTIC HANDLINGSERVICES	48409	0.19		
	Transactions (Sale/Purchase) from 01.04.2018				
	10.08.2018 (purchase)	7000			
	17.08.2018 (purchase)	8079			
	24.08.2018 (purchase)	8628			
	07.09.2018 (purchase)	9550			
	At the end of the year			81666	0.32
8	GREEN VALLEY MINERALS AND METALS PVT. LTD.	70338	0.28		
	Transactions (Sale/Purchase) from 01.04.2018	0			
	At the end of the year			70338	0.28
9	BULL INVESTMENTS MADRAS PVT. LTD.,	46000	0.18		
	Transactions (Sale/Purchase) from 01.04.2018	0			
	At the end of the year			46000	0.18
10	K.SURYA PRAKASH REDDY	29031	0.11		
	Transactions (Sale/Purchase) from 01.04.2018				
	28.12.2018(Purchase)	500			
At the end of the year			29531	0.12	

None of the Directors/Key Managerial Personnel of the Company held any equity shares of the Company either at the beginning of the year i.e. April 1, 2018 or at the end of the year i.e., March 31, 2019 or dealt in the Equity Shares of the Company during financial year 2018-19.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment as on 31.03.2019.

(₹ in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3000.00	0	0	3000.00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	113.39	0	0	113.39
Total (i+ii+iii)	3113.39	0		3113.39
Change in Indebtedness during the financial year				
Addition	2000.00	0	0	2000.00
Reduction	(5113.39)	0	0	(5113.39)
Net Change	(3113.39)	0	0	(3113.39)
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager for the year 2018-19.

(₹ 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	48.00
	(b) Value of perquisites under section 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	-
	Total	48.00
	Ceiling as per the Act	5% of net profit of the Company

B. Remuneration to other directors: For the year 2018-19

(₹ In Lakhs)

Particulars	Mr. V. Subramanian	Mr. P. Gopal	Dr.(Mrs.)S.B Nirmalatha	Mrs. V. Valliammai	Total
1. Independent Directors					
. Fee for attending board/ committee meetings	0.15	0.20	-	0.25	0.60
. Commission	-	-	-	-	-
. Others, please specify	-	-	-	-	-
Total (1)	0.15	0.20	-	0.25	0.60
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 = (1+2)	0.15	0.20	0.25	0.25	0.85

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	-	55.16	10.81	65.97
(b) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	-	-
(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission				
- as % of profit	-	-	-	-
- others, specify	-	-	-	-
5. Others, please specify retirements	-	4.61	1.00	5.61
Total	-	59.77	11.81	71.58

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

There were no penalties, punishments or compounding of offences during the year ended March 31, 2019.

Form No: MR - 3

**SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2019**

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

To

The Members
Anjani Portland Cement Ltd
Kanakia Wall Street
A Wing – 610, 6th Floor
Andheri Kurla Road, Chakala
Andheri (East), Mumbai – 400 093

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of secretarial audit, I hereby report that in my opinion the Company has during the period covering April 1, 2018 to March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period April 1, 2018 to March 31, 2019 according to the provision of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 an the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not applicable as there was no Foreign Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Employees Share Based Benefits) Regulations, 2014 - Not Applicable
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable;
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Prevention of Food Adulteration Act, 1954 and Rules made thereunder;
- (vii) Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules, 2011 read with Amendment Rules, 2017;
- (viii) The Environment (Protection) Act, 1986 and Rules thereunder;

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- (ix) The Water (Prevention & Control Of Pollution) Act, 1974 read with the Rules;
- (x) The Air (Prevention & Control of Pollution) Act, 1981 read with the Rules;
- (xi) The Factories Act, 1948 and Rules thereunder;
- (xii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (xiii) The Inter State Migrant Workmen Act, 1979 and The Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Central Rules, 1980 read with the Telangana Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Rules, 1982;
- (xiv) All other Labour, Employee and Industrial Laws to the extent applicable to the Company; and
- (xv) The Mines Act, 1952 and rules thereunder

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

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

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

I further report that

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

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

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

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

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

Place : Mumbai
Date : May 22, 2019

**SHAILASHRI BHASKAR
COMPANY SECRETARY
FCS5778 CP 5092**

This report is to be read with Annexure A which forms an integral part of this report.

Annexure A

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

Place : Mumbai
Date : May 22, 2019

**SHAILASHRI BHASKAR
COMPANY SECRETARY
FCS 5778 CP 5092**

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments

India is the second largest cement producer globally with its production capacity being over 500 million tonnes per annum.

While construction activity in residential real estate has remained stable in FY 2018-19, demand from the affordable housing construction sector has seen a major increase. There was also robust demand from the infrastructure segment. All these factors helped in increased capacity utilization in 2018-19.

Opportunities, Threats, Risks, Concerns and Outlook

The production capacity is estimated to touch 550 million tonnes by the end of 2020. Out of this around 98% capacity is controlled by the private sector. The Cement production has been growing at a CAGR of around 10% since the year 2012 and has crossed 300 Million Tonnes in FY 2019.

The major driver for this growth in demand is the Indian government's focus on affordable housing and infrastructure projects including ports, railway corridors, smart cities, irrigation sector, etc

The increased allocation from ₹15,500 crore to ₹19,000 crore under the Pradhan Mantri Gram Sadak Yojana (PMGSY) bodes well for the Cement Industry.

Various stimulants in the form of tax benefits, low interest etc accorded by the Government for housing will further spur the demand for cement. A large number of foreign players are expected to enter the domestic cement sector, owing to the profit margins and steady demand.

In the first two quarters of FY18, there was a slight slowdown as the implementation of RERA had led to disruption in construction activity. The Indian Cement industry still being largely dependent on real estate and housing sector for its consumption, the concept of smart cities is expected to provide a big boost to the cement sector. Higher infrastructure spending and increase in per capita income will be the key demand drivers for Cement. The effort of the Government to expand the capacity of Railways and ramp up its storage and handling capacities would go a long way in reducing the logistics cost of cement. The easing of crude prices resulting in a reduction in prices of Pet Coke and fuel would help the Industry in the current financial year.

There is a huge potential for export of Indian Cement to Middle east and African countries. So the Cement plant closer to the port would see great opportunities in the coming years.

Segment wise or Product Performance

The Company has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes.

Reportable Segment	Product/ Services
Cement	Manufacturing and trading of cement
Power plant	Generation of power

(₹ In Lakhs)

Particulars	Year ended March 31, 2019			Year ended March 31, 2018		
	Cement	Power	Total	Cement	Power	Total
Segment Revenue	43,670	5,669	49,339	37,359	4,976	42,335
Less : Inter Segment Revenue	-	(5,592)	(5,592)	-	(4,976)	(4,976)
Total Revenue from Operations Segment Result (Profit Before Tax and Interest) from each Segment	2,766	1,071	3,837	3,069	1,124	4,193
Less : Interest	-	-	(172)	-	-	(625)
Total Profit Before Tax	-	-	3,665	-	-	3,568
Capital Employed (Segment Assets - Segment Liabilities)	As on March 31, 2019			As on March 31, 2018		
Segment Assets	27,740	8,094	35,834	27,787	8,185	35,972
Segment Liabilities	11,564	105	11,669	13,389	110	13,499

Internal Control System and their adequacy

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

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

Financial Performance in comparison to Operational Performance

In the Financial year 2018-19, the Company's production level touched 9.88 lakh tons, which reflects a growth of 7.57% year on year.

The volume of Cement sales was at 11.59 lakh tons recording a growth of 25%. This was mainly because of new initiative taken by the Company in Tamilnadu and Kerala market by way of selling "Anjani Brand" cement manufactured through its parent company.

Even in the face of a reduction in sales realization, cement sales revenue grew 17.09% to Rs 43,747 lakhs, mainly on account of increased sale volumes through new trading initiative of the Company.

Though there was substantial reduction in finance costs during the year (as Company repaid its entire debts), lower price realization coupled with hike in coal prices, resulted in marginal increase in PBT to Rs 3,665 lakhs.

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

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

The number of personnel in direct employment of the Company are 287.

Details of Significant changes (i.e 25 % or more as compared to the immediately previous financial year) in key financial ratios , along with detailed explanations thereof including

Ratio	FY 2018-19	FY 2017-18	Change %	Reason for Change
Interest Coverage Ratio	22.31	6.71	232	Decrease in interest as Company has repaid debentures worth of Rs. 3000 lakhs during Q1 of FY 2018-19.
Current Ratio	1.37	0.96	43	Company has improved its ratio as it has repaid overdraft of Rs. 576 lakhs and made cash deposits of Rs. 1500 lakhs.
Debt Equity Ratio	-	0.18	-100	As company repaid its debentures and over draft, there is no debt as on 31.03.2019

Details of any change in Return on Net worth as compared to the immediately previous financial year

The return on net worth for the financial year 2018-19 has gone down from 10.43% to 9.58% as there is an increase in net worth.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Statement made above are on the basis of available data as well as certain assumptions.

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.

CORPORATE GOVERNANCE REPORT

The Company's philosophy on Corporate Governance is to achieve a set of systems, procedures and practices which ensure that the company is managed in the best interest of all stakeholders. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as "SEBI Listing Regulations") as amended from time to time, 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, 2019 the Company had 5 Directors. Of the five Directors three were Independent and Non-Executive, one Non-Independent and Non-Executive and one Executive. The Board also had two women Directors and the composition of the Board was in compliance with Regulation 17 of the SEBI Listing Regulations.

- Composition of the Board.

