



STAR FERRO AND CEMENT LIMITED

Annual Report **13-14**

overcoming challenges

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Corporate information

Board of Directors

Mr. Sajjan Bhajanka	<i>Chairman & Director</i>
Mr. Hari Prasad Agarwal	<i>Managing Director</i>
Mr. Sanjay Agarwal	<i>Director</i>
Mr. Manindra Nath Banerjee	<i>Director</i>
Mr. Santanu Ray	<i>Director</i>
Mr. Mangi Lal Jain	<i>Director</i>
Mrs. Plistina Dkhar	<i>Director</i>

Auditors

Kailash B. Goel & Co.
Chartered Accountants
70, Ganesh Chandra Avenue,
1st Floor, Kolkata - 700 013

Chief Financial Officer

Mr. Om Prakash Lohia

Company Secretary

Mr. Ravi Prakash Mundhra

Bankers

State Bank of India
Oriental Bank of Commerce
Axis Bank

Registered Office

VIII: Lumshnong, P.O.Khaliehriat
Dist: East Jaintia Hills
Meghalaya - 793 210

Works

Ferro Alloy & Power Plant
EPIP, RajaBagan,
Byrnihat - 793 101
Ri-Bhoi, Meghalaya

Corporate Office

'Satyam Towers', 1st Floor,
Unit No. 9B, 3, Alipore Road
Kolkata - 700 027
Phone: 033 24484169/4693
Fax: 033 22484168
Email: investors@starferrocement.com
Website: www.starferrocement.com

Registrars & Share Transfer Agents

Maheswari Datamatics Pvt. Ltd.
6, Mango Lane, 2nd Floor,
Kolkata - 700 001
Phone: 033 22435029/22482248
Fax - 033 22484787
Email – mdplc@yahoo.com



Chairman's review

Dear shareholders,

Fiscal 2013-14 has been a remarkable year for the Company. A year when we successfully challenged the prevailing adverse economic and business environment that promised to derail our year-start projections.



Even as the infrastructure sector, our key business driver, came to a grinding halt due to the policy logjam, high cost of funds and high inflation, we successfully grew over revenues by 78% to ₹1,173.37 crore in 2013-14 as against ₹659.60 crore in 2012-13. This contrarian performance came about on the back of increased sales, a higher capacity of utilization coupled with a full year of operations at our newly commissioned unit.

Business review

Ferro alloys business: It was a particularly good year for the ferro alloys business. Revenue doubled over the previous year. And this was against the backdrop of a lacklustre performance by the steel sector (the largest user of ferro alloys) in 2013-14. Realizations improved and the cost of power, which plays a defining role in determining the profitability of any ferro alloys business, declined due to our ability to strike a prudent balance

between captive power sourcing and power trading.

Cement business: Net revenues from this business jumped to 78% over the previous year. This volume-driven growth was the result of our new cement and clinker capacities coming on stream in late 2012-13.

Despite this significant jump in the topline, business profitability was impacted by high depreciation and interest cost pressures – EBIDTA has increased by 96% but the profit has declined by 110% due to higher depreciation and interest cost respectively over the previous year.

Logistics and material costs dampened business profitability. The logistics costs for the movement of clinker between the new units significantly dented profits. Besides, the additional coal required for the newly commissioned 51-MW power plant added to the burden.

What I find satisfying is that we were able to market the additional volumes in a tough market. Now, as the tide has started to turn, we are optimistic of profitable growth going forward.

Outlook

Macro optimism: India Inc. is excited with a dynamic, pro-business government at the helm. This is also the first instance of a single political party winning a decisive majority in the past 32 years. This dominant majority augurs well for the country by ushering in reforms acceleration and national prosperity. The Central Government has indicated that a thrust is to be laid on infrastructure creation with a special emphasis on the North-East. This would result in robust economic growth over the medium-term and translate into enhanced business opportunities for the Company.



Geographic opportunities: North-East India is of strategic importance as it makes up a significant portion of the border that India shares with its neighbours, yet its ranks significantly below the national average in infrastructure development. The Government has made a sizeable allocation of ₹53,706 crore in the Union Budget 2014-15 for infrastructural development in this region. Even if a part of this allocation cascades into on-the-ground projects, the demand for our products – ferro alloys and steel – will increase with leaps and bounds.

Our blueprint

Having expanded our cement and ferro alloys capacity in the recent past, we will concentrate our efforts on maximizing the returns on our investments through cost optimization and productivity-enhancing initiatives.

Message to shareholders

We are standing at a critical juncture in our Company's existence. As the Government intensifies its efforts on infrastructural development in the North-East, our new capacities perfectly positions us to make the most out of the emerging opportunities and enhance shareholder value over the years.

Warm regards,

Sajjan Bhajanka
Chairman

Net revenue of the
business jumped to

78%

over the previous year.



STAR FERRO AND CEMENT LIMITED

Regd. Office: Vill: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210,
Tel: 03655 – 278215/16/18, Fax: 03655-278217, Email: info@starferrocement.com, website: www.starferrocement.com,
CIN-L27310ML2011PLC008564

Notice to the Shareholders

NOTICE is hereby given that the FOURTH ANNUAL GENERAL MEETING of Star Ferro and Cement Limited will be held on Saturday, 20th September, 2014 at 11:00 AM at “Star Club”, Vill: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss for the year on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sajjan Bhajanka (DIN: 00246043), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s Kailash B. Goel & Co., Chartered Accountants, Kolkata, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company.

Special Business:

4. To consider and if, thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mangilal Jain (DIN: 00353075), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from members in terms of Section 160 of the Act, be and is hereby appointed as Independent Director of the Company who shall hold office upto 31st March, 2019 and whose office shall not be liable to determination by retirement of Directors by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Manindra Nath Banerjee (DIN: 00312918), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from members in terms of Section 160 of the Act, be and is hereby appointed as Independent Director of the Company who shall hold office upto 31st March, 2019 and whose office shall not be liable to determination by retirement of Directors by rotation.”

6. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Santanu Ray (DIN: 00642736), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from members in terms of Section 160 of the Act, be and is hereby appointed as Independent Director of the Company who shall hold office upto 31st March, 2019 and whose office shall not be liable to determination by retirement of Directors by rotation.”

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Smt. Plistina Dkhar (DIN: 01375361), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from members in terms of Section 160 of the Act, be and is hereby appointed as Independent Director of the Company who shall hold office upto 31st March, 2019 and whose office shall not be liable to determination by retirement of Directors by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies payment of remuneration of ₹50,000/- (Rupees Fifty Thousand Only) per annum to the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient for giving effect to the aforesaid resolution."

9. To consider and if, though fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT in pursuance to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof) to borrow money from time to time as they may think fit for the purpose of the business of the Company, any sum or sums of money which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) either in foreign currency and / or in rupee currency, as may be deemed necessary, may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that aggregate of the moneys borrowed or to be borrowed by the Board of

Directors shall not at any time exceed ₹500 Crores (Rupees Five Hundred Crores)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

10. To consider and if, though fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT in pursuance to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company on such movable and immovable properties, both present and future and in such form and manner as the Board may deem fit, together with power to take over the management and concerns of the Company in certain events in favour of Banks/Financial institutions or other lenders, trustees to secure rupee/foreign currency loans, debentures/bonds and/or such other borrowings (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not at any time exceed the limit of ₹500 crores (Rupees Five hundred crores only)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

11. To consider and if, though fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereto and subject to approval of the Members in their Meeting, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for keeping the Register and Index of Members of the Company along with share



transfer books, copies of all Annual Returns together with copies of all certificates and documents required to be annexed or attached thereto, books of accounts, all registers as required to be kept under Section 88 and Section 92 of the said act, be kept at a place other than the registered office of the Company being the Corporate Office of the Company at Unit 9B, "Satyam Tower", 3, Alipore Road, Kolkata – 700027."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts,

deeds and things including filing of e-forms as are required and the Board may in its absolute discretion consider necessary, proper, desirable or appropriate in such manner as may be beneficial to the Company for giving effect to the aforesaid resolution."

By Order of the Board
For Star Ferro and Cement Limited

sd/-

Dated: 16th July, 2014
Place : Kolkata

Ravi Prakash Mundhra
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Members holding shares in the physical form are requested to notify change in address, bank mandate and bank particulars, if any, under their signatures to M/s Maheshwari Datamatics Pvt. Ltd., 6 Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio nos. Members holding shares in electronic form may update such information with their respective depository participants.
4. The Share Transfer Books of the Company will remain closed from 9th August, 2014 to 12th August, 2014 (Both days inclusive).
5. Pursuant to Section 101 and Section 136 of the

Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by writing to the Registrar of the Company, M/s. Maheshwari Datamatics Private Limited at the following address:-

Maheshwari Datamatics Private Limited
6, Mangoe Lane, 2nd Floor,
Kolkata - 700001

Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

6. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM. Members are requested to bring their admission slip along with copy of the Annual Report at the Annual General Meeting.
7. Members seeking information regarding financial accounts of the Company are requested to write to the Company at least 7 (seven) days before the date of meeting so as to enable the management to keep the information ready.

8. All documents meant for inspection and referred to in the Notice and accompanying Annual Report are open for inspection at the corporate office of the Company during office hours between 11:00 A.M to 1:00 P.M on all working days till the date of the Annual General Meeting.
9. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners

as on **Friday, 8th August, 2014**, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on Sunday 14th September, 2014 and will end at 5.00 p.m. on Tuesday, 16th September, 2014. The Company has appointed Mr. Navneet Jhunjhunwala, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting.

EXPLANATORY STATEMENT

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

Item No. 4 to 7

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. Mangilal Jain, Mr. Manindra Nath Banerjee and Mr. Santanu Ray has been appointed as Non-Executive Independent Directors of the Company on 12th April, 2013 and Mrs. Plistina Dkhar has been appointed as Non-Executive Independent Directors of the Company on 12th August, 2013 whose period of office was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. The Board of Directors in their meeting dated 28th of May, 2014 has appointed Mr. Mangilal Jain, Mr. Manindra Nath Banerjee, Mr. Santanu Ray and Mrs. Plistina Dkhar as Independent directors of the Company to hold office upto 31st March, 2019. However, such appointment is subject to approval of the shareholders in their meeting. Under the Companies Act, 2013, the Company is required to appoint independent directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. Mangilal Jain, Mr. Manindra Nath Banerjee, Mr. Santanu Ray and Mrs. Plistina Dkhar being eligible and offering themselves for appointment, are proposed to be appointed as an Independent Director who shall hold office from 1st April, 2014 to 31st March, 2019. A brief profile of the proposed Independent Directors is provided elsewhere in the notice.

Notices have been received from members proposing candidature of the above directors for the office of Independent Director of the Company. In the opinion of the Board, Mr. Mangilal Jain, Mr. Manindra Nath Banerjee, Mr. Santanu Ray and Mrs. Plistina Dkhar fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends the Ordinary Resolutions as set out at item no. 4 to 7 for approval of the Members.

Item No. 8

The Board of Directors on the recommendation of Audit Committee has appointed M/s B.G. Chowdhury & Co., Cost Accountants to conduct the Cost Audit of the Company for the Financial Year 2014-15 on remuneration of ₹50,000 (Rupees Fifty Thousand only) per annum.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2015.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

Item No. 9

As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans repayable on demand or within six months from the date of the loan, such as short term, cash credit arrangements and temporary loans, if any, obtained from the Company's bankers in ordinary course of



business) by the Company in excess of the paid-up capital of the Company and its free reserves, requires the approval from the shareholders by means of Special Resolution.

With a view to meet the funds requirements of the Company, the Company may require to borrow from time to time by way of loans and/or guarantees and/or issue of Bonds, Debentures or other securities. The directors of the Company, therefore, recommended the above special resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 9 for approval by the Shareholders.

Item No. 10

The Company is required to create security in favour of the Lenders/ Trustees for the loans/ financial assistance availed by the Company from banks and other financial institutions, by way of creation of mortgage and/ or charge on the assets of the Company, as stated in the resolution.

In furtherance to the Resolution No. 9 of this notice, the said borrowings/ issue of securities may be required to be secured by way of mortgage/ charge over all or any part of the movable and/or immovable assets of the Company and as per provisions of Section 180(1)(a) of the Companies Act 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the shareholders of the Company.

Accordingly, it is proposed to pass an enabling resolution authorizing the Board to create charge on the assets of the Company for a value not exceeding ₹500 Crores (Rupees Five Hundred Crores Only).

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 10 for approval by the Shareholders.

Item No. 11

The Registers required to be kept and maintained by a company under section 88 of Companies Act, 2013 and copies of the annual return filed under section 92 of Companies Act, 2013 shall be kept at the registered office of the Company. However Section 94(1) of the Companies Act, 2013 also provides that a Company can keep the said Registers and Annual Return and other documents at a place in India in which more than one-tenth of the total number of members entered in the register of members reside if the said proposal is approved by the members of the Company. The Company proposes to keep its registers and copies of annual return at its Corporate Office at Unit 9B, "Satyam Tower", 3, Alipore Road, Kolkata – 700027.

Accordingly consent of the members is sought for passing the Special Resolution as set out at Item No. 11 of the Notice for keeping the registers and copies of Annual Return at the said place.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

By Order of the Board
For Star Ferro and Cement Limited

sd/-

Dated: 16th July, 2014
Place : Kolkata

Ravi Prakash Mundhra
Company Secretary

Information provided pursuant to Clause 49 of the Listing Agreement with the Exchange(s) in respect of individuals proposed to be Appointed/Re-appointed as Director(s)

Name of the Director	Mr. Sajjan Bhajanka	Mrs. Plistina Dkhar	Mr. Mangi Lal Jain	Mr. Manindra Nath Banerjee	Mr. Santanu Ray
Date of Birth	3rd June, 1952	1st January, 1960	14th July, 1931	12th January, 1937	30th June, 1947
Date of Appointment	10th March, 2011	12th August, 2013	12th April, 2013	12th April, 2013	12th April, 2013
No. of Shares Held	23371570 Equity Shares	750 Equity Shares	3000 Equity Shares	Nil	Nil
No. of warrants Held	Nil	Nil	Nil	Nil	Nil
Qualification	Commerce Graduate	Undergraduate	ACA	MA	FCA
Experience in special functional Area	He has an experience of over 35 years in plywood, ferro-silicon and cement industries. He has played a key role in the progress of the Company.	She has an experience of over 27 years and has been associated with the Company since 2013. She is also Director of Riango Veneers Pvt. Ltd., amongst others.	He has an experience of over 56 years and has worked in senior positions with various companies of repute. He is an expert in the field of accounts and finance.	He is a retired IAS Officer from the West Bengal cadre and has served in the various departments of the Government of West Bengal including service as a Managing Director and Chairman of more than 10 State Government undertakings. He has also worked in Durgapur Steel Plant on deputation from the State Government.	He is a Chartered Accountant and had worked at senior positions as well as consultant with several reputed Companies and has vast experience in the field of research and education. He has served as Chief Mentor at various Business Schools.
Directorship held in other Public Companies (As on 31.03.2014)	<ol style="list-style-type: none"> 1. Century Plyboards (India) Ltd. 2. Cement Manufacturing Company Ltd. 3. Star Cement Meghalaya Ltd. 4. Meghalaya Power Ltd. 5. Marwari Relief Society 6. Bharat Chamber of Commerce 7. Shyam Century Ferrous Ltd. 8. Century MDF Ltd. 9. Emami Ltd. 	<ol style="list-style-type: none"> 1. Century Plyboards (Meghalaya) Ltd. 2. Shyam Century Ferrous Ltd. 	<ol style="list-style-type: none"> 1. Century Plyboards (India) Ltd. 2. Cement Manufacturing Company Ltd. 3. Star Cement Meghalaya Ltd. 4. Meghalaya Power Ltd. 5. NE Hills Hydro Ltd. 6. Zenith Exports Ltd. 	<ol style="list-style-type: none"> 1. Century Plyboards (India) Ltd. 2. Skipper Ltd. 	<ol style="list-style-type: none"> 1. Century Plyboards (India) Ltd.
Membership/ Chairmanship in Committees of other Companies (As on 31.03.2014)	Chairman of Investors Grievance (Stakeholders) Committee and member of Audit Committee of Emami Ltd.	Nil	Chairman of Audit Committee of Century Plyboards (India) Ltd.	Member of Audit Committee of Century Plyboards (India) Ltd.	Member of Audit Committee of Century Plyboards (India) Ltd.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting 4th Annual Report of the Company together with the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss for the year ended on that date.