Name of the Director	Category
Mrs.V. Valliammai	Independent and Non-Executive, Chairperson
Mr.A. Subramanian	Managing Director, Executive
Mr.V. Subramanian	Independent, Non-Executive
Mr.P. Gopal	Independent, Non-Executive
Dr(Mrs)S.B. Nirmalatha	Non-Independent, Non-Executive

- Five Board meeting were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 25, 2018, June 5, 2018, August 8, 2018, November 14, 2018, February 4, 2019.

Necessary quorum was present for all the meetings.

- None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.
- The Board members are not related to each other.
- Non-Executive Directors are not entitled for any remuneration other than the sitting fee.
- None of the Directors hold any shares in the Company.
- Information as mentioned in Part A of Schedule II of the SEBI Listing Regulations has been placed before the Board for its consideration at the meetings of the Board.

Familiarization Programme: The Company has conducted familiarization programmes 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 www.anjaniment.com.

- Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and they are independent from the management.
- During the year under review, a separate meeting of the Independent Directors was held on February 4, 2019, which was attended by all the Independent Directors. At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson after taking into account the views of the Executive and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.
- The Company requires skills/expertise/competencies in the areas of strategy, finance, accounting, legal, marketing and regulatory matters, to efficiently carry on its core businesses. Apart from the above mentioned skills some of the Directors on the Board are professionally qualified; some have a vast and rich experience of dealing the intricacies of the Cement Industry. Thus the Company confirms that the skills/expertise/competencies as required by the Company are available with the Board.

The details of attendance of each Director of the Board and last AGM held during the financial year 2018-2019 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 Committee Positions held in other public companies		Directorship in other listed entity
		Board Meetings	Last AGM	Chairman	Member	Chairman	Member	
Mrs.V. Valliammai	Independent, Non-Executive	5	Yes	-	-	-	-	-
Mr.A. Subramanian	Non-Independent, Executive	5	Yes	-	-	-	-	-
Mr.V. Subramanian*	Independent, Non-Executive	3	No	-	-	-	-	-
Mr.P. Gopal*	Independent, Non-Executive	4	Yes	-	-	-	-	-
Dr(Mrs)S.B. Nirmalatha	Non-Independent, Non-Executive	5	No	-	-	-	-	-

* Mr. V. Subramanian and Mr.P. Gopal have retired as Directors of the Board w.e.f. May 15, 2019.

Mr. RM. Palaniappan and Mr. V. Palaniappan have been appointed as Additional Director w.e.f. May 16, 2019.

3. Committees of the Board

As on March 31, 2019 the Board had four committees, the Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility Committee.

3.1. Audit Committee:

- Our Audit Committee consists of 3 directors as on March 31, 2019. The Audit Committee met six times during the year on April 10, 2018, May 25, 2018, June 5, 2018, August 8, 2018, November 14, 2018 and February 4, 2019.
- The quorum for the Audit Committee Meetings is either two members or one third of the members of the Committee, whichever is higher, with two independent members being present. Quorum was present for all the meetings during the year.

Details of the composition of Audit Committee and attendance of the members are as follows

Name	Category	Position	No of Meetings Attended
Mrs.V. Valliammai	Independent, Non-Executive	Chairperson	6
Mr.A. Subramanian	Executive, Managing Director	Member	6
Mr.P. Gopal	Independent, Non-Executive	Member	6

- Terms of Reference of the Audit Committee
 - Oversight 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.
 - Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees.
 - Reviewing with management, the quarterly financial results before submission to the board for approval.
 - Reviewing with the management, the annual financial statements before submission to the board for approval.
 - Reviewing with the management, performance of Statutory and Internal Auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function including reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors regarding any significant findings and follow up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the board.
 - To review the Risk Assessment and Management measures.
 - Reviewing of Management Discussion and Analysis of Financial condition and Results of Operations.

- Reviewing of statements of significant related party transactions.
- Reviewing of Internal Audit Reports relating to Internal Control Weaknesses.
- Any other items considered appropriate or necessary to have effective oversight of financial reporting.

The Company Secretary acts as the Secretary to the Committee.

3.2 Nomination and Remuneration Committee (NRC):

- Our Nomination and Remuneration Committee consists of 3 directors as on March 31, 2019. The Nomination and Remuneration met once during the year on May 25, 2018. The quorum for the Committee Meetings is either two members or one third of the members of the Committee, whichever is higher. The constitution of the Committee and the particulars of their attendance is as under:

Name	Category	Position	No of Meetings Attended
Mr. P. Gopal	Independent, Non-Executive	Chairman	1
Dr(Mrs) S.B. Nirmalatha	Non-Independent, Non-Executive	Member	1
Mr. V. Subramanian	Independent, Non-Executive	Member	0

- Terms of Reference of the Nomination and Remuneration Committee :
 - 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.

The Nomination and Remuneration policy of the Company is available on the following weblink "http://www.anjanicement.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf".

- Performance evaluation criteria for Independent Directors:

The Company has laid down evaluation criteria separately for evaluating Independent Directors. The Criteria for evaluation of Independent 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.

- Remuneration of Directors

The Non-Executive Directors are paid sitting fees for meetings of the Board. 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".

3.3. Stakeholders Relationship Committee (SRC):

- Our Stakeholders Relationship Committee consisted of 3 directors as on March 31, 2019. The SRC Committee met 4 times during the year on May 25, 2018, August 8, 2018, November 14, 2018 and February 4, 2019. The quorum for the Committee Meetings is either two members or one third of the members of the Committee, whichever is higher.

- The constitution of the Committee and the particulars of their attendance is as under:

Name	Category	Position	No of Meetings Attended
Mr. P. Gopal	Independent, Non-Executive	Chairman	4
Mr. A. Subramanian	Non-Independent, Executive	Member	4
Mr. V. Subramanian	Independent, Non-Executive	Member	3

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

Shareholder's grievances status: The details of the complaints / grievances received and resolved during the financial year 2018-19 is as under:

Opening Balance	Received during the year 2018-19	Resolved during the Year 2018-19	Closing Balance
Nil	49	49	Nil

3.4 Corporate Social Responsibility Committee:

- Our Corporate Social Responsibility Committee consists 3 directors as on March 31, 2019. The CSR Committee met 3 times during the year on August 8,2018, November 14, 2018 and February 4,2019.
- The constitution of the Committee and the particulars of their attendance is as under:

Name	Category	Position	No of Meetings Attended
Mr. A. Subramanian	Non-Independent, Executive	Chairman	3
Mr.V. Subramanian	Independent, Non-Executive	Member	3
Dr(Mrs) S.B. Nirmalatha	Non-Independent, Non-Executive	Member	3

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

4. General Body Meetings:

The last three Annual General Meetings were held as under:

Year	Location	Date	Time
2015 -2016	Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai – 400019	September 9,2016	10.00 a.m.
2016 -2017	Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai – 400019	September 8,2017	10.00 a.m.
2017 -2018	Mysore Association Hall, 393, Bhau Daji Road, Matunga East, Mumbai – 400019	September 7,2018	10.00 a.m.

- Special Resolution was passed in the financial year 2015-16 for approval under Section 186 of the Companies Act, 2013. No special Resolutions were passed during the Financial Years 2016-17 and 2017-18.
- Special Resolution passed via Postal ballot

During the financial year 2018-19, the shareholders via special resolution approved the following:

- Approval under Section 180(1) (c) of the Companies Act, 2013.
- Approval under Section 180(1)(a) of the Companies Act, 2013
- Approval under section 186(3) of the Companies Act, 2013.
- Mr. Datla Hanumantha Raju, (Membership No. FCS 4044) Partner, D. Hanumantha Raju & Co., Company Secretaries was appointed by the Company as scrutinizer for conducting postal ballot activity.
- The process of dispatch of Postal Ballot notice & Postal Ballot Form, was completed on June 9, 2018 through electronic mail to the Shareholders whose email ids were registered in the depository records on June 5, 2018 and in physical mode along with a pre-paid postage self-addressed Business Reply Envelope to the other shareholders (i.e whose e-mail id's were not registered). An advertisement in this regard was published on June 11, 2018 in Business Standard and in Nava shakti (Marathi local Newspaper)

Further, e-voting facility was provided to shareholders in addition to voting through postal ballot form. Voting both in physical and e-voting were available to shareholders from June 11, 2018 (9:00 AM) IST to July 10, 2018 (5:00 PM) IST. Voting rights were reckoned on the paid up value of shares registered in the name(s) of the shareholder(s) as on cut-off date i.e. June 5, 2018. On July 11, 2018 the Chairperson announced the results of the Postal Ballot as per the Scrutinizer's Report. Further the Company confirms that the aforesaid resolutions have been approved with the requisite majority.

5. Means of Communication:

The Company's website, serves to inform the shareholders, by giving complete financial details, shareholding Pattern, 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, www.anjanicement.com. 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 Business Standard (English) and in Nav Shakthi (Marathi), they are also displayed on the official website of the Company (www.anjanicement.com) under Investor section.

6. General Shareholder Information:

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

- Annual General Meeting

The Thirty Fifth Annual General Meeting ("the AGM") of the Company will be held on August 28, 2019 at 10.00 a.m at Hotel Kohinoor Continental, Andheri Kurla Road, Andheri(E) Mumbai 400059.

- Financial Year

April 1, 2018 to March 31, 2019.

- Dates of Book Closure

The Register of Members and share transfer will remain closed from Thursday, August 22,2019 to Wednesday August 28,2019(both days inclusive).

- Dividend Payment Date

The Board of Directors have recommended, a dividend of Rs.2.50 per equity share for the Financial Year ended March 31, 2019 which is payable on obtaining the Shareholders' approval at the Thirty Fifth Annual General Meeting. The dividend, if approved, shall be paid within the time prescribed in the Companies Act, 2013.

- Listing on Stock Exchange

The Company's equity shares are listed on the following Stock Exchanges as on March 31, 2019.

- BSE Limited (Bombay Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. (Scrip Code : 518091, Scrip Name: APCL)
- National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai-400051. (Scrip Code: APCL).

Listing fees for the Financial Year 2018-19 has been paid to both NSE and BSE Limited within the stipulated time.

- Registrar and Share Transfer Agents

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

- Share Transfer System

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

- Shareholder Statistics and Distribution of Shareholdings as on March 31, 2019 were as follows

Category (No. of shares)	No. of Shareholders		No. of Shares		% to Total Equity	
	Physical (A)	Demat (B)	Physical (A)	Demat (B)	Physical (A)	Demat (B)
1 - 500	2231	4293	347258	556926	1.37	2.20
501 - 1000	55	316	45262	247776	0.14	0.98
1001 - 2000	14	197	21200	290503	0.08	1.15
2001 - 3000	8	50	21100	128727	0.08	0.51
3001 - 4000	2	30	6700	104797	0.03	0.42
4001 - 5000	3	30	15000	135996	0.06	0.54
5001 - 10000	4	49	35400	359820	0.18	1.42
10001 & above	6	32	112710	22856521	0.45	90.39
Total	2323	4997	604630	24681066	2.39	97.61
Grand Total (A+B)	7320		25285696		100	

Category	Number of shares held	As a percentage of total number of shares
Promoter and Promoter group	1,89,64,270	75.00
Resident Individuals	46,61,253	18.43
Bodies Corporate	10,90,325	4.31
IEPF	3,92,533	1.55
HUF	1,15,362	0.46
Mutual Fund	27,800	0.11
Non Resident Indians	18,339	0.07
Clearing Members	4,165	0.02
Banks	5,200	0.02
Non Resident Indian Non Repatriable	6,449	0.03
Total	2,52,85,696	100.00

- The Monthly high and low share quotations of your company during the Financial year 2018-19 as traded on the BSE Limited and NSE of India Limited are given below:

Month	BSE Limited		NSE of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2018	218.90	170.00	223.20	174.90
May, 2018	207.95	172.15	209.50	171.20
June, 2018	185.90	139.10	184.90	139.40
July, 2018	162.95	133.00	162.50	138.75
August, 2018	169.50	139.00	167.00	136.00
September, 2018	160.00	127.00	157.00	126.50
October, 2018	132.75	107.05	131.80	105.00
November, 2018	140.80	118.00	139.00	114.15
December, 2018	144.00	117.60	149.40	116.95
January, 2019	137.95	106.05	136.35	104.00
February, 2019	122.50	92.00	119.70	96.00
March, 2019	146.90	112.60	146.95	111.15

- 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:

	April 1, 2018	March 31, 2019	% Change
Company Share Price (closing)	193.90	121.55	- 37.31
SENSEX (closing)	33255.36	38672.91	16.29

The performance of the Company's scrip on the NSE as compared to the NSE Nifty is as under:

	April 1, 2018	March 31, 2019	% Change
Company Share Price (closing)	187.45	118.30	- 36.89
NSE Nifty (closing)	10211.80	11623.90	13.83

- **Dematerialisation of Shares**

Trading in Company's shares is permitted only in dematerialized form for all investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its shareholders. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Over 97% of the Company's shares are now held in electronic form.

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

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

As on date the Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

- **Commodity Price Risk or Foreign Exchange Risk and Hedging activities –Not applicable**

- **Plant Location**

Chintalapalem Village & Mandal, Suryapet Dist, Telangana State - 508246

- **Address for Correspondence**

The Company Secretary
Anjani Portland Cement Limited
A-610, Kanakia Wall Street, 6th Floor, Andheri Kurla Road,
Chakala Junction, Andheri (East), Mumbai – 400093
Phone No. 022 - 62396051

Any requests for transactions such as transfers, dematerialization of shares, change of Address, nomination facilities, may please be taken up with the Registrar & Share Transfer Agents of the Company at the address given below:

Karvy Fintech (Pvt) Ltd.,
Karvy Selenium Tower B,
Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500032
Phone No(s) : 040-67161606

- **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad –N/A**

7. **Other Disclosures:**

- **Disclosure regarding materially significant related party transactions:**

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

- **Disclosure of non-compliances 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 last 3 years

- **Details of establishment of vigil mechanism whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

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

- **Policy for determining Material Subsidiary – Not Applicable**

Related party transaction policy is available on www.anjanicement.com

- **During the year the Board has accepted all the recommendations of its committees.**

- **The Company has complied with all the mandatory requirements of Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Following discretionary requirements as specified in Part E of Schedule II: Corporate Governance of the SEBI Listing Regulations have been adopted by the Company.

- The Company has moved towards a regime of financial statements with unmodified audit opinion.
- The Company has appointed separate persons to the posts of Chairperson and Managing Director.
- The internal auditor is free to report directly to the Audit committee.
- Total fees for all services paid by the listed entity and its subsidiaries on a consolidated basis to the Statutory Auditor and all entities in the firm/network entity of which the Statutory Auditor is a part.

Payment to Statutory Auditors	6.60 lakhs (Statutory Audit and Limited Review fee)
Other Services	3.27 lakhs (Tax audit and representation fee)
Reimbursement of expenses	0.05 lakhs

- Disclosures in relation to the sexual harassment of women at workplace.

Number of Complaint's filed during the financial year	0
Number of Complaint's disposed during the financial year	0
Number of Complaint's pending at the end of the financial year	0

- There are no shares of the Company lying in the demat suspense account or unclaimed suspense account.

Unclaimed Dividend

The following table shows the details of Dividend relating to financial years 2011-2012 to 2017-18 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 encashed their dividend warrant(s) pertaining to the dividend for the Financial Year 2011-12 and onwards are requested to make their claim without any delay to Karvy Fintech Private Limited.

Financial Year	Date of Declaration	Dividend (%)	Due date of Transfer to IEPF
2011-12	25-07-2012	12	28-08-2019
2016-17 (Interim)	14-09-2016	10	19-10-2023
2016-17 (Final)	08-09-2017	10	12-10-2024
2017-18	07-09-2018	20	11-10-2025

No Claim shall lie against the company or the IEPF for the amounts so transferred prior to March 31, 2019, nor shall any payment be made in respect of such claims.

Further pursuant to the applicable provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the shares on which dividends have not been claimed for seven consecutive years have been transferred to the IEPF Authority during the financial year 2018-19.

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, 2019 as envisaged in Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Chennai
Date : July 29, 2019

A. Subramanian
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
Anjani Portland Cement Ltd
Kanakia Wall Street
A Wing, Unit No: 610, 6th Floor
Andheri Kurla Road
Andheri (East)
Mumbai – 400 093

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Anjani Portland Cement Limited having CIN L26942MH1983PLC265166 and having registered office at Kanakia Wall Street, A Wing, Unit No: 610, 6th Floor, Andheri Kurla Road, Andheri (East), Mumbai – 400 093 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl.No	Name of the Director	DIN Number	Date of Appointment in the Company
1	Ms V. Valliammai	01197421	25.05.2017
2	Mr A Subramanian	06693209	19.01.2015
3	Mr V Subramanian*	06693099	16.05.2014
4	Mr P Gopal*	06630431	16.05.2014
5	Mrs S B Nirmalatha	03092392	10.02.2015

*Both Mr V. Subramanian and Mr P. Gopal have retired from the Board with effect from May 15, 2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Place: Mumbai
Date: July 29, 2019

Signature:
Name: Shailashri Bhaskar
Membership No: F5778
CP NO: 5092

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CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To the Members of

Anjani Portland Cement Ltd.,

I have examined the compliance of conditions of Corporate Governance by Anjani Portland Cement Limited for the year ended 31st March, 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

The compliance of condition of Corporate Governance is the responsibility of the Management. My 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 my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations as applicable.

I 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.

SHAILASHRI BHASKAR
COMPANY SECRETARY
FCS: 5778; PCS : 5092

Place : Mumbai
Date: July 29, 2019

Independent Auditor's Report

To

The Members of Anjani Portland Cement Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Anjani Portland Cement Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 38 to the Financial Statements</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at 1st April 2018 to evaluate whether any change was required to management's position on these uncertainties.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Directors Report and Corporate Governance Report but does not include the financial statements and our auditor's report thereon. The Directors Report and Corporate Governance Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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When we read the Directors report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of 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 Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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-A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) 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 in its financial statements (Refer note 38);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

C. Kameshwar Rao
Partner
Membership No.024363

Place : Chennai
Date : 15thMay 2019

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 2019 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.