Financial Results

(₹ in Lacs)

Particulars	Consolidated		Standalone	
	2013-14	2012-13	2013-14	2012-13
Gross Income	117366.99	69534.91	14976.89	6858.57
Net Income	117574.06	66115.89	15318.86	6485.76
Profit Before Depreciation, Interest & Tax	25731.93	11993.91	2848.04	(12.90)
Depreciation	(16163.64)	(5029.09)	(480.46)	(551.63)
Interest and Finance Charges	(8721.20)	(2852.13)	(399.57)	(201.78)
Exceptional Items	(87.46)	(19.29)	9.56	0.18
Profit Before Tax	759.62	4131.18	1977.57	(766.49)
Tax Expenses	(270.80)	(370.95)	(404.34)	207.73
Profit after Tax before Minority Interest	488.82	3760.23	1573.23	(558.76)
Less: Minority Interest	(123.63)	1268.21	-	-
Net profit after Minority Interest	612.44	2492.02	-	-
Surplus in the Statement of Profit & Loss				
At the beginning of the year	37994.31	(0.10)	(558.86)	(0.10)
Add: Profit for the year	612.44	2492.02	1573.23	(558.76)
Add: Amount adjusted on acquisition of subsidiaries pursuant to the Scheme of Arrangement	-	35502.39	-	-
Less:				
-Interim Dividend on Equity Shares	1042.52	-	733.17	-
-Tax on Interim Equity Dividend	178.11	-	-	-
-Transfer to General Reserve	221.00	-	101.00	-
At the end of the year	37165.12	37994.31	180.20	(558.86)

Dividend

The Company has declared and paid an interim dividend of 33% (₹0.33 per equity share of ₹1/- each) in the month of March, 2014. Total outgo on account of dividend for the year under review amounts to ₹733.17 Lacs.

To meet the operational requirements of funds, your directors do not recommend any further dividend for the year under review.

Performance and Operations Review

Ferro Alloy Business

The year 2013-14 was a difficult one in terms of operating business environment with Indian economy facing various challenges. Persistent inflationary conditions together with poor market sentiments and high interest rates pegged industrial growth. Infrastructural bottlenecks, weak rupee coupled with a tapered demand and contraction of industrial production

was observed during the year under review. Liquidity conditions have worsened due to persistent hardening of interest rates, resulting into drying of availability of funds for the Industry.

The Steel sector, one of the largest consumers of your Company's products witnessed weak demand and dumping of Ferro Silicon from China into India. As a result, the demand for Ferro Alloys remained subdued.

Despite these constraints and challenging environment, your Company continued to focus on its fundamental strength of its ability to continuously focus on productivity and quality. There was strong emphasis on internal efficiencies together with an improvement in the sales mix which enabled your Company to withstand inflationary pressures on costs and profitability.

During the year under review, your Company achieved highest production. Your Company produced 16,164 MT of Ferro Silicon during the year under review as against 9,463 MT during the immediate preceding financial year, registering a growth of 71%.

Despite intense competitive market conditions and slowdown in industrial and economic activities, your company has been able to sale 17,331 MT of Ferro Silicon during the year under review as against 8,893 MT during the immediate previous year registering a growth of 95%. While your Company constantly strives to increase stakeholder's value, emphasis continues to be on delivering value to customers and strengthening processes while driving sustainable practices, resulting into expanding our customer base.

Operational Performance Of Subsidiaries – Cement

The conditions prevailing for the business of subsidiaries were no different than the ones faced by your Ferro Alloy Unit. For subsidiary M/s. Cement Manufacturing Company Limited (CMCL), FY 2013-14 was first full year of operation for its recently commissioned Grinding Unit at Guwahati. Similarly, FY 2013-14 was first full year of operation for M/s. Star Cement Meghalaya Limited, subsidiary of CMCL which commenced commercial operation of its Clinkerization unit at Lumshnong (Meghalaya) during last quarter of FY 2012-13. On the one hand there was slowdown in economy, inflationary pressures were on all-time high, rupee continued to erode its value which touched upon all spheres of industrial activities and so was the cement industry in general. On the other hand, these subsidiaries had before them, challenges of optimizing operations of their newly commissioned units and also to sell their product which multiplied in terms of volume as compared to previous year under these pressing market conditions. However, these challenges were also an opportunity for your subsidiaries. During the year under review,

the newly commissioned units could optimize its operations to a large extent and at the same time have also been able to sale the increased volume in the market which provided a distinct competitive edge to their advantage.

During the year under review, on consolidated basis, Clinker production was at 13,78,616 MT as against 835,576 MT during the FY 2012-13, registering a growth of 65%. On the cement side, your subsidiaries produced 16,64,037 MT of cement on consolidated basis as against 10,67,465 MT during FY 2012-13, registering a growth of 56%. Cement dispatch on consolidated basis was 16,53,279 MT during the year under review as against 10,69,489 MT during FY 2012-13, registering a growth of 55% over previous year. Similarly, sale of cement grew from 10,65,097 MT on consolidated basis during the year 2012-13 to 16,31,048 MT during FY 2013-14, registering a growth of 53%. Both of the newly commissioned units have been able to achieve close to two-third of their installed capacity in first full year of operation itself.

Marketing Performance of Subsidiaries

On the marketing side, subsidiaries of your company have been able to capitalize on potential of markets of North Eastern Region (NER). Despite flat demand growth in the markets of North East, these subsidiaries have been able to grow their sales volume by 37% in the region and have been able to sale 14,16,426 MT of cement on consolidated basis in the markets of NER during the year under review as against 10,32,839 MT during the last financial year. Their market share further improved from 18% during last financial year to 23% during the year under review. This was achieved by concentrating on more focused approach to expand reach in rural and semi-urban markets of NER. This was further supported by increased brand visibility and focused campaigning of brand "STAR CEMENT" in remotest areas of the region. Your Subsidiary's Brand "STAR CEMENT" continues to enjoy leadership position in the region.

Apart from intensifying their effort in NER market, the product of your subsidiaries has been successfully placed in the markets of West Bengal and Bihar too under the brand "STAR CEMENT". Keeping in view the short time frame since launch of their product in these markets, the efforts put in the markets of West Bengal & Bihar have started bearing fruits for your subsidiaries. Your subsidiaries have been able to clock a sales volume of 2,14,622 MT of Cement in a very short span of time in these markets during the year under review as compared to 32,258 MT during the immediate preceding financial year which accounts for more than five times growth during the year under review over previous year.



While in NER, the dealer and retail network has been under expansion during the year under review to further consolidate feet in the region; your subsidiaries have started appointing dealer and retailers in the markets of West Bengal & Bihar too. A dedicated team has already been placed for these new and upcoming market areas to strengthen their retail network. A huge marketing and visibility campaign has been put in place to have a better brand visibility and top of mind recall amongst the users of cement in all these markets.

With sustained marketing efforts on continued basis, your subsidiaries expect to put a much better performance during the ensuing year. In addition, your subsidiaries are also exploring possibility of placing their product in the markets of neighboring countries viz. Nepal, Bhutan and Bangladesh. M/s. Star Cement Meghalaya Limited, a subsidiary of CMCL is already exporting clinker to these neighboring countries. Your subsidiaries are further exploring avenues to export cement too in these markets.

Financial Performance

In the backdrop of a weak economy and a challenging market situation, your Company's Gross sales on standalone basis stood at ₹14,235.54 lacs as against ₹6858.18 lacs for last year, recording a growth of 108% and Profit before Tax (excluding exceptional items) for the year on standalone basis stood at ₹1977.57 lacs, as against loss of ₹766.49 lacs last year. Net profit after tax on a standalone basis for the year under review stood at ₹1573.23 lacs as against loss of ₹588.76 lacs last year. Your Company's Gross sales on a consolidated basis stood at ₹1,17,130.26 lacs for the year under review as against ₹69,378.85 lacs recorded last year, registering a growth of 69%. During the year under review, Profit before Tax on a consolidated basis for the year stood at ₹759.62 lacs as against ₹4131.18 lacs recorded last year. This was mainly on account of higher interest charge and depreciation during the year under review. The net profit after minority interest for the year under review stood at ₹612.44 lacs as against ₹2492.02 lacs recorded last year.

Change of Registered Office of the Company

During the year under review, the Company has filed a petition under Section 17 of the Companies Act, 1956 with the Regional Director, Eastern Region, Ministry of Company Affairs, seeking approval for Change of Registered Office of the Company from the State of West Bengal to the State of Meghalaya. The Company has received the approval from the Regional Director on 10th April, 2014. The Company has filed the certified true copy of the order on 19th April, 2014 with the Registrar of Companies, West Bengal, which shall be considered as the effective date of the Change in Registered office. With effect from 19th April, 2014, the registered office of your company stands shifted to Vill: Lumshnong, P.O. Khaliehriat, District: East Jaintia Hills, Meghalaya – 793210.

Internal Control Systems and their Adequacy

The Company maintains comprehensive internal control system commensurate with the size of its operations and monitoring procedure for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Internal Audit Department of the Company periodically reviews the effectiveness and efficacy of Internal Control Systems and procedures. Audits are finalized and conducted based on internal risk assessments. Significant deviations from the standard procedures are brought to the notice of the Board periodically and corrective measures are recommended for implementation. All these steps facilitate timely detection of any irregularities and early remedial measures to be undertaken so that no monetary losses are sustained.

Subsidiaries and Associates

During the year under report, Cement Manufacturing Company Limited and its subsidiaries, viz. Star Cement Meghalaya Limited (SCML), Meghalaya Power Limited (MPL), Megha Technical & Engineers Private Limited (MTEPL) and NE Hills Hydro Limited (NHHL) continued to be the subsidiaries of your Company. CMCL along with its subsidiaries operates integrated Cement plants in the State of Meghalaya and Assam with a combined installed capacity of cement 2.86 MnTPA and 2.54 MnTPA of clinker.

MPL is in the business of power generation and operates 51 MW Power Plant in the State of Meghalaya. NHHL is exploring possibilities of power generation in the North Eastern Part of India.

Deposits

During the year under report, the Company has not accepted any deposits from public or from any of the Directors of the Company or their relatives as per the requirement of Section 58A or 58AA of the Companies Act, 1956.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company have been prepared as per Accounting Standards- AS 21, as prescribed by the Institute of Chartered Accountants of India and has been included as a part of this Annual Report.

The Ministry of Corporate Affairs, Government of India has granted general exemption under section 212(8) of the Companies Act, 1956 from the requirement to attach detailed financial statements of each subsidiary. In compliance with the exemption granted, we have presented summary of financial statement for each subsidiary of the Company in this Report. A

statement of holding company's interest in subsidiaries is also furnished separately.

The detailed financial statements and audit reports of each of the subsidiaries of the Company are available for inspection at the registered office of the Company during office hours between 11 A.M. and 1 P.M. The Company will arrange to send the financial statements of the subsidiaries upon written request from a shareholder to the registered address of the said shareholder. Further the reports and accounts of the subsidiary companies will also be available on the Company's website, www.starferrocement.com.

Future Outlook

Ferro Alloy Industry mainly caters to the needs of the steel industry. Ferro alloys are used as additives and de-oxidizing agents in steel manufacture. The Indian Ferro Alloy Industry has a capacity of 5.15 million tonnes. It accounts for nearly 10% of the world's Ferro alloy production and is amongst the 10 largest producers of the material in the world. In the midst of raw material availability being a key factor for Ferro alloy industry growth, production is concentrated in a few pockets. India, South Africa, China and CIS countries represent a large source of Ferro alloys. India's Ferro alloy supply constitutes of Ferro Chrome (about 32%), Ferro Manganese and Silicon Manganese (about 62%) and rest others. At present, though there is surplus capacity in the country, severe power cuts is hampering production.

Ferro Alloy producers across the globe in last couple of years were one of the worst hit in history with drastic collapse in demand and vertical fall in prices of finished products. After a couple of difficult years, well-coordinated efforts at the global level and various stimulus packages (policy, fiscal and monetary) have helped to put the world economy back on track.

Strong growth in steel and stainless steel is expected in the near future with strong demands in infrastructure industry. On the back of these expectations, it is expected that the excess capacity will stand absorbed and further growth is anticipated in Ferro alloys Industry in the years to come to match the growth of Steel Industry. In view of potential growth of housing and infrastructure, the overall demand for Ferro alloy is expected to remain buoyant.

Directors

In accordance with the Articles of Association of the Company and provisions of Companies Act, 2013, Mr. Sajjan Bhajana will retire by rotation and being eligible offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as a director of the Company.

The Particulars of the Directors seeking re-appointment as per the requirement of Clause 49 of the Listing agreement are provided in the Notice to this Report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors state as follows:-

- (i) in the preparation of the annual accounts of the Company for the year ended 31st March, 2014, the applicable accounting standards have been followed and that no material departures are made from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit/loss of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis;

Management Discussion and Analysis

In terms of Clause 49 of the Listing Agreement, the Management Discussion and Analysis on Company's performance and industry trends is set out separately in this Annual Report.

Corporate Governance

The Company has complied with the corporate governance requirements as stipulated under the listing agreement with the stock exchanges. A separate section on corporate governance, along with a certificate from the auditors confirming the compliance, is annexed and forms part of the Annual Report. This certificate will be forwarded to the stock exchanges along with the Annual Report of the Company.

CEO/CFO Certification

As required under Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

Auditors & Auditors' Report

M/s. Kailash B. Goel & Co., Chartered Accountants, Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting of the Company. Being eligible, they have offered themselves for re-appointment and have confirmed that their appointment, if made, will be in



accordance to the provisions of Section 141 read with Section 139 of the Companies Act, 2013. In terms of requirement of Section 177 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the audit committee of the Company in their meeting dated 28th of May, 2014 have recommended their re-appointment as statutory auditors for the year 2014-15 to Board of Directors. Members are requested to approve and ratify their appointment. Members are also requested to empower the Board of Directors for fixation of Auditor's Remuneration.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

Cost Auditors

Your Company had appointed M/s B. G. Chowdhury & Co., Cost Accountants of 4A, 11/47A, Panditya Road, Kolkata – 700029, having Firm Registration number 000064 and Membership Number 13497, as Cost Auditor for audit of cost records maintained in respect of Ferro Alloy business of the Company for the financial year ended 31st March, 2014. The due date of filing the Cost Audit Reports is 27th September, 2014.

Corporate Social Responsibility

Your Company's CSR policy is committed towards improving the quality of life of communities by working on four thrust areas - employability, education, health and environment. Your Company strives to focus upon its social responsibility towards the growth of the regions where the plant of your Company is situated. It also supports several health initiatives and educational services in the area where the Company has its operations.

Green Initiatives in Corporate Governance

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders, wherever applicable. In case, any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request in this respect.

Human Resource Development & Industrial Relations

The Company has always provided a congenial atmosphere for work to all sections of society. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex. The Company believes that human capital of the Company is its most valuable assets and its human resource policies are aligned towards this objective of the Company.

The Company focuses on enhancing organizational performance by focusing on quick grievance resolution mechanisms and maintaining cordial relations with employees and workmen across all levels. The relation amongst its employees remained harmonious and the year under review remained free from any labor unrest.

Particulars as per Section 217(2A) of the Companies Act, 1956

Particulars of Employees

The Company has no employee whose salary exceeds the limit prescribed under section 217(2A) of the Companies Act, 1956. Hence, information required to be given under the said section read with Companies (Particular of Employees) Rules, 1975 as amended has not been provided in this report.

Information as to Conservation of Energy

Your Company has taken conscious efforts towards conservation of energy at all the plants and offices of the Company. Detailed Information on conservation of energy is set out in a separate statement, annexed to and forming part of this report.

Information as to Technology Absorption

You Company has always been first to adopt new technologies which provide superior quality of finished products. The Company has automated its operations and has embraced information technology in its operations.

Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange outgo was ₹0.99 Lacs. There were no earnings recorded in foreign currency during the year under review.

Acknowledgement

Your Directors take this opportunity to express their deep sense of gratitude to the banks, Central and State governments and their departments and the local authorities, customers, vendors, business partners/associates and stock exchanges for their continued guidance and support.

Your Directors would also like to place on record their sincere appreciation for the commitment, dedication and hard work put in by every member of the Company and dedicates the credit for the Company's achievements to them. Last but not least, your directors express their gratitude to the shareholders of the Company for reposing their confidence and faith in the Management of the Company.

For and behalf of the Board of Director

Place: Kolkata
Date: 28th May, 2014

Sajjan Bhajanka
Chairman

Annexure to Directors' Report

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014.