Auditor's 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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, to the best of our information and according to the explanations given to us, 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 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

C. Kameshwar Rao
Partner
Membership No.024363

Place: Chennai
Date : 15th May 2019



Annexure “B” to the Independent Auditor’s Report

With reference to Paragraph 2 under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of the Company, we report that:

- 1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and equipment.
- 1.2 According to the information and explanations given to us and the records of the company examined by us, the property, plant and equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- 1.3 According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the company.
- 2.1 The inventories have been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and book records were not material.
- 3 During the year the company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Act. Hence paragraph 3(iii) of the order is not applicable to the company.
- 4 In our opinion and according to the information and explanations given to us, during the year company has not given any loans, made investments, given guarantees or security to parties covered under provisions of section 185 and 186 of the Companies Act, 2013. Hence, paragraph 3(iv) of the order is not applicable.
- 5 During the year the company has not accepted any deposits nor any deposits outstanding as on balance sheet date where provisions of sections 73 to 76 or any other relevant provisions of the Act are applicable. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6 In our opinion and according to the information and explanations given to us, the Company has made and maintained accounts and records prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- 7.1 According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, value added tax, service tax, customs duty, excise duty, cess, goods and service tax 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, goods and service tax or cess as at 31st March, 2019 which have not been deposited on account of any dispute pending, are as under:

Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	180.32	2006 to 2010	CESTAT, Bangalore remanded back to Commissioner, Hyderabad.
Customs Act, 1962	Customs Duty	89.91	July, Oct & Nov 2012	CESTAT, Bangalore
Customs Act, 1962	Customs Duty	16.88	Nov 2013 & Jan 2014	Commissioner of Customs (Appeals), Visakhapatnam
Customs Act, 1962	Customs Duty	9.16	Mar 2012	Commissioner of Customs (Appeals), Visakhapatnam
Income Tax Act, 1961	Income Tax	116.90	2013-14	Income Tax Appellate Tribunal, Hyderabad.
Income Tax Act, 1961	Income Tax	129.67	2007-08 & 2008-09	High Court for the state of Telangana, Hyderabad

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

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

C. Kameshwar Rao
Partner
Membership No.024363

Place: Chennai
Date : 15th May 2019

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Balance Sheet

All amounts in INR Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	2	22,994	25,885
Capital work in progress	3	555	325
Other intangible assets	2	3	6
Financial assets			
i. Other financial assets	4	169	165
Other non-current assets	5	274	251
Total non-current assets		23,995	26,632
Current assets			
Inventories	6	3,654	3,129
Financial assets			
i. Trade receivables	7	3,500	2,358
ii. Cash and cash equivalents	8	1,305	1,066
iii. Bank Balances other than (ii) above	9	1,250	-
iv. Loans	10	-	1
v. Other financial assets	4	137	97
Other current assets	11	1,993	2,689
Total current assets		11,839	9,340
Total Assets		35,834	35,972
Equity and liabilities			
Equity			
Equity share capital	12	2,529	2,529
Other equity	13	21,636	19,944
Total equity		24,165	22,473
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Other financial liabilities	14	7	1,364
Provisions	15	317	247
Deferred tax liabilities (net)	16	2,660	2,112
Government grants	17	33	39
Total non-current liabilities		3,017	3,762
Current liabilities			
Financial liabilities			
i. Borrowings	18	-	576
ii. Trade payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		167	326
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,139	2,003
iii. Other financial liabilities	20	3,133	4,322
Provisions	15	86	78
Government grants	17	7	8
Other current liabilities	21	1,987	2,408
Current tax liabilities (net)	22	133	16
Total current liabilities		8,652	9,737
Total liabilities		11,669	13,499
Total equity and liabilities		35,834	35,972
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As Per our report of even date

For Ramanatham & Rao

Chartered Accountants
FR No : S-2934

C. Kameshwar Rao

Partner
Membership No : 24363

For and on behalf of the Board

A. Subramanian

Managing Director
(DIN 06693209)

S. B. Nirmalatha

Director
(DIN 03092392)

M. L. Kumavat

Chief Financial Officer

V. Valliammai

Director
(DIN: 01197421)

V. Subramanian

Director
(DIN 06693099)

Anu Nair

Company Secretary
M. No. 30525

P. Gopal

Director
(DIN 06630431)

Place: Chennai
Date : 15-05-2019

Statement of Profit and Loss



All amounts in INR Lakhs unless otherwise stated

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from operations	23	43,747	37,359
Other income	24	112	125
Total income		43,859	37,484
Expenses			
Cost of material consumed	25	4,334	3,912
Purchase of stock-in-trade		4,968	-
Changes in inventories of finished goods, stock-in -trade and work-in-progress	26	(79)	(143)
Excise duty		-	1,354
Employee benefits expense	27	1,976	1,804
Finance costs	28	172	625
Depreciation and amortisation expense	29	1,913	1,875
Power and fuel	30	12,908	11,435
Freight and forwarding expense		9,646	8,894
Other expenses	31	4,356	4,160
Total expenses		40,194	33,916
Profit before tax		3,665	3,568
Tax expenses	32		
Current Tax		1,419	763
Deferred tax		(70)	461
Total tax expense		1,349	1,224
Profit for the year		2,316	2,344
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post employment benefit obligations		(21)	15
Income tax relating to these items		7	(5)
Other comprehensive income for the year, net of tax		(14)	10
Total comprehensive income for the year		2,302	2,354
Earnings per equity share (Face Value of Rs 10/- each) :			
Basic earnings per share in Rupees	41	9.16	9.27
Diluted earnings per share in Rupees		9.16	9.27
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As Per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 24363

Place: Chennai
Date : 15-05-2019

For and on behalf of the Board

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M. No. 30525

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Director
(DIN 06630431)

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Statement of Cash Flows

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from operating activities		
Profit before tax	3,665	3,568
Adjustments for		
Depreciation and amortisation expense	1,913	1,875
(Gain)/loss on disposal of property, plant and equipment	(14)	-
Provisions written back	10	1
Amortisation of government grants	(7)	(8)
Amortisation of interest on rental deposit	2	2
Interest income on rental deposit	(3)	(2)
Finance costs	172	625
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(1,152)	(605)
(Increase)/Decrease in inventories	(525)	266
Increase/(Decrease) in trade payables	977	430
(Increase)/Decrease in other financial assets	(44)	95
(Increase)/decrease in other non-current assets	719	140
(Increase)/decrease in other current assets	(23)	(55)
Increase/(Decrease) in employee benefit obligations	57	72
Increase/(Decrease) in financial liabilities	450	(421)
Increase/(Decrease) in other current liabilities	(404)	1,479
Cash generated from operations	5,793	7,462
Income taxes paid	(638)	(907)
Net cash inflow from operating activities	5,155	6,555
Cash flows from investing activities		
Payments for property, plant and equipment	(476)	(1,358)
Increase / (Decrease) in capital creditors	(58)	(555)
(Increase) / Decrease in capital advances	(23)	(31)
Proceeds from sale of property, plant and equipment	1,241	2
Fixed deposits	(1,250)	-
Repayment of loans by employees	1	-
Net cash outflow from investing activities	(565)	(1,942)
Cash flows from financing activities		
Interest paid	(172)	(736)
Increase / (Decrease) in cash credit utilisation	(576)	(144)
Repayment of borrowing (net)	(3,000)	(3,000)
Dividends paid to company's shareholders	(506)	(253)
Dividend tax paid	(104)	(51)
Increase in unpaid dividend account	8	8
Amount transferred to investor education protection fund	(5)	(5)
Net cash inflow (outflow) from financing activities	(4,355)	(4,181)
Net increase (decrease) in cash and cash equivalents	235	432
Cash and cash equivalents at the beginning of the financial year	1,039	607
Cash and cash equivalents at end of the year	1,274	1,039
Add :Balances in statutory restricted accounts	31	27
Cash and Cash Equivalents (Note 8)	1,305	1,066

1) Components of cash and cash equivalents

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balances with banks in current accounts	1,024	827
Balances with banks in deposit accounts	250	211
Cash on hand	-	1
Cash and cash equivalents considered in the cash flow statement	1,274	1,039

2) The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 specified under Section 133 of the Companies Act, 2013.

3) Reconciliation of liabilities arising from financing activities.

Particulars	Outstanding as at 1st April, 2018	Cash flows	Non-cash Changes	Outstanding as at 31st March, 2019
Long Term Borrowings				
Debentures	3,000	(3,000)	-	-
Short-term borrowings				
From Bank	576	(576)	-	-
Total liabilities from financing activities	3,576	(3,576)	-	-

Significant Accounting Policies

Note 1

As Per our report of even date

For Ramanatham & RaoChartered Accountants
FR No : S-2934**C. Kameshwar Rao**Partner
Membership No : 24363Place: Chennai
Date : 15-05-2019

For and on behalf of the Board

A. Subramanian
Managing Director
(DIN 06693209)**V. Valliammai**
Director
(DIN: 01197421)**P. Gopal**
Director
(DIN 06630431)**S. B. Nirmalatha**
Director
(DIN 03092392)**V. Subramanian**
Director
(DIN 06693099)**M. L. Kumavat**
Chief Financial Officer**Anu Nair**
Company Secretary
M. No. 30525

Statement of changes in Equity

All amounts in INR Lakhs unless otherwise stated

I) Equity share capital

Particulars	Note No	Amounts
Balance as at April 1, 2018		2,529
Changes in equity share capital during the year	12	-
Balance as at March 31, 2019		2,529

II) Other equity

Particulars	Reserves and surplus					Total
	Note No	Securities Premium	Debenture redemption reserve	General Reserve	Retained earnings	
Balance as at April 1, 2018		6,810	1,500	500	11,134	19,944
Transfer from debenture redemption reserve to retained earnings			(1,500)	-	1,500	-
Profit for the period	13	-			2,316	2,316
Other comprehensive income	13	-			(14)	(14)
Transactions with owners in their capacity as owners						
Dividends paid	35(b)	-			(610)	(610)
Balance as at March 31, 2019		6,810	-	500	14,326	21,636

As Per our report of even date

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

C. Kameshwar Rao
Partner
Membership No : 24363

Place: Chennai
Date : 15-05-2019

For and on behalf of the Board

A. Subramanian **V. Valliammai** **P. Gopal**
Managing Director Director Director
(DIN 06693209) (DIN: 01197421) (DIN 06630431)

S. B. Nirmalatha **V. Subramanian**
Director Director
(DIN 03092392) (DIN 06693099)

M. L. Kumavat **Anu Nair**
Chief Financial Officer Company Secretary
M. No. 30525

Notes to Accounts

Note - 1 Significant Accounting Policies

a) Brief description of the Company

Anjani Portland Cement Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at- A610, Kanakia Wall Street, 6th floor, Andheri Kurla road, Chakala Junction, Andheri (E), Mumbai 400093, Maharashtra

The Company manufactures high quality premium cement. The Company has manufacturing plant located at Chintalapalem, Suryapeta District, Telangana.

b) Basis of preparation

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

c) Use of estimates

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

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

d) Critical Estimates and judgments

The areas involving critical estimates or judgments are:

- i) Estimation of current tax expense and payable
- ii) Estimation of defined benefit obligation
- iii) Estimation of useful life of Property, Plant and Equipment
- iv) Impairment of trade receivables
- v) Estimation of decommissioning liabilities for quarry mines

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Sale of products:

Timing of recognition – Revenue from sale of products is recognized when control of the products is transferred to customers based on terms of sale.