A. Conservation of Energy

a. Energy Conservation Measures taken

During the FY 2013-14 following energy conservation, modification and efficiency improvement measures were undertaken:

1. VFD has been installed in fans and pumps for controlling speed to save on consumption of energy.
2. High power consuming 250 Watt HPSV lamp has been replaced with 85 Watt CFL to save on energy consumption.
3. Minimized specific power consumption/MT for production of ferro silicon by improving raw material quality & operation.
4. Specific fixed carbon consumption/MT was decreased by increased use of Lamcoke against charcoal for fixed carbon purpose.
5. Installation of required Capacity submersible Pump in intake river area resulted into improvement in power factor.
6. Energy Audit for plant was undertaken by an external agency.
7. Increased awareness amongst employees, better planning and preventive maintenance resulting in reduction in consumption of energy compared to previous year.

b. Additional investments and proposal for reduction of consumption of energy:

The Company has planned to implement the following measures:

1. Installation of Speed Control Devices in CWP and CT Fan in Ferro Alloys Plant, CEP, IAC & SAC in Captive Power Plant.
2. Installation of Low Voltage Capacitor bank in Auxiliary Transformer of Captive Power Plant and in Auxiliary Transformer of Ferro Alloys Plant for improving power factor.
3. Replacement of Metallic blades with FRP blades in cooling tower fan of Ferro Alloy Plant.
4. Fluorescent Tube Lights (FTL) shall be replaced with T5 lamps with electronic ballast.
5. Installation of 3000 KVA, 42.5 KV HT Harmonic Filter Capacitor bank at Furnaces.

c. Impact of measures at (a) and (b) above for reduction of Energy Consumption and consequent impact on the cost of production of goods:

Measures referred in (a) and (b) are expected to result in energy saving resulting into lowering down the cost of finished goods produced.

FORM-A

Form for Disclosure of particulars with respect to conservation of energy

Sl. No.	Particulars	2013-14	2012-13
A	POWER AND FUEL CONSUMPTION		
	Electricity		
	I Purchased		
	Units (Lacs KWH)	434.54	85.96
	Total Amount (₹ in Lacs)	1579.80	382.92
	Rate / unit (₹)	3.64	4.45
	II Own Generation		
	Through Diesel Generator		
	Units (Lacs KWH)	0.09	0.07
	Unit / Ltr of HSD	3.87	4.01
	Total Amount (₹ in Lacs)	0.88	0.75
	HSD cost / Unit Generated (₹ /unit)	10.05	11.24
	HSD Rate / Litre (₹)	54.00	45.04
	III Through Captive Power Unit		
	Units (Lacs KWH)	929.45	729.17
	Total Cost (₹ in Lacs)	4916.81	3616.86
	Rate /Unit (₹)	5.29	4.96
B	CONSUMPTION PER UNIT OF PRODUCTION		
	Electricity (KWH/T of Ferro Silicon)	8438.99	8614.70
	HSD (Ltr / T of Ferro Silicon)	0.14	0.18



B. Technology Absorbtion

Research & Development

1. Specific areas in which R&D is carried out by the Company:

- a) Improving on quality of raw material through innovative process utilizing technology in Ferro Alloy Section.
- b) Conservation of resources though optimization of raw mix.
- c) Productivity research for increased efficiency in use of resources.
- d) Recycling of wastes and research for efficient use of scarce materials.
- e) Characterization of Industrial wastes and looking into possibilities environmentally friendly of co-processing wastes in Ferro Alloy silicon manufacture leading to conservation of natural resources.
- f) Evolving optimum fuel Mix and Maximum usage of fuels like Lamcoke in Ferro Alloy Section.
- g) Opacity meter installation at chimney outlet and Apex 100 energy meter installed in substation area.
- h) Installation of speech communication system in Captive Power Plant control room.
- i) Auto Electrode Regulation for smooth operation in Ferro Alloy.

2. Benefits derived as a result of above R&D:

- a) Monitoring of the SPM level and maintaining value

as per recommendations of Pollution Control Board, resulting in environment protection.

- b) Proper operation and monitoring for import/export of power from grid.
- c) Minimization of specific fixed carbon consumption/MT by increasing Lamcoke quantity & decrease charcoal quantity for fixed carbon purpose.
- d) Minimized specific power consumption/MT for production of Ferro Silicon by improving raw material quality and operation.
- e) Installed required capacity submersible pump in intake river area which is installed in place of higher capacity intake pump motor resulting into minimization of auxiliary power consumption.
- f) Proper communication and smooth operation of the plant in respective of power drawal/injection.
- g) Auto regulation of Electrode of the SAF resulted in smooth operation and increased longevity of system.

3. Future plan of action:

- a) Exploratory research works on the areas related to Ferro Alloys.
- b) Optimization of use of raw materials.
- c) Development of technical feasibility for industrial waste as alternate fuel.
- d) Installation and upgradation of energy efficient equipments.

C. Foreign Exchange Earnings and Outgo

Particulars	2013-14	2012-13
Foreign Exchange Earning	–	–
Foreign Exchange Outgo	0.99	–

Management discussion and analysis

Economic overview

India's economic growth of 4.7% in 2013-14 was marginally higher than the previous year due to an improved performance in the agriculture and allied sectors. The slowdown was primarily due to an unsupportive external environment, regulatory policy logjam, structural constraints and inflation. The Indian economy is placed better than what it was in 2013. A dynamic government at the centre strengthens the optimism for robust economic growth projected at 5.6% in 2014, rising to 6.0% in 2015 (Source: RBI).

Domestic ferro alloys sector

India's ferro alloys industry provides intermediates for its steel sector, strengthening its resistance to corrosion and oxidation, improving tensile strength and high temperature properties, among others.

Furnace capacity crossed 2,900 MVA and 4.65 million tonnes per annum by tonnage over the last year (Source: *Minerals and Metals Review, June 2014*). Bulk ferro alloys (viz. ferro manganese, ferro silico manganese, ferro silicon, ferro chrome, among others) are manufactured through submerged arc furnaces.

In 2013-14, the performance of the ferro alloys sector remained dull, as steel, the key user sector for ferro alloys, experienced lacklustre demand. While steel production grew marginally by 0.6% to 81 MT in 2013-14, end-user steel demand declined on account of project implementation logjam emanating from a number of infrastructural projects gating delayed due to environmental and other clearances.

Macro opportunity: The Twelfth Five Year Plan projects infrastructural investment worth US\$ 1 trillion, which could accelerate steel of take. This increase in infrastructural spending could translate into an additional steel demand of approximately 40 MT per annum between 2012-13 and 2016-17.

Cement sector

The cement industry of India is the second largest producer in the world with an annual capacity of 360 MT. Cement production takes place in India in clusters with manufacturing facilities primarily located proximate to limestone kilns. Recently, cement players have tweaked their business model by carrying out clinkerization (stage 1 of cement manufacture) near the kilns and locating their cement units close to the consuming markets.

In 2013-14, cement production remained subdued, contracting by 4% compared to 2012-13. This was owing to weak demand from end-user industries. Delay in environmental clearances for industrial and infrastructure projects and inadequate availability of sand in many states, contributed to the lacklustre performance of the cement sector.

Going ahead, the Indian cement sector is expected to witness attractive growth in coming years, with demand set to increase at an 8% CAGR between 2013-14 and 2015-16. (Source: *Ministry of External Affairs, Government of India, June 2014*) The production capacity is expected to grow to 550 MT by FY 2020.

India's infrastructural potential is huge and the country is

Estimated ferro alloys demand during the Twelfth Plan period

(in million tonnes)

	2012-13	2013-14	2014-15	2015-16	2016-17
Manganese ore	4.54	4.98	5.57	6.18	6.82
Chromite ore	2.9	3.19	3.52	3.93	4.31
Silico manganese	1.42	1.56	1.74	1.94	2.16
Ferro manganese	0.51	0.57	0.64	0.7	0.86
Ferro silicon	0.26	0.28	0.31	0.34	0.38
Ferro chrome	1.16	1.28	1.41	1.57	1.73
Refractories	1.29	1.42	1.56	1.74	1.89

(Source: *Report of Working Group on Steel Industry 2012-17*)



expected to become the world's third largest construction market by FY 2025, adding 11.5 million homes a year to become a US\$ 1 trillion a year market, which will increase the demand for the cement industry in the coming years. (Source: *Global Construction Perspectives and Oxford Economics*).

Governmental thrust on infrastructure

Pan-India: The Union Budget 2014-15 has laid a thrust on infrastructure development through decisive policy-making and increased fund allocation. This impetus is expected to drive the demand for steel and cement pan-India.

- Proposed a ₹378.5 billion (US\$ 6.32 billion) investment in the National Highways Authority of India to build and renovate state roads during the current fiscal.
- Extension of the 'sunset clause' under Section 80(l)(A) up to 31st March, 2017 along with the commitment of adequate coal supply for power plants already commissioned and those that would be commissioned by March 2015.
- Allocation of ₹7,060 crore for creation of 100 'smart cities'; allocation for port development stood at ₹11,000 crore

In an effort to expedite clearances and bring transparency and accountability to the process, the Environment Ministry unveiled an online system for submission and monitoring of forest clearance proposals, mirroring the online system for environmental clearances launched in June 2014. The Ministry now plans to ensure that both environmental and forest clearances for projects are bestowed simultaneously. This move is expected to significantly expedite project clearances and ensure faster implementation.

North-East: The North-East is expected to witness strong infrastructural development in the near future. This optimism stems from the announcement of critical projects in this area.

- The National Highway Development Programme (NHDP)-II proposes to link the East-West corridor beginning at Porbandar, Gujarat to the NE through a 678 km-long four-lane highway connecting Silchar to Srirampur.
- NHDP-III proposes to widen 1,051 km stretches of various NHs to improve connectivity to state capitals.
- Special Accelerated Road Development Programme for North East (SARDP-NE) Phases 'A' and 'B' will cover construction and improvement of 8,737 km of road length.
- In the Union Budget 2014-15, the Finance Minister has allocated ₹3,000 crore for improving roads in the hilly, mountainous areas and an additional ₹1,000 crore for development of railways in the North-East.

Corporate segment-wise review

Ferro alloys: The Company's ferro alloys segment posted a turnover of ₹14,206.63 lac in 2013-14, compared to last year's

₹6,830.58 lac and the segment revenue increased to ₹501.93 lac in 2013-14 from (₹1,090.24) lac in 2012-13.

Power: The Company's power segment posted a turnover of ₹13,491.72 lac in 2013-14, compared to ₹7,949.00 lac in 2012-13 and the segment revenue increased to ₹2,466.46 lacs in 2013-14 from ₹1,058.80 lac in 2012-13.

Cement: The Company's cement segment posted a turnover of ₹1,35,899.41 lac in 2013-14, compared to ₹62,252.56 lac in 2012-13 and the segment revenue decreased to ₹6,819.17 lac in 2013-14 from ₹7,252.39 lac in 2012-13.

Risk management

Star Ferro Alloys and Cement Limited accords the highest priority to organizational de-risking. The Company leverages sector-specific knowledge gathered over the years of its existence to strengthen viability and allay shareholder apprehension about prospects.

1) Key risks impacting the ferro alloys business

Rising power costs hamper production and derail the Company's growth estimates.

Mitigation: The surplus power from its newly commissioned 43-MW power plant is sufficient to meet the needs of the division's power requirement with its expanded capacity. Besides, intelligent power trading facilitated the reduction of power cost for the division. As capacities achieve optimum utilization, the power cost per unit is expected to come down further.

2) Key risks impacting the cement business

Excess cement capacity in the region could dampen the growth prospects for the Company.

Mitigation: The Company's entrenched presence in the geography has created a brand loyalty among discerning customers. Besides, the speedy clearance of bottlenecked projects provides optimism for increased offtake over the coming months. The Company has successfully established the 'Star Cement' brand in the markets of West Bengal and Bihar. Furthermore, Bangladesh provides a good business opportunity for the Company as infrastructure development continues to get the Bangladeshi Governments favour. Moreover, the nation does not have its own supply of limestone and cannot produce clinker domestically – it imports about 10-15 million tonnes of clinker annually.

Inflationary headwinds could dampen business margins

Mitigation: With the operation of new capacities reaching their optimum levels, economies-of-scale will start optimizing the overall cost structure. Besides, the team is continuously striving to minimize power and logistics costs (significant expense heads) through a differentiated strategy which is expected to yield results during the current year.

Report on Corporate Governance for the year 2013-14

Your Directors present the Company's Report on Corporate Governance:

Company's Philosophy on Corporate Governance:

Your Company is committed to its objective of growth and expansion by adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasises the need for full transparency and accountability in all its transactions and believes in operation of business in ethical, legal, responsible, just and fair way with an objective to safeguard and create long term value and wealth for all the stakeholders of the Company without compromising the environment and health of the society at large.

Board of Directors Composition

The Board of Directors of the Company exhibits an ideal mix of experience, youth, and exuberance. The Board is composed of eminent individuals from diverse fields. The Board of Directors of the Company complies with the requirement of Companies Act, 1956 as well as the Listing Agreement.

None of the Directors of your Company is a Director in more than 15 Public Limited Companies or a Member in more than 10 Committees or acts as the Chairman in more than five committees across all companies in which they are director as per the requirements of clause 49 of the Listing Agreement.

At present, your Board of Directors consists of Seven Directors and is headed by a Non-executive Chairman which is provided below:

Sl. No.	Name	Designation	Whether Promoter	Whether Executive	Whether Independent
1	Sri Sajjan Bhajanka	Chairman	Yes	No	No
2	Sri Hari Prasad Agarwal	Managing Director	Yes	Yes	No
3	Sri Sanjay Agarwal	Director	Yes	No	No
4	Sri Manindra Nath Banerjee	Director	No	No	Yes
5	Sri Santanu Ray	Director	No	No	Yes
6	Sri Mangi Lal Jain	Director	No	No	Yes
7	Smt. Plistina Dkhar	Director	No	No	Yes

Directorship, Committee Membership and Chairmanship

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and section 25 Companies) held by the Directors as on 31st March, 2013, are given below

Sl. No.	Name	Other Directorship of Public Limited Companies	Membership including Chairmanship of Board Committees
1	Sri Sajjan Bhajanka	9	2 (including one of Chairman)
2	Sri Hari Prasad Agarwal	13	2
3	Sri Sanjay Agarwal	6	-
4	Sri Manindra Nath Banerjee	2	2 (including one of Chairman)
5	Sri Santanu Ray	1	1
6	Sri Mangi Lal Jain	6	2 (including one of Chairman)
7	Smt. Plistina Dkhar	-	-

Board Meetings and Procedures

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once every quarter to review the Quarterly results. Additional meetings are held as and when necessary.

All the meetings are scheduled well in advance and notices are sent to all the Directors at their address registered with the Company. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Drafts minutes of the proceedings of the Board Meetings are circulated in advance and comments, if any, received from the directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

Number and dates of Board Meetings held during the year

Seven Board Meetings were held during the Financial Year 2013-14 and the gap between two meetings did not exceed four months. The Meetings were held on 12th April, 2013, 8th of July, 2013, 22nd July, 2013, 1st October, 2013, 5th November, 2013, 3rd February, 2013 and 11th March, 2014. Attendance at the Board Meetings during the financial year 2013-14 and at the previous Annual General Meeting is as under:

Sl. No.	Name of Director	No. of Board Meeting Attended	Last AGM Attended
1	Sri Sajjan Bhajanka	7	Yes
2	Sri Hari Prasad Agarwal	6	Yes
3	Sri Sanjay Agarwal	6	Yes
4	Sri Manindra Nath Banerjee	6	Yes
5	Sri Santanu Ray	5	No
6	Sri Mangi Lal Jain	6	Yes
7	Smt. Plistina Dkhar*	-	No

*Smt. Plistina Dkhar has been appointed as an Additional Director on 12th August, 2013 and subsequently her appointment was ratified by the Shareholders in their meeting dated 25th September, 2013.

Resume of Directors proposed to be re-appointed and appointed as Independent Director

The brief resume of directors retiring by rotation and seeking re-appointment as well as to be appointed as Independent Director are appended in the notice calling the Annual General Meeting.

Committees of the Board

The Board of Directors of your Company has following Committees:

Audit Committee:

The Audit Committee was constituted on 12th of April, 2013. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee are broadly as follows:

- To review compliance with internal control systems;
- To review the findings of the Internal Auditor relating to various functions of the Company;
- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, vigilance mechanism, scope of audit and observations of the Auditors/Internal Auditors;
- To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- To make recommendations to the Board on any matter relating to the financial management of the Company, including Statutory & Internal Audit Reports;
- Recommending the appointment of cost auditors, Internal Auditors and statutory auditors and fixation of their remuneration and approval of appointment of Chief Financial Officer of the Company.
- Review of Cost Audit Report.
- Reviewing the Company's financial and risk management policies.

Composition, number of Meetings and Attendance

The Audit Committee met six times during the Financial Year 2013-14. The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Sl. No.	Name of Director	Designation	Dates of Audit Committee Meeting					
			8th July, 2013	22nd July, 2013	1st October, 2013	5th November, 2013	3rd February, 2014	11th March, 2014
1	Sri Mangi Lal Jain	Chairman, Independent, Non-Executive	Yes	Yes	Yes	Yes	Yes	Yes
2	Sri Santanu Ray	Member, Independent, Non-Executive	Yes	Yes	Yes	Yes	No	Yes
3	Sri Manindra Nath Banerjee	Member, Independent, Non-Executive	Yes	Yes	Yes	Yes	Yes	Yes
4	Sri Hari Prasad Agarwal	Member, Non-Independent, Executive	Yes	No	Yes	Yes	Yes	Yes

Audit Committee meetings are attended by the Finance head of the Company and Representatives of Statutory Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

Remuneration Committee:

The Company had constituted a Remuneration Committee in the year 2013. The broad terms of reference of the Remuneration Committee are as follows:

- Determine the Company's policy on specific remuneration package for Managing Director / Whole-time Directors, including pension rights.
- To appraise the performance of Executive Directors and to recommend to the Board, compensation payable to them, keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- Decide the amount of Commission payable to the Whole-time Directors.
- To review the overall compensation policy, service agreements and other employment conditions of Executive Directors and senior executives, one level below the Board of Directors and make appropriate recommendations to the Board of Directors.

- To make recommendations to the Board of Directors on the increments in remuneration of the Directors.

Remuneration Policy

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements. The remuneration to be paid to the Executive Directors is recommended by the Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration paid to the executive directors is determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/Business Executives. Independent Non-Executive Directors are paid sitting fees for attending Board Meetings.

Composition of Remuneration Committee

The remuneration Committee comprises of the following three members:-

Sl. No.	Name of the Member	Category	Designation
1	Sri Mangi Lal Jain	Independent, Non-Executive	Chairman
2	Sri Santanu Ray	Independent, Non-Executive	Member
3	Sri Manindra Nath Banerjee	Independent, Non-Executive	Member

Meetings and Attendance:

The remuneration committee met once on 11th March, 2014 during the Financial Year 2013-14. All the Members of the Committee attended the meeting.

Remuneration paid to the Directors:-

The details of remuneration paid to directors for the Financial Year 2013-14 is provided below:

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees	No. of Shares held as on date Executive Director:
1	Hari Prasad Agarwal	Managing Director	2,80,833	Nil	2435760
Non-Executive Directors:					
1	Sri Manindra Nath Banerjee	Independent Director	Nil	42500	Nil
2	Sri Mangi Lal jain	Independent Director	Nil	40000	3000
3	Sri Santanu Ray	Independent Director	Nil	32500	Nil

Share Transfer cum Investor Grievance Committee

The Committee oversees Share Transfers and addressing to and redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

During the Financial Year 2013-14, one Meeting of the Share Transfer Cum Investor Grievance Committee was held on 5th November, 2013.

The Composition of the Investors' Grievance Committee and the details of the meeting attended by the Directors are given below:

Sl. No.	Name of the Member	Category	Designation	Date of Meeting
				05/11/2013
1	Sri Manindra Nath Banerjee	Independent, Non-Executive	Chairman	Yes
2	Sri Hari Prasad Agarwal	Non-Independent, Executive	Member	Yes

Status of Pending Complaints

The Company has not received any Complaints during the Financial Year 2013-14. There were no complaints pending at the beginning and at the close of the financial year.

Other Committees

In addition to above committees, the Board has constituted a Finance Committee on 11th of November, 2013 to approve capital expenditure schemes and donations within the stipulated limits and to recommend to the Board, capital budgets and other major capital schemes, to consider new businesses, acquisitions, divestments, changes in organisational structure and also to periodically review the Company's business plans and future strategies. The Committee has met once during the year under review.

General Body Meetings

a) Location and time where the last three Annual General Meetings were held:

Financial Year	Venue	Date and time
2012-13	Indian Chamber of Commerce Auditorium, 10th Floor, 4, India Exchange Place, Kolkata - 700001	25th September, 2013 at 3:00 P.M
2011-12	6, Lyons Range, 1st Floor, Kolkata- 700001	26th September, 2012 at 2:30 P.M
2010-11	6, Lyons Range, 1st Floor, Kolkata- 700001	6th September, 2011 at 11:30 A.M

- b) No Special Resolutions were passed in the last three Annual General Meetings.
- c) A special resolution for Change of Registered office of the Company from the State of West Bengal to the State of Meghalaya was passed through Postal Ballot on 31st of December, 2013. A summary of the Postal Ballot result is enclosed herewith:

Option	No. of Shares	% of Shares
Votes cast in favour	187434607	99.99
Votes cast against	2043	0.01
No. of invalid votes	145000	–

The special resolution was passed with requisite majority.

Disclosures

- No materially significant related party transactions took place between the Company and its subsidiaries, its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. Other Related Party transactions have been reported in Notes to Accounts.
- The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- The Company has a well-defined risk management framework and the Board is kept informed about the risk assessment and minimization procedures. The risk policy provides for identification of risk, its assessments and procedures to minimize risk. The risk management policy is reviewed periodically to ensure that the executive management controls the risk as per decided policy.
- The Directors of the Company are not related inter-se.
- The Financial statements of the Company are prepared in accordance with the Accounting Standards stipulated under the Companies Act.
- During the year under review, the Company has not raised any money through a public issue.

Reconciliation of Share Capital Audit

- i. Pursuant to Clause 47(C) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

- ii. A Practicing Company Secretary carries out the reconciliation of Share Capital of the Company for every Quarter to reconcile the total capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital of the Company. The Audit confirms that the total issued /paid up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form

Code of Conduct

In pursuance of Clause 49 of the Listing Agreement, the Board has approved the 'Code of Conduct for Board of Directors and Senior Management' and same has been circulated and posted on the Company's website www.starferrocement.com. The directors and senior management personnel have affirmed compliance with the provisions of above Code of Conduct. The declaration by the Executive Director & Chief Executive to this effect is also attached to this Report.

Means of Communication

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed format, as per amended Clause 41 of the listing agreement, are published in prominent newspapers "The Economic Times" and "The Business Standard" in English and in the regional language newspaper "Durata Barta" in Bengali. The quarterly financial results and Shareholding pattern are also posted on the Company's website- www.starferrocement.com.

Management Discussion and Analysis

A Management Discussion and Analysis Report, forming part of the Directors' Report, is included in this Annual Report.

General Shareholder Information

Annual General Meeting

Date and Time	Saturday 20th September, 2014 at 11:00 am
Venue	"Star Club", Vill: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210
Dates of Book Closure (Both days inclusive)	9th August, 2014 to 12th August, 2014

Financial Calendar (for the year 2014-15)

The Company follows financial year starting from 1st of April of the financial year and ending on 31st March of the following year.

Proposed date for approval of financial year

First Quarter ended 30th June, 2014	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2014	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2014	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2015	Within 60 days from the end of quarter

Dividend Payment Date

The Board of Directors of the Company vide their meeting held on 11th March, 2014 declared an interim dividend of Re. 0.33 per share, which was paid to those shareholders who held the shares of the Company on the record date, i.e. on 21st March, 2014.

Listing on Stock Exchanges

The Shares of the Company got listed on 24th October, 2013 on the following Stock Exchanges:-

- a) National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra – Kurla Complex, Bandra (E)
Mumbai - 400 051
- b) BSE Ltd. (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001

The Company has paid listing fees to NSE and BSE for the year 2014-15. Custodian Fees were also paid to NSDL and CDSL for the year 2014-15.

Stock Code:

Name of the Exchange	Stock Code
The National Stock Exchange of India Limited	SFCL
The Bombay Stock Exchange Limited	536666

ISIN Allotted to the Company by the Depositories:

The Company has signed Depository agreement with both National Securities Depository Limited and Central Depository Services (India) Limited. The ISIN allotted to the Company is INE935001010

Market Information

Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year.

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
October, 13	27.00	20.70	14,071	25.65	20.95	15919
November, 13	23.30	16.05	20,347	23.90	19.10	29800
December, 13	22.95	14.65	57,50,043	25.00	15.70	2679894
January, 14	19.60	14.55	17,54,302	18.00	13.25	187431
February, 14	18.80	15.40	81,81,681	18.50	15.55	344901
March, 14	28.00	16.70	44,34,300	28.40	17.00	411846

*The shares of the Company were admitted for listing on NSE and BSE on 24th of October, 2013.

Performance of the Shares of the Company in comparison to BSE Sensex is as under:

Month	BSE Sensex		Company's Share	
	Closing	% Change	Closing	% Change
October, 13	21164.52	8.43	25.70	-
November, 13	20791.93	-1.76	20.20	-21.40
December, 13	21170.68	1.82	21.15	4.70
January, 14	20513.85	-3.10	17.05	-19.39
February, 14	21120.12	2.96	18.45	8.21
March, 14	22386.27	5.99	26.05	41.19

Registrars and Share Transfer Agents:

M/s Maheshwari Datamatics Private Limited
6, Mangoe Lane (Surendra Mohan Ghosh Lane)
2nd Floor, Kolkata – 700001
Phone: 033 22435029/22482248
Fax - 033 22484787
Email – mdplc@yahoo.com

Share Transfer System

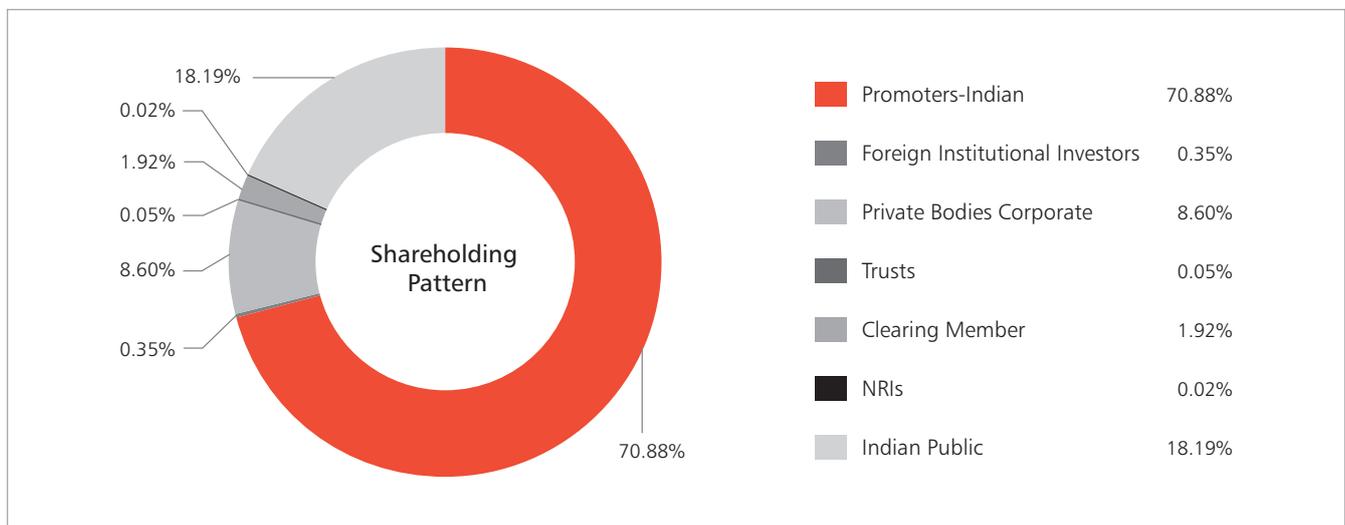
Requests for transfer of shares can be lodged either at the office

of the Company or at the office of the Registrar. The transfer are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

Transfer of Shares in dematerialized form is duly processed by NSDL/CDSL in electronic form through the respective Depository participants. Dematerialisation is required to be done with a period of 15 days from the date of lodgment of dematerialisation request, complete in all respect, with the Depository Participant of the Shareholder.

Distribution of Shareholding of Ordinary Shares as on 31st March, 2014.

Shareholding	Total No. of Shareholders	Percentage	No. of Shares	Percentage
1- 500	6664	79.12	724576	0.33
501-1000	475	5.64	423439	0.19
1001-2000	492	5.84	778175	0.35
2001-5000	394	4.67	1364943	0.61
5001- 10000	179	2.13	1304470	0.59
10001 and above	219	2.60	217577387	97.93
Total	8423	100.00	222172990	100.00

Shareholding Pattern as on 31st March, 2014

Category	Number of Shareholders	Number of Shares	% of total Share Capital
Promoter and Promoter Group	26	157485676	70.88
Foreign Institutional Investors	7	771202	0.35
Bodies Corporate	309	19103638	8.60
Trusts	6	108750	0.05
Clearing Member	33	4259060	1.92
NRIs	44	40865	0.02
Individual	8042	40403799	18.19
Total	8423	222172990	100.00



Overcoming challenges

Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

220966004 Ordinary Shares of the Company representing 99.46% of the Company's share capital is dematerialized as on 31st March, 2014.

Plant Location- Ferro Alloy and Power – EPIP Area, Byrnihat
District: Ri-Bhoi, Meghalaya

Address for Correspondence:

The Compliance Officer
Star Ferro and Cement Limited
Satyam Tower, 1st Floor, Unit No. 9B
3, Alipore Road, Kolkata – 700027
Phone: 033 2243 5029
Fax: 033 2248 4787
Email: investors@starferrocement.com
Website: www.starferrocement.com

For and on behalf of the Board of Directors

Place: Kolkata
Date: 28th May, 2014

Sajjan Bhajanka
(Chairman)

Declaration by the Managing Director/CEO under Clause 49 of the Listing Agreement

As provided under Clause 49 of the Listing Agreements with the Stock Exchanges, it is hereby declared that all board members and senior management personnel of the Company have affirmed the compliance of the Code of Conduct for the year ended 31st March, 2014.

Place: Kolkata
Dated: 28th May, 2014

Hari Prasad Agarwal
Managing Director

Certificate by Chief Executive Officer and Chief Financial Officer

To,
The Board of Directors,
Star Ferro and Cement Limited

We, Hari Prasad Agarwal, Managing Director and Mr. Om Prakash Lohia, Chief Financial Officer, certify that:-

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2014 and to the best of our knowledge and belief, we state that:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2014 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d. We have indicated to the Auditors and Audit Committee:
 - i) significant changes, if any, in internal control over financial reporting during the year.
 - ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) we are not aware of any instance during the year of significant fraud with involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 28th May, 2014

Hari Prasad Agarwal
Managing Director

Om Prakash Lohia
Chief Financial Officer



Overcoming challenges

Auditors' Certificate on Corporate Governance

To
The Members of
Star Ferro & Cement Limited
Vill:-Lumshnong, P.O. Khaliehrait,
Dist. East Jaintia Hills,
Meghalaya - 793 210

We have examined the compliance of conditions of the Corporate Governance by Star Ferro & Cement Limited for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange(s).

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

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

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

For KAILASH B. GOEL & CO.
Firm Registration No. 322460E
Chartered Accountants

Place : Kolkata
Date : 28th May, 2014

CA. Arun Kumar Sharma
Partner
Membership No. 57329

Independent Auditors' Report

To The Members of **Star Ferro and Cement Limited**

Report on the Financial Statement

We have audited the accompanying financial statements of Star Ferro And Cement Limited ("the Company"), which comprise the Balance Sheet as at March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 read with General Circular No 15/2013 dated 13th September, 2013, issued by Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2014;
- (ii) in the case of the Profit and Loss account, of the Profit of the Company for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **KAILASH B. GOEL & CO.**
Firm Registration No.322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner

Place : Kolkata
Date : 28th May, 2014

Membership No. 057329

Annexure to Auditor's Report referred to in Paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) The fixed assets of the Company are physically verified by management according to a phased programme on a rotational basis, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
(c) During the year the Company has not disposed off a substantial part of its Fixed Assets and therefore do not affect the going concern assumption.
2. (a) The inventory, except goods in transit and materials lying with third parties, which have been substantially confirmed by them, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of Inventory as compared to book records.
3. (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(iii)(a) to (d) are not applicable to the Company and hence not commented upon.
(b) The Company has taken loans from five companies covered in the register maintained under section 301 of Companies Act, 1956. The maximum amount outstanding against such loans during the year was ₹1229.80 lacs and the year-end balance due to such parties was ₹219.80 lacs.
(c) In our opinion and according to information and explanations given to us, the rate of interest and other terms and condition on which loan has been taken are not, prima facie, prejudicial to the interest of the Company.
(d) The said loans were stated to be repayable on demand. The payment of interest on such loan had been regular.
(e) There is no overdue amount of loan received from companies covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and other services. During the course of our audit, no major weakness has been noticed in these internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) According to the information and explanations given to us, the transaction made in pursuance of such contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed

accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine that they are accurate.