Measurement of Revenue: Revenue from sales is based on the price specified in the sales contract, net of all discounts and returns in relation to sales made until end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. Receivable is recognized when the goods are dispatched as this is the point in time that the consideration is unconditional and only passage of time is required before payment is done.

Interest, Dividends and Other Income:

Dividend income is recognised when the right to receive payment has been established, it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

f) Property, Plant and Equipment

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

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

g) Depreciation and amortization

- i) Depreciation of fixed assets is provided on straight line method of depreciation based on the useful lives estimated by the Company from the technical evaluation carried out. The useful lives so determined are equal to those prescribed under the Part C of Schedule II of the Companies Act, 2013.
- ii) The assets' residual values are measured at not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.
- iii) On tangible fixed assets added / disposed-off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.
- iv) Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

h) Intangible assets

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

i) Impairment of assets

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

j) Borrowings

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

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

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

k) Borrowing costs

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

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

l) Transactions in foreign currencies

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.
- iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

m) Inventories

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

- i) Cost of raw materials and components, packing materials, stores and spares, work-in-process and finished goods are ascertained on a weighted average basis.
- ii) Cost of finished goods and work-in-process comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.
- iii) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- iv) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

n) Employee benefits

i) Short term obligations:

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

ii) Other long term employee benefit:

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

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

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees; and
- b) Defined contribution plans such as provident fund.

a) Gratuity obligation:

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

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

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

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

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

b) Provident fund

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

iv) Bonus plans:

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

o) Income tax

Tax expense comprises of current and deferred taxes.

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred

tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

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

p) Provisions and contingent liabilities

i) Provision:

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

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

ii) Contingent liabilities:

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

q) Leases

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

r) Government Grants

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

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

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

s) Segment reporting

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

t) Cash and Cash equivalents

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

u) Trade receivables

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

v) Trade payables

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

w) Investments and Other financial assets

i) Classification

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

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

ii) Measurement

Amortised Cost:

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

iii) Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 34 details how the company determines whether there has been a significant increase in credit risk.

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

iv) Derecognition of financial assets:

A financial asset is de-recognised only when:

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

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

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

x) Current and Non-current classification

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

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

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

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

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

y) Recent accounting announcements

- a. Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. There is no impact on the financial statements on account of this amendment as Company does not have any lease transaction.

- b. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

- c. Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

- d. Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. There is no impact on the financial statements on account of this amendment.

Note - 2 : Property, plant and equipment

All amounts in INR Lakhs unless otherwise stated

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2019 are as follows:

Asset Description	Gross carrying amount			Accumulated Depreciation				Net carrying amount		
	As at April 1, 2018	Additions	Deletions / Adjustments	As at March 31, 2019	As at April 1, 2018	Depreciation for the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land - freehold	2,431	2	1,227	1,206	6	-	-	6	1,200	2,425
Building	3,158	-	-	3,158	232	99	-	331	2,827	2,926
Plant and equipment	26,061	239	-	26,300	5,572	1,797	-	7,369	18,931	20,489
Furniture and fixtures	16	1	-	17	10	1	-	11	6	6
Office equipment	66	4	-	70	45	7	-	52	18	21
Vehicles	27	-	-	27	9	6	-	15	12	18
Total	31,759	246	1,227	30,778	5,874	1,910	-	7,784	22,994	25,885

Other intangible assets

Asset Description	Gross carrying amount			Accumulated Amortisation				Net carrying amount		
	As at April 1, 2018	Additions	Deletions / Adjustments	As at March 31, 2019	As at April 1, 2018	Amortisation for the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computer software										
- Acquired	13	-	-	13	7	3	-	10	3	6
Total	13	-	-	13	7	3	-	10	3	6

Note - 3 : Capital work in progress

Asset Description	Gross carrying amount			Accumulated Amortisation				Net carrying amount		
	As at April 1, 2018	Additions	Deletions / Adjustments	As at March 31, 2019	As at April 1, 2018	Amortisation for the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Capital work in progress	325	230	-	555	-	-	-	-	555	325
Total	325	230	-	555	-	-	-	-	555	325

Notes:

- (i) Refer to note 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Property, plant and equipment

All amounts in INR Lakhs unless otherwise stated

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2018 are as follows:

Asset Description	Gross carrying amount			Accumulated Depreciation				Net carrying amount		
	As at April 1, 2017	Additions	Deletions / Adjustments	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Deletions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land - freehold	2,386	45	-	2,431	-	6	-	6	2,425	2,386
Building	2,474	684	-	3,158	145	87	-	232	2,926	2,329
Plant and equipment	25,143	918	-	26,061	3,809	1,763	-	5,572	20,489	21,334
Furniture and fixtures	14	2	-	16	8	2	-	10	6	6
Office equipment	57	9	-	66	37	8	-	45	21	20
Vehicles	28	-	1	27	3	6	-	9	18	25
Total	30,102	1,658	1	31,759	4,002	1,872	-	5,874	25,885	26,100

Other intangible assets

Asset Description	Gross carrying amount			Accumulated Amortisation				Net carrying amount		
	As at April 1, 2017	Additions	Deletions / Adjustments	As at March 31, 2018	As at April 1, 2017	Amortisation for the year	Deletions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Computer Software										
- Acquired	13	-	-	13	4	3	-	7	6	9
Total	13	-	-	13	4	3	-	7	6	9
Capital work in progress	625	-	300	325	-	-	-	-	325	625
Total	625	-	300	325	-	-	-	-	325	625

Note - 4 : Other financial assets

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Security deposits	27	25
Fixed Deposits with banks with maturity greater than 12 Months *	142	140
Total other financial assets - non-current	169	165
* Represents margin money deposits against Bank Guarantees		
Current		
Security deposits	137	97
Total other financial assets - current	137	97

Note - 5 : Other non-current assets

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Capital advances	235	231
Advances other than capital advances		
Balance with government authorities	39	20
Total other non-current assets	274	251

Note - 6 : Inventories

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Raw materials	216	206
Work-in-progress	822	903
Finished goods	213	53
Coal and fuel*	1,588	1,338
Packing materials	124	110
Stores and spares	691	519
Total inventories	3,654	3,129

* Includes coal in transit of INR 1057 lakhs (PY 823 lakhs)

Note - 7 : Trade receivables

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
a) Trade receivables considered good - secured	830	992
b) Trade receivables considered good - unsecured	2,894	1,582
c) Trade receivables which have significant increase in credit risk	-	-
d) Trade receivables - credit impaired	-	-
e) Trade receivables from related parties	-	-
Less: Allowance for expected credit losses	(224)	(216)
Total trade receivables	3,500	2,358

Note - 8 : Cash and cash equivalents

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in current accounts	1,024	827
- in earmarked accounts *	31	27
Deposits **	250	211
Cash on hand	-	1
Total cash and cash equivalents	1,305	1,066

* Represents amounts in unpaid dividend accounts

** Includes margin money deposits of Rs. NIL (PY 211 against bank guarantees)

Note - 9 : Bank Balances other than cash and cash equivalents above

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
Term deposits	1,250	-
Total Bank Balances other than cash and cash equivalents	1,250	-

Note - 10 : Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured considered good		
Loan to employees	-	1
Total loans	-	1

Note - 11 : Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018
<i>Advances other than capital advances</i>		
Supplier advances	237	848
Balances with government authorities	1,106	1,190
Others	650	651
Total other current assets	1,993	2,689

Note - 12 : Equity share capital

All amounts in INR Lakhs unless otherwise stated

Authorised equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2018	300	3,000
Increase during the year	-	-
As at March 31, 2019	300	3,000

Authorised preference share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2018	10	100
Increase during the year	-	-
As at March 31, 2019	10	100

Issued and Subscribed equity Share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2018	253	2,529
Increase during the year	-	-
As at March 31, 2019	253	2,529

(i) *Movements in equity share capital*

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2018	253	2,529
Add : Issue of shares	-	-
As at March 31, 2019	253	2,529

Terms and rights attached to equity shares

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

(ii) Shares of the company held by holding company

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount (INR)	Number of shares	Amount (INR)
Chettinad Cement Corporation Private Limited, Holding Company	18,964,272	189,642,720	18,964,272	189,642,720
Total	18,964,272	189,642,720	18,964,272	189,642,720

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Chettinad Cement Corporation Private Limited, Holding Company	190	75%	190	75%
Subramanian P	14	6%	14	6%
Total	204	81%	204	81%

Note - 13 : Other Equity

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Securities premium	6,810	6,810
Debenture redemption reserve	-	1,500
General reserve	500	500
Retained earnings	14,326	11,134
Total other equity	21,636	19,944

a) Securities premium

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	6,810	6,810
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Closing balance	6,810	6,810

b) Debenture redemption reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	1,500	1,500
Additions during the year	-	-
Deductions/Adjustments during the year	(1,500)	-
Closing balance	-	1,500

c) General reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	500	500
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Closing balance	500	500

d) Retained earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	11,134	9,084
Net profit for the period	2,316	2,344
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment benefit obligation, net of tax	(14)	10
- Transfer from debenture redemption reserve	1,500	-
<i>Appropriations</i>		
- Dividend (including dividend distribution tax)	(610)	(304)
Closing balance	14,326	11,134

Nature and purpose of other reserves

(i) *Securities premium*

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

(ii) *Debenture redemption reserve*

The Company has created debenture redemption reserve out of the profits which is available for payment of dividend, for the purpose of redemption of debentures. During the year company has transferred debenture redemption reserve to retained earnings upon repayment of debentures.