9. (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, VAT, Excise Duty, Cess and other material statutory dues applicable to it. There were no arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues in respect of Provident Fund, Income Tax, Sales Tax, VAT, Excise Duty, Cess that have not been deposited on account of any dispute.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current financial year but it had incurred cash losses in immediately preceding financial year.
11. According to the information and explanation given to us and on the basis of the records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments, therefore, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. In our opinion and on the basis of information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. In our opinion and on the basis of information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. During the year the Company has made allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 pursuant to the scheme of arrangement approved by the Hon'ble High Court at Kolkata vide its order dated 17th May, 2013.
19. According to the information and explanation given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company.
20. The Company has not raised any money through public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **KAILASH B. GOEL & CO.**
Firm Registration No.322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner

Place : Kolkata
Date : 28th May, 2014

Membership No. 057329

Balance Sheet as at 31st March, 2014

₹ in Lacs

Particulars	Note	March 31, 2014	March 31, 2013
A. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	2,221.73	5.00
Share Capital - Pending Allotment	2	-	2,216.73
Reserves & Surplus	3	9,229.23	8,389.17
		11,450.96	10,610.90
Non Current Liabilities			
Long Term Borrowings	4	835.98	1,036.37
Deferred Tax Liability	5	78.10	-
Other Long Term Liabilities	6	-	336.99
Long Term Provisions	7	27.70	20.93
		941.78	1,394.29
Current Liabilities			
Short Term Borrowings	8	1,733.72	2,151.33
Trade Payables	9	1,058.40	871.73
Other Current Liabilities	9	252.45	299.89
Short Term Provisions	7	105.38	8.89
		3,149.95	3,331.84
TOTAL		15,542.69	15,337.03
B. ASSETS			
Non Current Assets			
Fixed Assets:			
Tangible Assets	10	2,959.11	3,439.47
Intangible Assets	11	1.12	1.40
Capital Work-in-Progress		28.57	19.59
Deferred Tax Assets	5	-	207.73
Non Current Investments	12	6,328.25	6,328.25
Long term Loans and Advances	13	837.30	98.87
Other Non Current Assets	14	3.14	5.82
		10,157.49	10,101.13
Current Assets			
Inventories	15	2,001.64	2,822.96
Trade Receivables	14	1,656.20	1,147.77
Cash and Bank Balances	16	116.87	151.55
Short Term Loans and Advances	13	1,213.94	732.86
Other Current Assets	14	396.55	380.76
		5,385.20	5,235.90
TOTAL		15,542.69	15,337.03
Summary of Significant Accounting Policies	1.2		

The accompanying notes form an integral part of the financial statements

As per our Report of even Date

For **Kailash B. Goel & Co.**

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia

Chief Financial Officer

Sajjan Bhajanka

Director

Ravi Prakash Mundhra

Company Secretary

Hari Prasad Agarwal

Managing Director

Statement of Profit and Loss for the year ended 31st March, 2014

₹ in Lacs

Particulars	Note	2013-14	2012-13
INCOME			
Gross Revenue from Operations	17	14,235.54	6,858.18
Less : Excise Duty (Net) (Refer Note No.27)		(341.97)	372.81
Net Revenue from Operations		14,577.51	6,485.37
Other Income	18	741.35	0.39
Total Revenue		15,318.86	6,485.76
EXPENSES			
Cost of Raw Materials Consumed	19	4,374.75	2,503.79
(Increase)/Decrease in inventory of Finished Goods	20	826.31	(501.15)
Employee Benefits Expense	21	516.76	377.22
Other Expenses	22	6,752.99	4,118.80
Depreciation and Amortisation Expense	23	480.46	551.63
Finance Cost	24	399.57	201.78
Total Expenses		13,350.84	7,252.07
Profit before exceptional items & tax		1,968.02	(766.31)
Exceptional Items		9.56	(0.18)
Profit before Taxation		1,977.58	(766.49)
Tax Expenses			
Current Tax		217.46	-
Less: MAT credit entitlement		(98.94)	-
Net Current Tax Expense		118.52	-
Deferred Tax		285.83	(207.73)
Total Tax Expenses		404.35	(207.73)
Profit/(loss) for the year		1,573.23	(558.76)
Earnings Per Equity Share (nominal value of share ₹1/-)			
Basic (Amount in ₹)		0.71	(111.75)
Diluted (Amount in ₹)		0.71	(0.25)
Summary of Significant Accounting Policies	1.2		

The accompanying notes form an integral part of the financial statements

As per our Report of even Date

For **Kailash B. Goel & Co.**

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia

Chief Financial Officer

Sajjan Bhajanka

Director

Ravi Prakash Mundhra

Company Secretary

Hari Prasad Agarwal

Managing Director

Cash Flow Statement for the year ended 31st March, 2014

₹ in Lacs

Particulars	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	1977.58	(766.49)
Adjustments for:		
Depreciation/Amortisation	480.46	551.63
Finance Cost	399.57	201.78
Dividend Income	(738.69)	-
(Profit)/Loss on Sale of Fixed Assets	(1.19)	0.18
Interest Income	(2.66)	(0.39)
Operating Profit before Working Capital changes	2115.07	(13.29)
Adjustments for:		
(Increase) in Trade Receivables	(508.43)	(659.63)
(Increase) Decrease in Inventories	821.32	(862.44)
(Increase) Decrease in Long Term Loans & Advances	(738.43)	3.53
(Increase) Decrease in Short Term Loans & Advances	(481.08)	9.25
(Increase) in Other Current Assets	(15.79)	
Increase/(Decrease) in Long Term Provisions	6.77	(2.81)
Increase/(Decrease) in Short Term Provisions	82.33	(4.36)
Increase/(Decrease) in Other Long Term Liabilities	(336.99)	336.99
Increase/(Decrease) in Other Current Liabilities	(47.44)	91.36
Increase in Trade Payables	186.67	541.19
Cash Generated from Operations	1084.00	(560.21)
Direct Taxes Paid (Net of Refunds)	(118.51)	(4.74)
Net Cash generated from Operating Activities	965.49	(564.95)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(45.81)	(677.27)
Sale / Adjustments of Fixed Assets	38.19	-
Fixed Deposits/Margin Money (Given)/Refund	2.68	(5.53)
Dividend Received	738.69	-
Interest Received	2.66	0.39
Net Cash from Investing Activities	736.41	(682.41)

Cash Flow Statement for the year ended 31st March, 2014

₹ in Lacs

Particulars	2013-14	2012-13
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Borrowings	(417.61)	1,526.11
Repayment of Long Term Loans	(200.39)	(44.24)
Capital Subsidy Received	-	(0.45)
Interest Paid	(374.01)	(248.01)
Other Borrowing Cost Paid	(11.40)	(6.73)
Dividend paid	(733.17)	-
Net Cash used in Financing Activities	(1736.58)	1,226.68
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(34.68)	(20.68)
Cash and Cash Equivalents as on 1st April, 2013	151.55	4.64
Add: Transferred as per Scheme of Arrangement	-	167.59
	151.55	172.23
Cash and Cash Equivalents as on 31st March, 2014	116.87	151.55

* Represents Cash and Bank Balances as indicated in Note-16.

The accompanying notes form an integral part of the financial statements**As per our Report of even Date**For **Kailash B. Goel & Co.**

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia

Chief Financial Officer

Sajjan Bhajanka

Director

Ravi Prakash Mundhra

Company Secretary

Hari Prasad Agarwal

Managing Director

Notes to the Financial Statement for the year ended 31st March, 2014

1 CORPORATE INFORMATION

Star Ferro & Cement Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is primarily engaged in manufacturing of Ferro Alloys and generation of Power. The manufacturing unit is located at Byrnihat, Meghalaya. It is selling its product across India.

1.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply with all material aspects with the Accounting Standards notified under the Companies (Accounting Standards) Rules 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular No.15/2013 dated 13th September, 2013 issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. The financial statements are prepared under the historical cost convention on accrual basis and on the basis of going concern. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Summary of Significant Accounting Policies

(i) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates.

(ii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (a) Revenue from sale of goods and services rendered is recognized upon passage of title which generally coincides with delivery of materials and rendering of services to the customers. The Company collects central sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company, hence excluded from revenues. Sales include excise duty and are net of rebates, trade discounts and returns.

- (b) Dividend Income is recognized when the shareholders' right to receive the payment is established by the balance sheet date.
- (c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

(iii) Fixed Assets

Fixed Assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation / amortisation and impairment, if any, except freehold land which is carried at cost. Cost comprises the purchase price inclusive of duties (net of Cenvat / VAT), taxes, incidental expenses and erection / commissioning expenses etc. up to the date, the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written-up by the value, is considered in the accounts and the differential amount is transferred to revaluation reserve.

Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be irregular are capitalized and depreciated over the residual life of the respective assets.

(iv) Capital Work in Progress

Capital work in Progress is carried at cost comprising direct cost and pre-operative expenses during construction period to be allocated to the fixed assets on the completion of construction.

(v) Expenditure during construction period

In case of new projects and substantial expenses of existing factories, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing cost, prior to commencement of commercial production are capitalized.

(vi) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/ internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Notes to the Financial Statement (contd.)

(vii) Depreciation / Amortization

- (a) The classification of plant and machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.
- (b) Depreciation on fixed assets is provided under written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956 or at rates determined based on useful lives of the respective assets, as estimated by the management, whichever is higher.
- (c) Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- (d) Intangible assets are amortized over a period of 5 years.
- (e) In case of impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(viii) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the dates of the transactions and exchange differences are dealt within the Statement of Profit and Loss. Monetary foreign currency assets and liabilities are translated at the year end exchange rates. All exchange differences are dealt within the Statement of Profit and Loss, except to the extent that they are regarded as an adjustment to the interest cost and the resultant balance to the new projects, till the date of the capitalization, are carried to pre-operative expenses. Profit/Loss arising out of cancellation of forward contracts is taken to revenue in the year of cancellation.

(ix) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value on individual investment basis. Long Term Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

(x) Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Cost of Inventories is computed on weighted average/ FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(xi) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

When the grant or subsidy relates to an asset, it is deducted from the gross value of the asset concerned in arriving at the carrying amount of related asset.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of the shareholders' funds.

(xii) Retirement and other employee benefits

- (a) Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no obligations other than the contribution payable to the respective funds.
- (b) Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- (c) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.
- (d) Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

(xiii) Earning per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend

Notes to the Financial Statement (contd.)

and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

(xiv) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the balance sheet date. Similarly, custom duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/bonding of materials.

(xv) Borrowing Costs

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

(xvi) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent

that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India, the said assets is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the carrying amount of MAT at each Balance Sheet date and writes down MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during specified period.

(xvii) Segment Reporting

a) Identification of segments:

The Company has identified that its business segments are the primary segments. The Company's business are organized and managed separately according to the nature of products/services, with each segment representing a strategic business unit that offers different product / services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

b) Inter segment transfers:

The Company generally accounts for intersegment sales and transfers at cost.

Notes to the Financial Statement (contd.)

c) Allocation of Common Costs:

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

The accounting policies adopted for segment reporting are in line with those of the Company's accounting policies.

(xviii) Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash in hand, demand deposits with Banks and other short-term highly liquid investments/deposits with an original maturity of three months or less.

(xix) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be

required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard 29 are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(xx) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Notes to the Financial Statement (contd.)

2 SHARE CAPITAL		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Authorised			
23,00,00,000 (5,00,000 as at 31.03.2013) Equity Shares of ₹1/- each	2,300.00	5.00	
Total	2,300.00	5.00	
Issued			
22,21,72,990 (5,00,000 as at 31.03.2013) Equity Shares of ₹1/- each	2,221.73	5.00	
Total	2,221.73	5.00	
Subscribed and Paid up			
22,21,72,990 (5,00,000 as at 31.03.2013) Equity Shares of ₹1/- each	2,221.73	5.00	
Total	2,221.73	5.00	

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31st March, 2014		31st March, 2013	
	No of Shares	(₹ in Lacs)	No of Shares	(₹ in Lacs)
At the Beginning of the year	5,00,000	5.00	5,00,000	5.00
Cancelled during the year (pursuant to Scheme of Arrangement)	(5,00,000)	(5.00)	-	-
Issued during the year (pursuant to Scheme of Arrangement)	22,21,72,990	2,221.73	-	-
Outstanding at the end of the year	22,21,72,990	2,221.73	5,00,000	5.00

b) Terms/Rights attached to the Equity Shares & Notes

The Company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms of issue of shares other than cash

Pursuant to the Scheme of Arrangement ("the scheme") between Century Plyboards (India) Limited (CPIL), the Company and their respective shareholders as approved by the Hon'ble High Court at Kolkata vide its order dated 17th May, 2013 the Company has issued and allotted 22,21,72,990 Equity Shares to the shareholders of CPIL in ratio of 1 (one) Equity share of ₹1/- each of the Company as fully paid-up for every 1 (one) Equity Share of ₹1/- each held by them in CPIL.

d) Details of Shareholders holding more than 5% shares in the Company

Particulars	31st March, 2014		31st March, 2013	
	No of Shares	% holding in the class	No of Shares	% holding in the class
Equity Shares of ₹1/- each fully paid-up				
Century Plyboards (India) Limited	-	-	500000	100.00%
Sri Sajjan Bhajanka	2,33,71,570	10.52%	-	-
Sri Sanjay Agarwal	2,37,88,740	10.71%	-	-
Smt. Divya Agarwal	1,67,49,750	7.54%	-	-
Smt. Santosh Bhajanka	1,56,49,500	7.04%	-	-
Sri Prem Kumar Bhajanka	2,21,25,176	9.96%	-	-

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

e) Share Capital - Pending Allotment

Particulars	31st March, 2014	31st March, 2013
Shares to be allotted as per Scheme of Arrangement	-	2,216.73
Total	-	2,216.73

Notes to the Financial Statement (contd.)

3 RESERVES & SURPLUS			₹ in Lacs
Particulars	31st March, 2014	31st March, 2013	
Capital Reserve			
Balance as per the last Financial Statements	8,948.03	-	
Add: Amount adjusted pursuant to scheme of arrangement	-	8,627.64	
Add: Capital Investment Subsidy	-	320.39	
Closing Balance	8,948.03	8,948.03	
General Reserve			
Balance as per the last Financial Statements	-	-	
Add: Transferred from Statement of Profit & Loss	101.00	-	
Closing Balance	101.00		
Surplus in the Statement of Profit and Loss			
Balance as per the last Financial Statements	(558.86)	(0.10)	
Add: Profit/(Loss) for the year	1,573.23	(558.76)	
Less: Appropriations			
Interim Equity Dividend ₹0.33 (₹ Nil) per share	733.17	-	
Tax on Interim Equity Dividend adjusted with tax on dividend received from subsidiary	-	-	
Transfer to General Reserve	101.00	-	
Total Appropriations	834.17	-	
Net Surplus in the Statement of Profit and Loss	180.20	(558.86)	
Total Reserves and Surplus	9,229.23	8,389.17	

4 LONG TERM BORROWINGS					₹ in Lacs
Particulars	Non-Current Maturities		Current Maturities		
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013	
Term Loans (Secured)					
Rupee Term Loan from a Financial Institution	821.82	1,018.22	157.12	39.28	
Other Loans & Advances (Secured)					
Hire Purchase Finance :					
- From Banks	14.16	7.58	13.93	28.58	
- From Bodies Corporate	-	10.57	10.56	19.85	
	835.98	1,036.37	181.61	87.71	
Amount disclosed under the head "Other Current Liabilities" (Refer Note No. 9)	-	-	(181.61)	(87.71)	
Net Amount	835.98	1,036.37	-	-	

Notes:-

- Rupee Term Loan from Financial institution is secured by equitable mortgage of leasehold rights of land and first charge on fixed assets of the Company's Ferro Alloy Plant at Byrnihat, Meghalaya and second charge on current assets of the said unit. The Loan is to be repaid in further 25 quarterly instalments.
- Hire Purchase Finance is secured by hypothecation of respective vehicle/asset and is repayable within three to four years having varying date of payment.

Notes to the Financial Statement (contd.)