(iii) *General reserve*

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

(iv) *Retained Earnings*

This reserves represents the cumulative profits of the Company and effects of the remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013

Note - 14 : Other financial liabilities

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits from dealers	-	1,357
Others	7	7
Total other non current financial liabilities	7	1,364

Note - 15 : Provisions

All amounts in INR Lakhs unless otherwise stated

Employee benefit obligations

Particulars	As at March 31, 2019			As at March 31, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	14	41	55	15	42	57
Gratuity	62	276	338	53	205	258
Superannuation	10	-	10	10	-	10
Total employee benefit obligations	86	317	403	78	247	325

(i) **Compensated absences**

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

Particulars	As at March 31, 2019	As at March 31, 2018
Current compensated absences expected to be settled within the next 12 months	14	15

(ii) **Post-employment obligations - gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to the recognised funds in India.

(iii) **Defined contribution plans**

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the period towards defined contribution plan is INR 95 (March 31, 2018 - INR 87)

Gratuity

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2018	354	(96)	258
Current service cost	38	-	38
Interest expense/(income)	28	(6)	22
Total amount recognised in profit or loss	66	(6)	60
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	13	-	13
Experience (gains)/losses	7	-	7
Total amount recognised in other comprehensive income	20	-	20
Employer contributions	-	-	-
Benefit payments	(15)	15	-
March 31, 2019	425	(87)	338

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

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of funded obligations	425	354
Fair value of plan assets	(87)	(96)
Deficit of funded plan	338	258

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	March 31, 2019	March 31, 2018
Discount rate	8%	8%
Salary growth rate	8%	8%

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

(v) Sensitivity analysis

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

Particulars	Impact on defined benefit obligation (Increase/Decrease)					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount rate	1%	1%	-8%	-9%	10%	10%
Salary growth rate	1%	1%	10%	10%	-9%	-9%

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

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

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

Particulars	March 31, 2019 Unquoted	March 31, 2018 Unquoted
Investment funds (Investments in LIC)	87	96
Total	87	96

(vii) Risk exposure

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

Investment risks:

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

Interest risks:

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

Longevity risks (Life expectancy):

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

Salary risks

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

Note - 16 : Deferred tax liabilities(net)

All amounts in INR Lakhs unless otherwise stated

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liabilities		
On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	4,145	4,193
Total deferred tax liabilities	4,145	4,193
Deferred tax assets		
Provision for employee benefits	(141)	(114)
Provision for doubtful debts	(78)	(75)
Others	(68)	(71)
Unused tax credits	(1,198)	(1,821)
Deferred tax liabilities(net)	2,660	2,112

Movement in deferred tax liabilities/(assets)

Particulars	On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	Provision for employee benefits	Provision for doubtful debts	Others	Unused tax credits	Total
At March 31, 2018	4,193	(114)	(75)	(71)	(1,821)	2,112
(Charged)/credited:						
- to profit or loss	(48)	(20)	(3)	3	-	(68)
- to other comprehensive income	-	(7)	-	-	-	(7)
- to current tax liabilities	-	-	-	-	623	623
At March 31, 2019	4,145	(141)	(78)	(68)	(1,198)	2,660

Note - 17 : Government Grants

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	47	55
Less: Released to profit or loss	(7)	(8)
Closing balance	40	47
Current portion	7	8
Non-current portion	33	39
Total	40	47

Note - 18 : Current borrowings

All amounts in INR Lakhs unless otherwise stated

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2019	As at March 31, 2018
Secured					
From banks					
Bank overdrafts	Payable on demand	Payable on demand	8.25% and 9.15% w.e.f. 01-Jan-19	-	576
Total current borrowings				-	576

The borrowings are secured as follows;

- Bank Overdraft is secured under hypothecation by way of first pari-passu charge on current assets of the Company.
- The carrying amount of financial and non-financial assets pledged as security for current borrowings are disclosed in Note 42

Note - 19 : Trade payables

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to micro and small enterprises	167	326
Dues to other than micro and small enterprises	3,139	2,003
Total trade payables	3,306	2,329

Note - 20 : Other financial liabilities

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of long term debts - secured	-	3,000
Deposits from dealers	1,608	-
Capital creditors	107	165
Expenses payable	1,386	1,016
Unpaid dividends*	31	27
Interest accrued but not due on non-convertible debentures	-	113
Others	1	1
Total other current financial liabilities	3,133	4,322

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

Note - 21 : Other current liabilities

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	1,112	1,526
Statutory dues	76	90
Duties & taxes payable	799	792
Total other current liabilities	1,987	2,408

Note - 22 : Current tax liabilities(net)

All amounts in INR Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for income-tax (net of advance tax and TDS)	133	16
Total current tax Liabilities(net)	133	16

Note - 23 : Revenue from operations

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of manufactured products	37,182	37,302
Sale of traded products	6,352	-
Other operating revenue	213	57
Total revenue	43,747	37,359

- 23.1: For the year ended 31st March 2018, the sale of goods includes excise duty collected from customers INR 1367 lakhs upto 30.06.2017.
- 23.2: Disaggregated Revenue Disclosures are not applicable to the Company since the Company deals mainly in one product i.e., manufacturing and selling of Cement.
- 23.3: Trade Receivables and Contract Balances
- The Company classifies the right to consideration in exchange for deliverables as receivable.
 - A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet.
- 23.4: Disclosures relating to pending performance obligations are not given since there are no pending obligations.
- 23.5: The impact on account of applying the erstwhile Ind AS - 18 Revenue instead of Ind AS 115 - Revenue from Contracts with Customers on the financial results of the Company for the year ended 31st March, 2019 is insignificant.

Note - 24 : Other income

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income on deposits with banks	55	82
Profit on sale of property, plant and equipment	14	-
Interest income from financial assets at amortised cost	3	2
Government grants #	7	8
Others	33	33
Total other income	112	125

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

Note - 25 : Cost of material consumed

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Raw materials consumed:		
i) Limestone	2,625	2,463
ii) Gypsum	748	698
iii) Iron ore	-	3
iv) Fly ash	606	530
v) Granulated slag	244	213
vi) Laterite	111	5
Total cost of material consumed	4,334	3,912

Note - 26 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance		
Finished goods	53	257
Work-in-progress	903	556
Total opening balance (A)	956	813
Closing balance		
Finished goods	213	53
Work-in-progress	822	903
Total closing balance (B)	1,035	956
Total Changes in inventories of finished goods, stock-in-trade and work-in-progress (A-B)	(79)	(143)

Note - 27 : Employee benefits expense

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	1,565	1,445
Contribution to provident and other funds	199	163
Gratuity	59	57
Compensated absences	14	17
Staff welfare expenses	91	74
Directors' remuneration	48	48
Total employee benefits expense	1,976	1,804

Note - 28 : Finance costs

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest and finance charges on financial liabilities calculated using effective interest rate	170	625
Interest on shortfall of payment of advance tax	2	-
Total finance costs	172	625

Note - 29 : Depreciation and amortisation expense

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of property, plant and equipment	1,910	1,872
Amortisation of intangible assets	3	3
Total depreciation and amortisation expense	1,913	1,875

Note - 30 : Power and fuel

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Power and fuel*	12,908	11,435
Total power and fuel expense	12,908	11,435

* Power and fuel is net of captive power plant margin of INR 1050 (PY 1124)

Note - 31 : Other expenses

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of stores and spares	1,031	1,110
Packing materials	1,224	1,260
<i>Repairs and maintenance</i>		
Repairs and maintenance - building	9	7
Repairs and maintenance - plant and machinery	351	317
Repairs and maintenance - others	114	103
Communication expenses	10	12
Rent	86	69
Rates and taxes	43	60
Travel and conveyance	173	145
Printing and stationery	5	4
Professional charges	98	83
Payment to Auditors	9	8
Insurance	31	26
Bad debts written off	2	-
Provision for doubtful debts	8	1
Selling and marketing expenses	553	342
Misc. expenses	177	185
Corporate social responsibility expenses	91	77
Others	341	351
Total other expenses	4,356	4,160

Details of payments to auditors

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Payment to auditors		
As auditors:		
Audit fee(including Quarterly Limited Review)	7	6
Tax audit fee	2	2
Total	9	8

Note - 32 : Income tax expense

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	1,412	763
Adjustments for current tax of prior periods	7	-
Total current tax expense	1,419	763
<i>Deferred tax</i>		
Decrease/(increase) in deferred tax assets	(21)	(59)
(Decrease)/increase in deferred tax liabilities	(49)	520
Total deferred tax expense/(benefit)	(70)	461
Income tax expense	1,349	1,224

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

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before income tax expense	3,665	3,568
Tax at the Indian tax rate of 34.944%	1,281	1,235
Tax credits for which no deferred income tax was recognised	54	-
Prior period tax expense	7	-
Other items	7	(11)
Income tax expense	1,349	1,224

Note - 33 Fair value measurements

All amounts in INR Lakhs unless otherwise stated

Financial instruments by category

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	3,500	-	-	2,358
Cash and cash equivalents	-	-	1,305	-	-	1,066
Bank Balances other than cash and cash equivalents	-	-	1,250	-	-	-
Other financial assets	-	-	306	-	-	262
Loans	-	-	-	-	-	1
Total financial assets	-	-	6,361	-	-	3,687
Financial liabilities						
Borrowings	-	-	-	-	-	576
Trade payables	-	-	3,306	-	-	2,329
Others	-	-	3,140	-	-	5,686
Total financial liabilities	-	-	6,446	-	-	8,591

(i) Fair value hierarchy

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

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

As at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
<i>Loans</i>					
Security deposits	4	-	-	306	306
Loans to employees	10	-	-	-	-
Total financial assets		-	-	306	306

As at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	18	-	-	-	-
Trade payables	19	-	-	3,306	3,306
Others	14 & 20	-	-	3,140	3,140
Total financial liabilities		-	-	6,446	6,446
Assets and liabilities which are measured at amortised cost for which fair values are disclosed					
As at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
<i>Loans</i>					
Security deposits	4	-	-	262	262
Loans to employees	10	-	-	1	1
Total financial assets		-	-	263	263
Financial Liabilities					
Borrowings	18	-	576	-	576
Trade payables	19	-	-	2,329	2,329
Others	14 & 20	-	-	5,686	5,686
Total financial liabilities		-	576	8,015	8,591

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

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

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

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

(ii) **Valuation processes**

Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	-	-	1	1
Security deposits	306	306	262	262
Total financial assets	306	306	263	263
Financial Liabilities				
Borrowings	-	-	576	576
Total financial liabilities	-	-	576	576

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

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

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

Note - 34 Financial risk management

All amounts in INR Lakhs unless otherwise stated

The company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

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

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

(A) Credit risk

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

(i) Credit risk management

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

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

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

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

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

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

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

(ii) **Provision for expected credit losses**

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

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

Year ended 31 March 2019:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	164	0%	-	164

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

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	3,362	58	69	235	3,724
Expected loss rate	0	5%	10%	50%	
Expected credit losses (Loss allowance provision)	17	3	7	118	144
Provision carried in books #	21	9	9	185	224
Carrying amount of trade receivables (net of impairment)	3,341	49	60	50	3,500

Provision carried in books include provision made on specific identification.

Year ended 31 March 2018:

- (a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	123	0%	-	123

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

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	2,275	50	45	205	2,574
Expected loss rate	0	5%	10%	50%	
Expected credit losses (Loss allowance provision)	11	2	4	102	119
Provision carried in books #	17	9	5	185	216
Carrying amount of trade receivables (net of impairment)	2,258	41	40	19	2,358

Provision carried in books include provision made on specific identification.

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

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

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

Loss allowance on 1 April 2018	216
Changes in loss allowance	8
Loss allowance on 31 March 2019	224

(B) Liquidity risk

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

- (i) *Financing arrangements*

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

Particulars	As at March 31, 2019	As at March 31, 2018
Floating rate		
- Expiring within one year (bank overdraft)	3,000	2,424
- Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

- (ii) *Maturities of financial liabilities*

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

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

Contractual maturities of financial liabilities:

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
31 March 2019						
Non-derivatives						
Borrowings	-	-	-	-	-	-
Trade payables	3,306	-	-	-	-	3,306
Other financial liabilities	3,101	32	-	-	7	3,140
Total non-derivative liabilities	6,407	32	-	-	7	6,446
31 March 2018						
Non-derivatives						
Borrowings	-	-	576	-	-	576
Trade payables	2,329	-	-	-	-	2,329
Other financial liabilities	4,294	28	-	-	1,364	5,686
Total non-derivative liabilities	6,623	28	576	-	1,364	8,591

(C) **Market risk**

(i) **Foreign currency risk**

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

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

a) **Foreign currency exposure**

In absolute denominations

The Company's exposure to foreign currency risk at the end of the reporting period is NIL

(ii) **Interest rate risk**

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

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

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

a) **Interest rate risk exposure**

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

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate borrowings	-	3,576
Fixed rate borrowings	-	-
Total	-	3,576

b) **Sensitivity**

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

Particulars	Impact on Profit after tax	
	As at March 31, 2019	As at March 31, 2018
Interest rates – increase by 70 basis points (60 bps) *	-	(5)
Interest rates – decrease by 70 basis points (60 bps) *	-	5

* Holding all other variables constant

Note - 35 Capital management

All amounts in INR Lakhs unless otherwise stated

(a) Risk management

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

The company's objectives when managing capital are to;

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

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

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

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

Particulars	As at March 31, 2019	As at March 31, 2018
Net debt	-	-
Total equity	24,165	22,473
Net debt to equity ratio	-	-

(i) Loan covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

(b) Dividends

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Equity shares		
Final dividend for the year ended March 31, 2018 of INR 2 per fully paid share	610	-
Final dividend for the year ended March 31, 2017 of INR 1 per fully paid share	-	304
(ii) Dividends not recognised at the end of the reporting period		
Directors have recommended the payment of a dividend of INR 2.5 (PY INR 2) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	762	610

Note - 36 Segment information

All amounts in INR Lakhs unless otherwise stated

(a) Description of segments and principal activities

The Company has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes. Operating segment disclosures are constant with the information provided to and reviewed by the chief operating decision maker.

Reportable segment	Product/ Services
Cement	Manufacturing and trading of cement
Power plant	Generation of power

Particulars	Year ended March 31, 2019			Year ended March 31, 2018		
	Cement	Power	Total	Cement	Power	Total
Segment revenue	43,670	5,669	49,339	37,359	4,976	42,335
Less : Inter segment revenue		(5,592)	(5,592)		(4,976)	(4,976)
Total revenue from operations	43,670	77	43,747	37,359	-	37,359
Segment result (Profit before tax and interest) from each segment	2,766	1,071	3,837	3,069	1,124	4,193
Less : Interest			(172)			(625)
Total Profit before tax			3,665			3,568

Capital employed (Segment assets - segment liabilities)	As at March 31, 2019			As at March 31, 2018		
	Segment assets	27,740	8,094	35,834	27,787	8,185
Segment liabilities	11,564	105	11,669	13,389	110	13,499

(b) Major Customers in Cement Segment

15% of Revenue is coming from 12 customers in cement segment.

Note - 37 Related party transactions

All amounts in INR Lakhs unless otherwise stated

The related party relationships is as identified by the company and relied upon by the auditor.

(a) Parent entities

The Company is controlled by following entity:

Name of entity	Ownership interest held by the group			
	Place of Incorporation	Registered Address	As at March 31, 2019	As at March 31, 2018
Chettinad Cement Corporation Private Limited - Holding Company	India	603,Rani Seethai Hall Building, Annasalai, Chennai - 600006	75%	75%

(b) Subsidiaries and Fellow Subsidiaries

Name of entity	Ownership interest held by the parent entity			
	Place of Incorporation	Registered Address	As at March 31, 2019	As at March 31, 2018
Chettinad Power Corporation Private Limited	India	A-610, 6th Floor, Kanakia Wall Street, Chakala Junction, Andheri Kurla Road, Andheri (E) Mumbai 400093 Maharashtra	100%	100%
Grand Paper & Boards Private Limited	India	No.37,Old Mahabalipuram Road, Kazhipattur Village, Padur Post Kanchipuram -603103	100%	0%

(c) Associate Company

The Company does not have any associate Company in the current financial year.

(d) Key management personnel(KMP) of the reporting entity and Parent of the reporting entity

Mr. M A M R Muthiah , Managing Director of Parent Company

Mr. A.Subramanian, Managing Director of Reporting Company

(e) Key management personnel compensation

Mr A.Subramanian, Managing Director

Particulars	As at March 31, 2019	As at March 31, 2018
Short-term employee benefits	48	48
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Total compensation	48	48

(f) Related Parties

Entities controlled or jointly controlled by a person identified (d) above :

Chettinad Morimura Semiconductor Material Private Limited

Chettinad Inland Water Transport Services Private Limited

Chennai Computer and Software Services Private Limited

Chettinad Realtors Private Limited

Chettinad Lignite Transport Services Private Limited

(g) Transactions with related parties

The following transactions occurred with related parties:

Particulars	As at March 31, 2019	As at March 31, 2018
Parent Entity		
Purchase of goods	4,968	-
Sale of goods	610	-
Sale of Property, Plant and Equipment	1,241	-
Rent Paid	1	-
Rent received	-	-
Dividend Paid	379	190
Subsidiaries and Fellow Subsidiaries		
Grand Paper & Boards Private Limited		
Purchase of goods	15	-
Entities controlled or jointly controlled by KMP		
Chettinad Morimura Semiconductor Material Private Limited		
Sale of goods	2	-

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

Particulars	As at March 31, 2019	As at March 31, 2018
Parent Entity		
Chettinad Cement Corporation Private Limited payable against purchase of goods	63	-

Note - 38 Contingent liabilities and contingent assets

All amounts in INR Lakhs unless otherwise stated

(a) Contingent liabilities

	As at March 31, 2019	As at March 31, 2018
Claims against the Companies not acknowledged as debts		
Income tax related	412	412
Excise related *	180	180
Customs related **	130	130
Others	138	138
Total	860	860

*Does not include penalty amount of INR 180.32 Lakhs

**Does not include penalty amount of INR 103.70 Lakhs

(b) Contingent assets

The Company does not have any contingent assets as at March 31, 2019 and March 31, 2018

Note - 39 Commitments

Capital commitments (net of capital advances)

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

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for;		
Property, plant and equipment	25	295
Total	25	295

Note - 40 Other Disclosure

(a) Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

Particulars	As at March 31, 2019	As at March 31, 2018
Principal amount due and remaining unpaid	1	-
Interest due on above and the unpaid interest	1	-
Interest Paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

(b) Corporate Social Responsibility (CSR)

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

The Company has spent INR 91 lakhs during financial year 2018-19 towards CSR activities (INR 77 Lakhs in FY 2017-18).