5 DEFERRED TAX ASSET / (LIABILITY) (NET) ₹ in Lacs		
Particulars	31st March, 2014	31st March, 2013
Deferred Tax Asset		
Business Loss Carried forward	-	234.99
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes upon payment	9.58	9.68
Provision for Bad & Doubtful Debts	42.14	42.37
	51.72	287.04
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged	129.82	79.31
	129.82	79.31
Net Deferred Tax Asset / (Liability)	(78.10)	207.73

6 OTHER LONG TERM LIABILITIES ₹ in Lacs		
Particulars	31st March, 2014	31st March, 2013
Other Liabilities	-	336.99
Total	-	336.99

7 PROVISIONS ₹ in Lacs				
Particulars	Long Term		Short Term	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Provision for Employee Benefits				
Provision for Gratuity	18.84	20.93	1.81	-
Provision for Leave Encashment	8.86	-	-	8.89
Other Provisions				
Provision for Taxation (Net of Advance Tax & Mat Credit Entitlement)	-	-	103.57	-
Total	27.70	20.93	105.38	8.89

8 SHORT TERM BORROWINGS ₹ in Lacs		
Particulars	31st March, 2014	31st March, 2013
Working Capital Facilities		
Cash Credit from a bank (Secured)	1,294.12	1,191.33
Short Term Loan		
From Bodies Corporate (Unsecured)	219.80	200.00
Loans from related parties		
From Bodies Corporate (Unsecured)	219.80	760.00
	1733.72	2,151.33

Notes:-

- Working Capital facility from a bank is secured by first charge on the current assets and second charge on the fixed assets of the Company's Ferro Alloy Plant at Byrnihat, Meghalaya.
Further, the working capital facilities are also guaranteed by some of the directors of the Company and is repayable on demand.
- Short Term Loans from bodies corporate and related parties are repayable on demand.

Notes to the Financial Statement (contd.)

9 OTHER CURRENT LIABILITIES		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Trade Payables			
Dues to Micro and Small Enterprises (Refer Note No. 26)	-	-	
Dues to Others	1,058.40	871.73	
	1,058.40	871.73	
Others Liabilities			
Current Maturities of Long Term Borrowings	181.61	87.71	
Interest accrued but not due on Borrowings	0.13	0.49	
Advances from Customers	8.28	72.79	
Statutory Dues	62.43	138.90	
	252.45	299.89	
Total	1310.85	1171.62	

10 TANGIBLE ASSETS		₹ in Lacs								
Particulars	Land & Site Development	Factory & Non-Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total	
COST										
At 1 st April, 2012	-	-	-	-	-	-	-	-	-	-
Additions										
Transfer due to Scheme of Arrangement	86.17	1,172.90	3,547.42	910.35	33.41	8.92	22.17	664.56	6,445.90	
Addition	-	230.59	1,009.93	199.69	0.82	0.04	2.83	5.97	1,449.87	
Disposals	-	-	-	-	-	0.46	-	0.36	0.82	
At 31st March, 2013	86.17	1,403.49	4,557.35	1,110.04	34.23	8.50	25.00	670.17	7,894.95	
Additions	-	-	1.68	7.74	0.18	3.64	3.59	9.57	26.41	
Disposals	-	-	-	-	-	-	-	83.19	83.19	
As at 31st March, 2014	86.17	1,403.49	4,559.03	1,117.78	34.41	12.16	28.59	596.56	7,838.17	
Depreciation										
At 1 st April, 2012	-	-	-	-	-	-	-	-	-	-
Transfer due to Scheme of Arrangement	-	552.93	2,367.07	611.98	23.57	4.93	18.01	326.35	3,904.84	
Charge for the year	-	65.92	313.94	70.55	1.83	0.68	1.92	96.44	551.28	
Disposal	-	-	-	-	-	0.29	-	0.35	0.64	
At 31st March, 2013	-	618.85	2,681.01	682.53	25.40	5.32	19.93	422.44	4,455.48	
Charge for the Year	-	65.51	284.46	64.86	1.52	0.44	3.23	60.16	480.18	
Disposals	-	-	-	-	-	-	-	56.61	56.61	
As at 31st March, 2014	-	684.36	2,965.48	747.38	26.92	5.76	23.16	426.00	4,879.06	
Net Block										
As at 31 st March, 2013	86.17	784.64	1,876.34	427.52	8.82	3.19	5.08	247.72	3,439.47	
As at 31st March, 2014	86.17	719.13	1,593.55	370.40	7.48	6.39	5.43	170.56	2,959.11	

Notes to the Financial Statement (contd.)

11 INTANGIBLE ASSETS

₹ in Lacs

Particulars	Computer Software
COST	
At 1 st April, 2012	-
Additions	
Transfer due to Scheme of Arrangement	-
Addition	1.75
Disposals	-
At 31st March, 2013	1.75
Addition	-
Disposals	-
Adjustment	-
As at 31st March, 2014	1.75
Depreciation	
At 1 st April, 2012	-
Transfer due to Scheme of Arrangement	-
Charge for the year	0.35
Disposal	-
At 31st March, 2013	0.35
Charge for the Year	0.28
Disposals	-
As at 31st March, 2014	0.63
Net Block	
As at 31 st March, 2013	1.40
As at 31st March, 2014	1.12

12 NON - CURRENT INVESTMENTS (AT COST)

₹ in Lacs

Particulars	Face Value Per Share	No. of Shares	31st March, 2014	31st March, 2013
Long term (Trade-Unquoted)				
Investments in Subsidiaries				
Cement Manufacturing Company Limited	10/-	2,95,47,500	2,954.75	2,954.75
Meghalaya Power Limited	10/-	83,58,998	3,373.50	3,373.50
Total			6,328.25	6,328.25

13 LOANS AND ADVANCES

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Loans and Advances (Unsecured-Considered Good)				
Capital Advances	-	38.02	-	-
Security Deposits	62.16	60.57	0.50	0.60
Advances recoverable in cash or in kind or for value to be received	-	-	493.13	254.38
Other Loans and Advances				
Prepaid Expenses	0.16	0.28	16.21	26.32
Advance Income Tax (Net of Provisions)	-	-	-	12.46
Balance with Statutory/Government Authorities	774.98	-	704.10	439.10
Total	837.30	98.87	1213.94	732.86

Notes to the Financial Statement (contd.)

14 TRADE RECEIVABLES AND OTHER ASSETS

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
14.1 Trade Receivables (Unsecured)				
Debts outstanding for a period exceeding six months				
Considered Good	-	-	106.96	92.44
Considered Doubtful	-	-	129.89	130.61
	-	-	236.85	223.05
Provision for doubtful trade receivables			129.89	130.61
Total - A	-	-	106.96	92.44
Other Debts				
Unsecured - Considered Good	-	-	1,549.24	1,055.33
Total - B	-	-	1,549.24	1,055.33
Total (A+B)	-	-	1,656.20	1,147.77
14.2 Other Assets				
Unsecured, Considered Good				
Central/State Government Subsidies Receivable	-	-	396.55	380.76
Deposits with Original Maturity of more than 12 months	3.14	5.82	-	-
Total	3.14	5.82	396.55	380.76

15 INVENTORIES

₹ in Lacs

Particulars	Notes	31st March, 2014	31st March, 2013
Raw Materials	19	204.80	156.27
Finished Goods	20	219.16	1,045.47
Stores & Spares Parts, etc		1,577.68	1,621.22
Total		2,001.64	2,822.96

16 CASH AND BANK BALANCES

₹ in Lacs

Particulars	Current	
	31st March, 2014	31st March, 2013
Cash and Cash Equivalents		
Balances with Banks		
On Current accounts	101.53	143.40
Cheques in hand	11.37	-
Cash on hand	3.97	8.15
Total	116.87	151.55

Notes to the Financial Statement (contd.)

17 REVENUE FROM OPERATIONS		₹ in Lacs
Particulars	2013-14	2012-13
Revenue from Operations		
Sale of Products		
Finished Goods	14,206.63	6,830.58
Other Operating revenue		
Miscellaneous Income	28.91	27.60
Revenue from Operations (Gross)	14,235.54	6,858.18
Details of Products Sold		
Finished Goods Sold		
Ferro Silicon	14,206.63	6,830.58
	14,206.63	6,830.58
18 OTHER INCOME		₹ in Lacs
Particulars	2013-14	2012-13
Dividend Income	738.69	-
Interest Income on Fixed Deposits	2.66	0.39
Unspent / Unclaimed Liabilities written back	-	-
Total	741.35	0.39
19 COST OF RAW MATERIALS CONSUMED		₹ in Lacs
Particulars	2013-14	2012-13
Inventory at the beginning of the year	156.27	-
Add: Stock transferred pursuant to scheme of arrangement	-	201.09
	156.27	201.09
Add : Purchases	4,423.28	2,458.97
	4,579.55	2,660.06
Less : Inventory at the end of the year	204.80	156.27
Cost of Raw Materials Consumed	4,374.75	2,503.79
Details of Raw Material consumed		
Charcoal	1,521.48	1,099.50
Quartz	501.86	285.04
Lam Coke	1,926.61	873.21
Mill Scale	372.16	187.08
Coal	30.11	45.62
Other	22.53	13.34
Total	4,374.75	2,503.79

Notes to the Financial Statement (contd.)

20 (INCREASE)/DECREASE IN INVENTORIES		₹ in Lacs
Particulars	2013-14	2012-13
Inventories at the beginning of the year		
Finished Goods	1,045.47	-
Add: Inventories transferred pursuant to Scheme of arrangement		
Finished goods	-	544.32
	1,045.47	544.32
Inventories at the end of the year		
Finished Goods	219.16	1,045.47
	219.16	1,045.47
(Increase)/Decrease in inventories of Finished Goods	826.31	(501.15)
Details of Finished Goods		
	2013-14	2012-13
Ferro silicon	209.30	1,035.61
Silico Manganese	9.86	9.86
	219.16	1,045.47
21 EMPLOYEE BENEFITS EXPENSE		₹ in Lacs
Particulars	2013-14	2012-13
Salaries, Wages, Bonus etc	454.91	329.49
Contribution to Provident, Gratuity and other Funds	16.63	17.58
Employees Welfare Expenses	45.22	30.15
Total	516.76	377.22
22 OTHER EXPENSES		₹ in Lacs
Particulars	2013-14	2012-13
Stores & Spare parts consumed	875.89	450.58
Power and Fuel	4,677.36	2,884.30
Increase/(Decrease) of excise duty on inventory	(96.69)	58.91
Insurance	27.64	37.23
Rent	17.43	18.04
Rates & Taxes	44.21	35.36
Repairs & Maintenance		
-Buildings	63.93	18.64
-Plant & Machinery	208.85	117.00
-Others	7.05	16.02
Transport & Freight	736.77	385.45
Commission, Discount & Incentives on Sale	43.81	9.31
Advertisement, Publicity and Sales Promotion	10.18	2.53
Communication Expenses	7.25	7.52

Notes to the Financial Statement (contd.)

22 OTHER EXPENSES (Contd.)		₹ in Lacs
Particulars	2013-14	2012-13
Auditors' Remuneration	8.60	3.10
Charity and Donations	0.55	-
Share Issue Expenses	12.30	-
Lisiting Fees	3.97	-
Miscellaneous Expenses*	103.89	74.81
Total	6,752.99	4,118.80
*Miscellaneous Expenses include Payment to Auditor		
As Auditor	7.10	2.10
For other services	1.48	0.98
For reimbursement of Expenses	0.02	0.02
Total	8.60	3.10

23 DEPRECIATION AND AMORTISATION EXPENSE		₹ in Lacs
Particulars	2013-14	2012-13
Depreciation on Tangible Assets	480.18	551.28
Depreciation on Intangible Assets	0.28	0.35
Total	480.46	551.63

24 FINANCE COST		₹ in Lacs
Particulars	2013-14	2012-13
Interest Expenses		
On Fixed Loans	137.66	60.53
On Other Loans	236.35	134.52
Other Finance Costs	25.56	6.73
Total	399.57	201.78

25 CONTINGENT LIABILITIES		₹ in Lacs
Particulars	31st March, 2014	31st March, 2013
Contingent Liabilities not provided for in respect of :-		
(a) Bills discounted with banks	2,088.71	855.77
(b) Solvent surety given to Excise Department against differential excise duty refund	404.88	-

26. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company.

27. Excise Duty Refund

Against company's claim for refund of differential excise duty, Hon'ble High Court at Guwahati (Shillong Bench) vide its order dated 12th September, 2012, has directed the Excise Department to release 50% of the differential amount against furnishing of solvent surety in line with the Interim Order dated 13th January, 2012 passed by Hon'ble Supreme Court in case of "VVF Ltd and others". Based on the said judgment of Hon'ble High Court in favour of the Company and legal opinion obtained by the Company, the differential excise duty refund of ₹901.02 lacs has been recognized as revenue in the books of account.

Notes to the Financial Statement (contd.)

28. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

The following tables summarize the components of net benefit expenses recognized in the Statement of Profit & Loss and the funded status and amounts recognized in the balance sheet for the Gratuity. ₹ in Lacs

Particulars	Gratuity	
	2013-14	2012-13
(i) Net Employee Expense/(benefit)		
Current service cost	5.54	3.84
Interest cost on benefit obligation	1.87	2.01
Expected return on plan assets	-	-
Actuarial (gains)/losses	(0.82)	(4.94)
Total expense	6.59	0.91
(ii) Actual return on plan assets	-	-
(iii) Benefit Asset / (Liability)		
Fair Value of Plan Assets	-	-
Defined benefit obligation	20.66	20.93
Benefit Asset / (Liability)	(20.66)	(20.93)
(iv) Movement in benefit liability		
Opening defined benefit obligation	-	-
Present value of Defined Benefit Obligation at the beginning of the year	20.93	23.74
Interest cost	1.87	2.01
Current service cost	5.54	3.84
Benefits paid	(6.86)	(3.72)
Actuarial (gains) / losses	(0.82)	4.94
Closing benefit obligation	20.66	20.93
(v) Movement in fair value of plan assets		
Opening fair value of plan assets	-	-
Expected Return on plan assets	-	-
Contribution by employer	6.86	3.72
Benefits paid	(6.86)	3.72
Actuarial gains / (losses) on obligation	-	-
Closing fair value of plan assets	-	-
(vi) The Principal actuarial assumptions are as follows:		
Discount rate	8.25%	8.25%
Expected Return on plan assets	-	-
Salary increase	5%	5%
Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-8%	1%-8%
(vii) Amount incurred as expense for defined contribution to Provident Fund is ₹9.28 Lacs (₹10.42 lacs)		
(viii) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market		

Notes to the Financial Statement (contd.)

28. (Contd.)

₹ in Lacs

Particulars	Gratuity	
	2013-14	2012-13
(ix) The details of the Experience adjustments for the current and previous periods are as follows:		
Defined Benefit Obligation	20.65	20.93
Plan Assets	-	-
Surplus / (Deficit)	(20.65)	(20.93)
Experience adjustments on plan Liability	0.82	2.01
Experience adjustments on plan assets		

29. Earnings per Share (EPS):

In terms of Accounting Standard - 20, the calculation of EPS is given below: -

Particulars	2013-14	2012-13
Profit/(Loss) attributable to Equity Shareholders for basic and diluted EPS	1573.23	(558.76)
Weighted average number of Equity Shares for basic EPS	22,21,72,990.00	500000.00
Add : equity shares to be issued pursuant to Scheme of Arrangement	-	22,16,72,900.00
Weighted average number of Equity Shares for diluted EPS	22,21,72,990.00	22,21,72,990.00
Nominal value of equity shares (₹)	1.00	1.00
Basic earnings per share (EPS) (₹)	0.71	(111.75)
Diluted earnings per share (₹)	0.71	(0.25)

30. Related Party Disclosures

a) Name of the related parties and related party relationship:

Related parties where control exists

Subsidiary Companies	Cement Manufacturing Company Limited
	Megha Technical & Engineers Private Limited
	Meghalaya Power Limited
	Star Cement Meghalaya Limited
	NE Hills Hydro Limited

Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Sajjan Bhajanka (Chairman)
	Mr. Sanjay Agarwal (Director)
	Mr. Hari Prasad Agarwal (Managing Director)
Enterprises Owned/ Influenced by Key Management Personnel or their relatives.	Brijdham Merchants Private Limited
	Sriram Vanijya Private Limited
Relatives of Key Management Personnel	Mrs. Santosh Bhajanka (Wife of Mr. Sajjan Bhajanka)
	Mrs. Sonu Kajaria (Daughter of Mr. Sajjan Bhajanka)
	Mrs. Payal Agarwal (Daughter of Mr. Sajjan Bhajanka)
	Mrs. Shradha Agarwal (Daughter of Mr. Sajjan Bhajanka)
	Mrs. Divya Agarwal (Wife of Mr. Sanjay Agarwal)
	Mrs. Sumitra Devi Agarwal (Wife of Mr. Hari Prasad Agarwal)
	Mr. Rajesh Kumar Agarwal (Son of Mr. Hari Prasad Agarwal)

Notes to the Financial Statement (contd.)

30. Related Party Disclosures (Contd.)

b) Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2014 are given hereunder:

₹ in Lacs

Sl. No	Type of Transactions	Subsidiary Companies		Enterprises Owned / Influenced by KMP		Key Management Personnel		Relatives of KMP	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
1	Purchase Transaction								
	Cement Manufacturing Company Limited	9.75	1.20	-	-	-	-	-	-
	Megha Technical & Engineers Private Limited	-	2.64	-	-	-	-	-	-
2	Other Income								
	Sale of Fly Ash								
	Cement Manufacturing Company Limited	29.39	22.67	-	-	-	-	-	-
3	Other Payments								
	Star Cement Meghalaya Limited	5.96	-	-	-	-	-	-	-
3	Loans Taken								
	Cement Manufacturing Company Limited	360.00	600.00	-	-	-	-	-	-
	Megha Technical & Engineers Private Limited	30.00	1060.00	-	-	-	-	-	-
	Meghalaya Power Limited	259.00	-	-	-	-	-	-	-
	Brijdham Merchants Private Limited	-	-	-	100.00	-	-	-	-
	Sriram Vanijya Private Limited	-	-	-	100.00	-	-	-	-
4	Loans Repaid								
	Cement Manufacturing Company Limited	360.00	600.00	-	-	-	-	-	-
	Megha Technical & Engineers Private Limited	590.00	500.00	-	-	-	-	-	-
	Meghalaya Power Limited	259.00	-	-	-	-	-	-	-
5	Loans Given								
	Megha Technical & Engineers Private Limited	-	200.00	-	-	-	-	-	-
6	Loans Received back								
	Megha Technical & Engineers Private Limited	-	200.00	-	-	-	-	-	-
7	Interest Paid								
	Cement Manufacturing Company Limited	0.92	2.38	-	-	-	-	-	-
	Megha Technical & Engineers Private Limited	20.24	18.51	-	-	-	-	-	-
	Meghalaya Power Limited	1.40	-	-	-	-	-	-	-
	Brijdham Merchants Private Limited	-	-	11.00	0.06	-	-	-	-
	Sriram Vanijya Private Limited	-	-	11.00	0.06	-	-	-	-
8	Interest Received								
	Megha Technical & Engineers Private Limited	-	4.39	-	-	-	-	-	-

Notes to the Financial Statement (contd.)

30. Related Party Disclosures (Contd.)

b) Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2014 are given hereunder: (Contd.)

₹ in Lacs

Sl. No	Type of Transactions	Subsidiary Companies		Enterprises Owned / Influenced by KMP		Key Management Personnel		Relatives of KMP	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
9	Director's Remuneration								
	Sri Hari Prasad Agarwal			-		2.81	-	-	-
10	Dividend Received								
	Cement Manufacturing Company Limited	738.69	-	-	-	-	-	-	-
11	Dividend Paid								
	Mr. Sajjan Bhajanka	-	-	-	-	77.13	-	60.88	-
	Mr. Hari Prasad Agarwal	-	-	-	-	8.04	-	10.22	-
	Mr. Sanjay Agarwal	-	-	-	-	78.50	-	55.27	-
	Others	-	-	28.73	-	-	-	-	-
12	Share Allotment								
	Mr. Sajjan Bhajanka	-	-	-	-	245.72	-	174.50	-
	Mr. Hari Prasad Agarwal	-	-	-	-	24.36	-	30.98	-
	Mr. Sanjay Agarwal	-	-	-	-	237.89	-	167.50	-
	Others	-	-	162.46	-	-	-	-	-
13	Outstanding Balances as at 31st March, 2014:								
	-Loans received								
	Megha Technical & Engineers Private Limited	-	560.00	-	-	-	-	-	-
	Brijdham Merchants Private Limited	-	-	109.90	100.00	-	-	-	-
	Sriram Vanijya Private Limited	-	-	109.90	100.00	-	-	-	-
	-Investments								
	Cement Manufacturing Company Limited	2954.75	2954.75	-	-	-	-	-	-
	Meghalaya Power Limited	3373.50	3373.50	-	-	-	-	-	-
	-Guarantee Obtained*								
	Mr. Sajjan Bhajanka	-	-	-	-	1500.00	1500.00	-	-
	Mr. Hari Prasad Agarwal	-	-	-	-	1500.00	1500.00	-	-
	Mr. Sanjay Agarwal	-	-	-	-	1500.00	1500.00	-	-

*Guarantee given in aggregate by all the directors.

Notes to the Financial Statement (contd.)

31. The Company's segment information as at and for the Year ended 31st March, 2014 are as below:

₹ in Lacs

Sl. Particulars No	2013-14			2012-13		
	Ferro Alloys	Power Unit	Total	Ferro Alloys	Power Unit	Total
a. External sales	14,206.63	-	14,206.63	6,830.58	-	6,830.58
Inter-segment sales	-	4,916.81	4,916.81	-	3,616.86	3,616.86
Less: Elimination	-	-	4,916.81	-	-	3,616.86
Total Revenue (Gross)	14,206.63	4,916.81	14,206.63	6,830.58	3,616.86	6,830.58
b. Segment Results	501.93	1,235.35	1,737.58	(1,090.24)	526.44	(563.80)
Unallocated Income/ (-) Expenses (Net of unallocated Income/ (-)Expenses) (Including Exceptional Items)			636.90	-	-	(0.91)
Operating Profit/Loss (-)	-	-	2,374.48	-	-	(564.71)
Finance Cost	-	-	396.91	-	-	201.78
Provision for Taxation	-	-	217.46	-	-	-
Deferred Tax charge / (-) Credit	-	-	285.83	-	-	(207.73)
Mat Credit Entitlement (-)	-	-	98.94	-	-	-
Total Profit /(-) Loss after tax	-	-	1,573.23	-	-	(558.76)
a. Other Information						
Segment Assets	6,325.07	2,887.45	9,212.52	5,677.49	3,106.07	8,783.56
Unallocated Corporate/ Other Assets			6,330.17	-	-	6,553.47
TOTAL			15,542.69			15,337.03
b. Segment Liabilities	962.19	347.80	1,309.99	998.35	451.24	1,449.59
Unallocated Corporate/ Other Liabilities			2,781.74			3,276.54
TOTAL			4,091.73			4,726.13
c. Capital Expenditure	43.36	2.46	45.81	1,319.76	151.44	1,471.20
d. Depreciation/ Amortisation	247.94	232.52	480.46	263.32	288.31	551.63

Notes:

(a) **Business Segments:** The business segments have been identified on the basis of the products of the Company. Accordingly, the Company has identified following business segments:

Ferro-Alloys	-	Ferro Silicon
Power	-	Generation of Power

(b) **Geographical Segments:** The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

Notes to the Financial Statement (contd.)

32. (a) Value of Imported and indigenous Raw-materials and stores, Spare parts etc. and their percentage to total consumption

Particulars	2013-14		2012-13	
	Value	%	Value	%
Raw Materials				
-Imported	-	-	-	-
-Indigenous	4,374.75	100.00	2503.79	100.00
	4,374.75	100.00	2503.79	100.00
Stores & Spare parts etc				
-Imported				
-Indigenous	875.89	100.00	450.58	100.00
Total	875.89	100.00	450.58	100.00

(b) Expenditures in Foreign Currency

Particulars	2013-14	2012-13
Books & Periodicals	0.99	-

33. Figures have been rounded off to the nearest ₹ in Lacs. Previous year's figures including those given in brackets have been rearranged and regrouped where necessary to confirm to the current year's classifications.

For **Kailash B. Goel & Co.**

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia

Chief Financial Officer

Sajjan Bhajanka

Director

Ravi Prakash Mundhra

Company Secretary

Hari Prasad Agarwal

Managing Director

Statement Relating To Subsidiaries

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies (as on 31st March, 2014)

Sl. No.	Particulars	Name of the Subsidiaries				
		Direct Subsidiary	Ultimate Subsidiary			
		Cement Manufacturing Company Limited	Meghalaya Power Limited	Megha Technical & Engineers Private Limited	Star Cement Meghalaya Limited	NE Hills Hydro Limited
1	Financial Year of the Subsidiary ended on	31st March, 2014	31st March, 2014	31st March, 2014	31st March, 2014	31st March, 2014
2	Date from which they became subsidiary	1st April, 2012	1st April, 2012	1st April, 2012	1st April, 2012	1st April, 2012
3	Shares of the Subsidiary held by the Company/ Direct Subsidiary as on 31st March, 2014					
	a) No. of Shares	29547500	17095618	27346400	29817818	70000
	b) Face Value of Shares (In ₹)	10	10	10	10	10
	c) Extent of Holding	70.48%	99.80%	100.00%	100%	100.00%
4	The net aggregate amount of the Subsidiary Company's Net profit/(Loss) so far it concerns the members of the holding company	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	a) Not dealt within the Holding Company's accounts					
	i) For the financial year ended 31st March, 2014	(1106.10)	128.24	85.84	701.61	Nil
	ii) upto the previous financial years of the Subsidiary Company	30217.21	598.58	12752.28	(1800.01)	Nil
	b) Dealt within the Holding Company's accounts					
	i) For the financial year ended 31st March, 2014	738.69	Nil	Nil	5.96	Nil
	ii) upto the previous financial years of the Subsidiary Company, since they become the Holding Company's subsidiary	Nil	Nil	Nil	Nil	Nil

Figures In brackets indicate Loss

The Ministry of Company Affairs, Government of India vide its General Circular No. 2/2011 dated 8th February, 2011 has granted exemption to all companies from attaching the Annual Reports and other particulars of its subsidiary companies along with the Annual Report of the Company required under section 212 of the Companies Act, 1956. Therefore, the said Reports of the subsidiary companies are not attached herewith. However, a statement containing information as on 31st March, 2014 as required by the Ministry of Corporate affairs, while granting exemption, is given hereunder:

(₹ in Lacs) (as on 31st March, 2014)

Sl. No.	Particulars	Name of the Subsidiaries				
		Direct Subsidiary	Ultimate Subsidiary			
		Cement Manufacturing Company Limited	Meghalaya Power Limited	Megha Technical & Engineers Private Limited	Star Cement Meghalaya Limited	NE Hills Hydro Limited
1	Capital	4192.14	1713.06	2734.64	2981.78	7.00
2	Reserves	46797.82	7536.80	19226.77	31170.52	-
3	Total Assets	111004.02	30972.42	27972.50	87311.92	7.15
4	Total Liabilities	111004.02	30972.42	27972.50	87311.92	7.15
5	Details of Investments (Except investment in subsidiaries)					
	Adonis Vyapar Pvt. Ltd.	32.32	-	-	-	-
	Apnapan Viniyog Pvt. Ltd.	32.32	-	-	-	-
	Ara Suppliers Pvt. Ltd.	32.32	-	-	-	-
	Arham Sales Pvt. Ltd.	32.32	-	-	-	-
	Reliance Power Ltd.	24.54	-	-	-	-
	Ribhoi Engineering Company Pvt. Ltd.	-	-	-	-	2.70
6	Gross Turnover	75825.82	8607.01	23286.45	37557.33	-
7	Profit Before Taxation	(1530.23)	284.29	153.60	618.03	-
8	Provision for Taxation	(39.15)	(132.96)	(31.80)	377.44	-
	-Net Current Tax	-	(57.7)	(30.17)	-	-
	-Deffered Tax	-	(50.78)	0.11	377.44	-
	-MAT Credit entitlement of earlier year	-	(24.88)	(1.73)	-	-
	-Income tax for earlier year	-	0.4	-	-	-
9	Profit/(Loss) after Taxation	(1569.38)	151.33	121.80	995.47	-
10	Proposed Dividend	-	-	-	-	-

For and on Behalf of the Board of Directors

Place : Kolkata

Date : 28th May, 2014

Om Prakash Lohia
Chief Financial Officer

Ravi Prakash Mundhra
Company Secretary

Sajjan Bhajanka
Director

Hari Prasad Agarwal
Managing Director



Overcoming challenges

Consolidated

financial statement

Independent Auditors' Report

To the Board of Directors of **Star Ferro And Cement Limited**

We have audited the accompanying Consolidated Balance Sheet of **STAR FERRO AND CEMENT LIMITED** ("the Company") and its subsidiaries, which comprise the Consolidated Balance Sheet as at 31st March 2014, the consolidated statement of Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial statements

Management is responsible for the preparation of these consolidated statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 read with General Circular No. 15/2013 dated 13th September, 2013 issued by Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit

also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report of the other auditor on the financial statement of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiaries as at 31st March 2014;
- (ii) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the Company and Profit/Loss of its subsidiaries for the year ended on that date; and
- (iii) in the case of Consolidated Cash Flow Statement, of the Consolidated Cash flows of the Company and its subsidiaries for the year ended on that date.

Other Matters

We did not audit the financial statements of a subsidiary (NE Hills Hydro Limited), whose financial statements reflect total assets worth of ₹7.15 Lacs as at 31st March, 2014. These financial statements and other financial information have been audited by other auditor whose report have been furnished to us, and our opinion is based solely on the report of the other auditor

For **KAILASH B. GOEL & CO.**

Firm Registration No.322460E
Chartered Accountants

CA. Arun Kumar Sharma

Partner

Place : Kolkata

Date : 28th May, 2014

Membership No. 057329

Consolidated Balance Sheet as at 31st March, 2014

₹ in Lacs

Particulars	Note	March 31, 2014	March 31, 2013
A. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	2,221.73	5.00
Share Capital - Pending Allotment	3	-	2,216.73
Reserves & Surplus	4	66,411.35	67,049.81
		68,633.08	69,271.54
Minority Interest		25,285.13	25,379.55
Non Current Liabilities			
Long Term Borrowings	5	65,695.64	76,490.96
Deferred Tax Liability	7	447.53	409.32
Other Long Term Liabilities	6	7,281.79	8,000.65
Long Term Provisions	8	183.48	156.44
		73,608.44	85,057.37
Current Liabilities			
Short Term Borrowings	9	18,733.86	9,113.96
Trade Payables	10	14,872.35	7,231.59
Other Current Liabilities	10	19,554.41	9,914.68
Short Term Provisions	8	32.57	22.58
		53,193.19	26,282.81
TOTAL		2,20,719.84	2,05,991.27
B. ASSETS			
Non Current Assets			
Fixed Assets:			
Tangible Assets	11	1,17,191.50	1,16,448.76
Intangible Assets	12	31.01	31.51
Capital Work-in-Progress		9,951.81	12,888.73
Non Current Investments	13	152.86	152.86
Long term Loans and Advances	14	6,506.92	4,482.10
Other Non Current Assets	15	21,273.66	22,722.63
		1,55,107.76	1,56,726.59
Current Assets			
Inventories	16	17,548.68	14,999.41
Trade Receivables	15	10,972.86	4,271.36
Cash and Bank Balances	17	1,258.12	2,708.79
Short Term Loans and Advances	14	22,168.44	17,737.77
Other Current Assets	15	13,663.98	9,547.35
		65,612.08	49,264.68
TOTAL		2,20,719.84	2,05,991.27
Summary of Significant Accounting Policies	2.1		

The accompanying notes form an integral part of the financial statements

As per our Report of even Date

For **Kailash B. Goel & Co.**

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia

Chief Financial Officer

Sajjan Bhajanka

Director

Ravi Prakash Mundhra

Company Secretary

Hari Prasad Agarwal

Managing Director

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

₹ in Lacs

Particulars	Note	2013-14	2012-13
INCOME			
Gross Revenue from Operations	18	1,17,130.26	69,378.85
Less : Excise Duty (Net) (Refer Note No.27)		(207.06)	3,419.02
Net Revenue from Operations		1,17,337.32	65,959.83
Other Income	19	236.74	156.06
Total Revenue		1,17,574.06	66,115.89
EXPENSES			
Cost of Raw Materials Consumed	20	20,956.52	11,939.83
(Increase)/Decrease in inventory of Finished Goods	21	(775.93)	(2,432.46)
Employee Benefits Expense	22	7,857.68	4,302.68
Other Expenses	23	63,803.87	40,312.73
Depreciation and Amortisation Expense	24	16,163.64	5,029.09
Finance Cost	25	8,721.20	2,852.13
Total Expenses		1,16,726.98	62,004.00
Profit before exceptional items & tax		847.08	4,111.89
Exceptional Items	26	(87.46)	(19.29)
Profit before Taxation		759.62	4,131.18
Tax Expenses			
Current Tax		305.32	1,417.72
MAT credit entitlement		(98.94)	(1,417.72)
Net Current Tax Expense		206.38	-
Deferred Tax		38.21	370.95
MAT Credit Adjustments for earlier years		26.61	-
Income Tax for earlier years		(0.40)	-
Total Tax Expenses		270.80	370.95
Profit/(loss) for the year before minority interest		488.82	3,760.23
Minority Interest		(123.62)	1,268.21
Profit/(loss) for the year after minority interest		612.44	2,492.02
Earnings per equity share [nominal value of share ₹1/- (₹1/-)]			
Basic		0.28	498.40
Diluted		0.28	1.12
Summary of Significant Accounting Policies	2.1		