(c) Previous period figures have been regrouped/rearranged wherever necessary to confirm the current period classification.

All amounts in INR Lakhs unless otherwise stated

Note - 41 Earnings per share

(a) Basic earnings per share

Particulars	As at March 31, 2019	As at March 31, 2018
Basic earnings per share attributable to the equity holders of the Company in Rupees	9.16	9.27

(b) Diluted earnings per share

Particulars	As at March 31, 2019	As at March 31, 2018
Diluted earnings per share attributable to the equity holders of the Company in Rupees	9.16	9.27

(c) Reconciliations of earnings and number of shares used in calculating earnings per share

Particulars	As at March 31, 2019	As at March 31, 2018
<i>Basic/Diluted earnings per share</i>		
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	2,316	2,344
Weighted average number of Equity Shares outstanding during the period(In Number)	25,285,696	25,285,696
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	2,316	2,344

Note - 42 Assets pledged as security

All amounts in INR Lakhs unless otherwise stated

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

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Financial assets		
<i>First charge</i>		
Trade receivables	3,500	2,358
Cash and cash equivalents	1,305	1,066
Bank Balances other than cash and cash equivalents	1,250	-
Loans	-	1
Others	137	97

Non-financial assets		
<i>First charge</i>		
Inventories	3,654	3,129
Other current assets	1,993	2,689
Total current assets pledged as security	11,839	9,340
Non-Current		
<i>First charge</i>		
Plant and machinery	-	20,489
Furniture and fixtures	-	6
Office equipment	-	21
Vehicles	-	18
Total non-current assets pledged as security	-	20,534
Total assets pledged as security	11,839	29,874

Note - 43 Events occurring after the reporting period

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

As Per our report of even date

For Ramanatham & Rao

Chartered Accountants
FR No : S-2934

C. Kameshwar Rao

Partner
Membership No : 24363

Place: Chennai
Date : 15-05-2019

For and on behalf of the Board

A. Subramanian
Managing Director
(DIN 06693209)

S. B. Nirmalatha
Director
(DIN 03092392)

M. L. Kumavat
Chief Financial Officer

V. Valliammai
Director
(DIN: 01197421)

V. Subramanian
Director
(DIN 06693099)

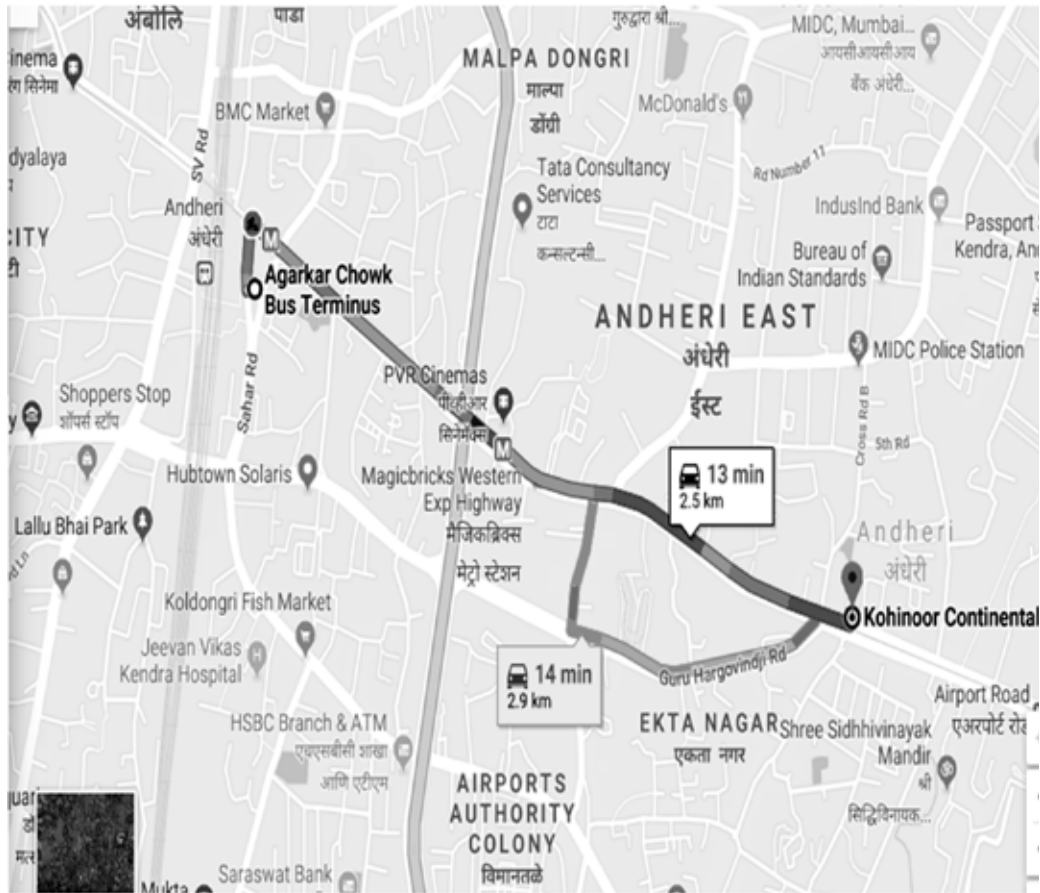
Anu Nair
Company Secretary
M. No. 30525

P. Gopal
Director
(DIN 06630431)

ROUTE MAP TO AGM VENUE

VENUE - Hotel Kohinoor Continental, Ruby Hall, Andheri-Kurla Road, J B Nagar, Andheri East, Mumbai, Maharashtra 400059.

NEAREST METRO STATION - Approximately 100 metres from JB Nagar Metro Station.



ANJANI PORTLAND CEMENT LIMITED

CIN:L26942MH1983PLC265166

Regd. Office : A-610, Kanakia Wall Street Chakala Junction, Andheri-Kurla Road,
Andheri (East), Mumbai 400093 Tel. 022 62396051
email id: secretarial@anjaniment.com, website: www.anjaniment.com

ATTENDANCE SLIP

(To be presented at the entrance)

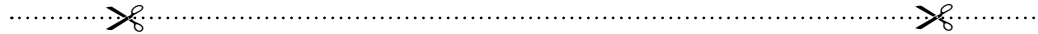
35th ANNUAL GENERAL MEETING ON WEDNESDAY, AUGUST 28, 2019 AT 10 A.M
Hotel Kohinoor Continental, Ruby Hall, Andheri-Kurla Road, J B Nagar, Andheri East, Mumbai,
Maharashtra 400059

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 : A-610, Kanakia Wall Street Chakala Junction, Andheri-Kurla Road, Andheri (East),
Mumbai 400093 Tel. 022 62396051
email id: secretarial@anjaniment.com, website: www.anjaniment.com

PROXY FORM

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

Name of the Member(s) : _____

Registered Address : _____

E-mail ID : _____

Folio No/ Client Id No : _____

DP Id No : _____

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

1. Name : _____ Email Id: _____

Address: _____ Signature _____

or failing him

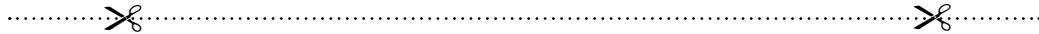
2. Name : _____ Email Id: _____

Address: _____ Signature _____

or failing him

3. Name : _____ Email Id: _____

Address: _____ Signature _____



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fifth Annual General Meeting of the Company to be held on Wednesday, August 28, 2019 AT 10 a.m at Hotel Kohinoor Continental, Ruby Hall, Andheri-Kurla Road, J B Nagar, Mumbai 400059 and at any adjourned meeting thereof in respect of such resolutions as are indicated below.

Ordinary Business

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a final Dividend for the financial year ended March 31, 2019.
3. To appoint a Director in place of Dr (Mrs.) S.B. Nirmalatha, who retires by rotation and, being eligible, offers herself for re-appointment.
4. Re-appointment of Statutory Auditors and fixing their remuneration.

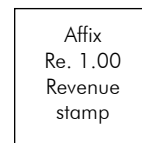
Special Business

5. Ratification of Remuneration payable to Cost Auditor
6. Appointment of Mr. RM. Palaniappan as Independent Director
7. Appointment of Mr.V.Palaniappan as Non-Executive Director
8. Approval for Material Related Party Transactions.

Signed this _____ day of _____ 2019

Signature of Shareholder _____

Signature of Proxy Shareholder _____



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



Anjani Portland Cement Limited

Regd Office

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Chakala Junction,
Andheri-Kurla Road,
Andheri (East),
Mumbai – 400093

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www.anjaniment.com