The accompanying notes form an integral part of the financial statements
As per our Report of even Date

For **Kailash B. Goel & Co.**
Firm Registration No. 322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner
Membership No. 057329

Place : Kolkata
Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia
Chief Financial Officer

Sajjan Bhajanka
Director

Ravi Prakash Mundhra
Company Secretary

Hari Prasad Agarwal
Managing Director

Cash Flow Statement for the year ended 31st March, 2014

₹ in Lacs

Particulars	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	759.62	4,131.18
Adjustments for:		
Depreciation	16,163.64	5,029.09
Finance Cost	8,721.20	2,858.86
(Profit) /Loss on Fixed Assets sold/discarded	(1.87)	8.59
Preliminary Expenses Written Off	-	16.25
Provision for Doubtful Debts	0.34	(46.78)
Unspent Liabilities Written Back	(23.97)	(10.24)
Unrealised Foreign Exchange Fluctuations Loss	(70.76)	(19.48)
Interest Income	(139.35)	(124.70)
Operating Profit before Working Capital changes	25,408.86	11,842.77
Adjustments for:		
Increase/(decrease) in Trade Payables, Other Liabilities and Provisions	9192.43	5,501.15
(Increase)/decrease in Trade Receivables	(6701.84)	3,680.88
(Increase)/decrease in Loans & Advances and other assets	(9355.80)	(24,410.09)
(Increase)/decrease in Inventories	(2549.28)	(5,264.88)
	(9414.49)	(20,492.94)
Cash Generated from Operations	15994.37	(8,650.17)
Direct Taxes Paid (Net of Refunds)		(1,266.08)
Net Cash generated from Operating Activities	15994.37	(9916.25)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	-	21,529.42
Sale of Fixed Assets	319.36	110.63
Fixed Deposits/Margin Money Refund	(153.62)	27.54
Interest Received	139.35	124.70
Purchase of Fixed Assets*	(12051.65)	(24,030.91)
Net Cash Flow used in Investing Activities	(11746.55)	(2238.62)

Cash Flow Statement for the year ended 31st March, 2014

₹ in Lacs

Particulars	2013-14	2012-13
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings*	4090.74	22,293.31
Purchase of Capital from minority shareholders	(1.00)	-
Interest Paid	(8721.20)	(9,885.13)
Dividend Paid	(1042.52)	-
Tax on Dividend	(178.11)	-
Net Cash Flow from Financing Activities	(5852.10)	12408.18
Net Changes in Cash & Cash Equivalents (A+B+C)	(1604.28)	253.31
Cash & Cash Equivalents on 1 st April, 2013	2625.44	4.64
Add: transferred as per scheme of arrangement	-	167.59
Add: Balance of Subsidiaries acquired as per the scheme	-	2,199.90
	2625.44	2372.13
**Cash & Cash Equivalents on 31 st March, 2014	1021.16	2625.44

* Excluding notional foreign exchange loss of ₹2234.80 Lacs capitalized /reduced in accordance with para 46A of AS-11

** Represents Cash and Bank Balances as indicated in Note-17, and excludes ₹236.97 lacs (₹83.35 lacs) being Bank Balances with restrictive use and maturity of more than three months.

The accompanying notes form an integral part of the financial statements**As per our Report of even Date**For **Kailash B. Goel & Co.**

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No. 057329

Place : Kolkata

Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia

Chief Financial Officer

Sajjan Bhajanka

Director

Ravi Prakash Mundhra

Company Secretary

Hari Prasad Agarwal

Managing Director

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

1. Principles of consolidation

The Consolidated Financial Statements which relate to Star Ferro and Cement Limited (the Company) and its subsidiaries have been prepared on the following basis:

- The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealized profit / loss included therein, in accordance with Accounting Standards (AS-21), "Consolidated Financial Statements".
- The excess/shortfall of cost to the Company of its investments in the subsidiary companies, over the net assets at the time of acquisition in the subsidiaries as on the date of investment is recognized in the financial statements as goodwill/capital reserve as the case may be.
- The subsidiary companies considered in the financial statements are as follows:

Name	Country of Incorporation	% of Voting power as on 31.03.2014	% of Voting power as on 31.03.2013
Cement Manufacturing Company Limited	India	70.48	70.48
Megha Technical & Engineers Private Limited	India	100.00	99.96
Star Cement Meghalaya Limited	India	100.00	100.00
Meghalaya Power Limited	India	99.80	99.80
NE Hills Hydro Limited	India	100.00	100.00

- The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- In terms of Accounting Standard-21 notified under the Companies Accounting Standards Rules, 2006, Minority interest has been computed in respect of non-fully owned subsidiaries and adjusted against the consolidated income of the group in order to arrive at the net income attributable to the shareholders' of the Company.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply with all material aspects with the Accounting Standards notified under the Companies (Accounting Standards) Rules 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular No.15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. The financial statements are prepared under the historical cost convention on accrual basis and on the basis of going concern.

The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed below, are consistent with those used in previous year.

2.1 Summary of Significant Accounting Policies

(i) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make

judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates.

(ii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- Revenue from sale of goods and services rendered is recognized upon passage of title which generally coincides with delivery of materials and rendering of services to the customers. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenues. Sales figures are net of rebates, trade discounts and returns.
- Dividend Income is recognized when the shareholders' right to receive the payment is established by the balance sheet date.

Notes to the Consolidated Financial Statement (contd.)

(c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

(iii) Fixed Assets

Fixed Assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation / amortisation and impairment, if any, except freehold land which is carried at cost. Cost comprises the purchase price inclusive of duties (net of cenvat / VAT), taxes, incidental expenses and erection / commissioning expenses etc. up to the date, the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written-up by the valuer, is considered in the accounts and the differential amount is transferred to revaluation reserve. The subsidiaries VIZ. Cement Manufacturing Company Limited, Star Cement Meghalaya Limited and Meghalaya Power Limited have adopted the provisions of para 46A of Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates" and accordingly exchange differences arising on restatement/settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be irregular are capitalized and depreciated over the residual life of the respective assets.

(iv) Capital Work in Progress

Capital work in Progress is carried at cost comprising direct cost and pre-operative expenses during construction period to be allocated to the fixed assets on the completion of construction.

(v) Expenditure during construction period

In case of new projects and substantial expenses of existing factories, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing cost, prior to Commencement of commercial production/completion of project, are capitalized.

(vi) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount

which represents the greater of the net selling price and 'Value in use' of the assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(vii) Depreciation / Amortization

- (a) The classification of plant and machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.
- (b) Depreciation on fixed assets is provided under written down value method (except in case of fixed assets of power division of the subsidiary Megha Technical & Engineers Private Limited where straight line method is followed) at the rates prescribed in Schedule XIV to the Companies Act, 1956, or at rates determined based on useful life of the respective assets, as estimated by the management, whichever is higher.
- (d) Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- (f) Intangible assets are amortized over a period 3 to 5 years depending on the useful life.
- (g) In case of impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- (h) Depreciation on amount capitalized pursuant to para 46A of Accounting Standard-11 'The Effects of Changes in Foreign Exchange Rates' is provided over the balance useful life of depreciable capital assets. In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(viii) Foreign Currency Transactions

Foreign Transactions in foreign currencies entered into by the Company are accounted at the exchanges rates prevailing on the date of the transactions. Exchange differences arising on settlement/restatement of short – term foreign currency monetary assets and liabilities of the Company are recognized as income or expenses in the Statement of Profit and Loss. All long term foreign currency monetary items consisting of liabilities which relate to acquisition of depreciable capital assets are restated at the rate prevailing at the Balance Sheet date

Notes to the Consolidated Financial Statement (contd.)

and the exchange difference arising as a result is added to or deducted from the cost of the assets where para 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" has been adopted. In other cases the same is dealt within the Statement of Profit & Loss. Profit/Loss arising out of cancellation of forward contracts is taken to revenue in the year of cancellation.

(ix) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value on individual investment basis. Long Term Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

(x) Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost of Inventories is computed on weighted average/ FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(xi) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. When the grant or subsidy relates to an asset, it is deducted from the gross value of the asset concerned in arriving at the carrying amount of related asset. Government grants of the nature of promoter's contribution are credited to

capital reserve and treated as a part of the shareholders' funds.

(xii) Retirement and other employee benefits

- (a) Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company has no obligations other than the contribution payable to the respective funds.
- (b) Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- (c) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.
- (d) Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

(xiii) Earning per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

(xiv) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the balance sheet date. Similarly, custom duty on imported material in transit/ lying in bonded warehouse is accounted for at the time of import/ bonding of materials.

(xv) Borrowing Costs

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangements

Notes to the Consolidated Financial Statement (contd.)

of borrowings and exchange differences arising from relevant foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

(xvi) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

The deferred tax in respect of timing differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961. The deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the assets will be realized in future.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The Company writes-down

the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India, the said assets is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the carrying amount of MAT at each Balance Sheet date and writes down MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during specified period.

(xvii) Segment Reporting

a) Identification of segments:

The Company has identified that its business segments are the primary segments. The Company's business are organized and managed separately according to the nature of products/services, with each segment representing a strategic business unit that offers different product/ services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

b) Inter segment transfers:

The Company generally accounts for intersegment sales and transfers at current market prices.

c) Allocation of Common Costs:

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

Notes to the Consolidated Financial Statement (contd.)

The accounting policies adopted for segment reporting are in line with those of the Company's accounting policies.

(xviii) Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash in hand, demand deposits with Banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

(xix) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard 29 are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(xx) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3 SHARE CAPITAL

₹ in Lacs

Particulars	31st March, 2014	31st March, 2013
Authorised		
23,00,00,000 (5,00,000 as at 31.03.2013) Equity Shares of ₹1/- each	2,300.00	5.00
Total	2,300.00	5.00
Issued		
22,21,72,990 (5,00,000 as at 31.03.2013) Equity Shares of ₹1/- each	2,221.73	5.00
Total	2,221.73	5.00
Subscribed and Paid up		
22,21,72,990 (5,00,000 as at 31.03.2013) Equity Shares of ₹1/- each	2,221.73	5.00
Total	2,221.73	5.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31st March, 2014		31st March, 2013	
	No. of Shares	(₹ in Lacs)	No. of Shares	(₹ in Lacs)
At the Beginning of the year	5,00,000	5.00	5,00,000	5.00
Cancelled during the year (pursuant to Scheme of Arrangement)	(5,00,000)	(5.00)	-	-
Issued during the year (pursuant to Scheme of Arrangement)	22,21,72,990	2,221.73	-	-
Outstanding at the end of the year	22,21,72,990	2,221.73	5,00,000	5.00

b) Terms/Rights attached to the Equity Shares & Notes

The Company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to

Notes to the Consolidated Financial Statement (contd.)

3 SHARE CAPITAL (Contd.)

one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms of issue of shares other than cash

Pursuant to the Scheme of Arrangement ("the scheme") between Century Plyboards (India) Limited (CPIL), the Company and their respective shareholders as approved by the Hon'ble High Court at Kolkata vide its order dated 17th May, 2013, the Company has issued and allotted 22,21,72,990 Equity Shares to the shareholders of CPIL in ratio of 1 (one) Equity share of ₹1/- each of the Company as fully paid-up for every 1 (one) Equity Share of ₹1/- each held by them in CPIL.

d) Details of Shareholders holding more than 5% shares in the Company

Particulars	31st March, 2014		31st March, 2013	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity Shares of ₹1/- each fully paid-up				
Century Plyboards (India) Limited	-	-	5,00,000	100.00%
Sri Sajjan Bhajanka	2,33,71,570	10.52%	-	-
Sri Sanjay Agarwal	2,37,88,740	10.71%	-	-
Smt. Divya Agarwal	16,749,750	7.54%	-	-
Smt. Santosh Bhajanka	1,56,49,500	7.04%	-	-
Sri Prem Kumar Bhajanka	2,21,25,176	9.96%	-	-

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

e) Share Capital - Pending Allotment

Particulars	31st March, 2014	31st March, 2013
Shares to be allotted as per Scheme of Arrangement	-	2,216.73
Total	-	2,216.73

Notes to the Consolidated Financial Statement (contd.)

4 RESERVES & SURPLUS		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Capital Reserve			
Balance as per the last Financial Statements	26,447.63	-	
Add: Amount adjusted pursuant to scheme of arrangement	-	8,627.64	
Add: Amount adjusted on acquisition of subsidiaries pursuant to the scheme	-	2,549.77	
Add: Addition during the year	5.15	-	
Add: Capital Investment Subsidy	-	15,270.22	
Closing Balance	26,452.78	26,447.63	
General Reserve			
Balance as per the last Financial Statements	2,607.87	-	
Add: Addition during the year	185.58	-	
Add: Amount adjusted on acquisition of subsidiaries pursuant to the scheme	-	2,607.87	
Closing Balance	2,793.45	2,607.87	
Surplus in the statement of Profit and Loss			
Balance as per the last Financial Statements	37,994.31	(0.10)	
Add: Amount adjusted on acquisition of subsidiaries pursuant to the scheme	-	35,502.39	
Add: Profit /(Loss) for the year	612.44	2,492.02	
Less: Appropriations	38,606.75	37,994.31	
Interim Equity Dividend	(1,042.52)	-	
Tax on Interim Equity Dividend	(178.11)	-	
Transfer to General Reserve	(221.00)	-	
Total Appropriations	(1,441.63)	-	
Net Surplus in the Statement of Profit and Loss	37,165.12	37,994.31	
Total Reserves and Surplus	66,411.35	67,049.81	

5 LONG TERM BORROWINGS		₹ in Lacs			
Particulars	Non-Current Maturities		Current Maturities		
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013	
Term Loans (Secured)					
Rupee Loan from Banks	40,037.53	44,555.27	9,489.97	4,826.96	
Rupee Loan from a Financial Institution	821.82	1,018.22	157.12	39.28	
Foreign Currency Loan from Banks	23,992.16	23,928.06	4,813.33	2,267.92	
Buyers Credit from banks for Capital expenditure	521.46	6,957.16	-	-	
Hire Purchase obligations					
- From Banks	320.70	21.68	268.35	156.79	
- From Bodies Corporate	1.97	10.57	12.21	19.85	
	65695.64	76,490.96	14740.99	7,310.80	
Amount disclosed under the head "Other Current Liabilities" (Note - 10)	-	-	(14,740.99)	(7,310.80)	
Net Amount	65,695.64	76,490.96	-	-	

Notes:-

- Rupee Term Loan from a Financial Institution is secured by equitable mortgage of leasehold rights of land and first charge on fixed assets of the Company's Ferro Alloy Plant at Byrnihat, Meghalaya and second charge on current assets of the said unit. The Loan is to be repaid in further 25 quarterly instalments.
- Rupee Term Loan of ₹196.43 lacs from a bank is repayable on quarter ending June 2014. The Loan is secured by first charge on fixed assets (except specifically charged assets) and pari passu second charge on current assets of the subsidiary's cement plant at Lumshnong, Meghalaya.

Notes to the Consolidated Financial Statement (contd.)

5 LONG TERM BORROWINGS (Contd.)

- (c) Rupee Term Loan of ₹5,685.58 lacs from a bank is repayable in further 13 equal quarterly instalments ending on June 2017. The Loan is secured by pari passu first charge on current assets and pari passu first charge on fixed assets of the subsidiary's cement plant at Lumshnong, Meghalaya.
- (d) Rupee Term Loans of ₹12,500 lacs and Foreign Currency Loan of ₹4,154.73 lacs from banks are repayable in further 23 unequal quarterly instalments ending on December 2019. The loans are secured by pari passu first charge on fixed assets and pari passu second charge on current assets of the subsidiary's Cement Grinding Unit at Guwahati, Assam.
- (e) Rupee Term Loan of ₹28,616.25 lacs and foreign currency loan of ₹10,267.32 lacs from banks are repayable in further 23 unequal quarterly installments ending on December 2019. Term Loans are secured by first charge on the fixed assets of the subsidiary's Cement clinker plant at Lumshnong, Meghalaya on pari passu basis.
- (f) Rupee Term Loan of ₹2,529.24 lacs and foreign currency loan of ₹14,383.44 lacs from a bank are repayable in 28 unequal quarterly installments commenced from March 2013. These Term Loans are secured by first charge on the fixed assets of the subsidiary's power plants at Lumshnong, Meghalaya on pari-passu basis.
- (g) Buyers credit of ₹521.47 lacs from banks have been availed against letter of credit (sub-limit to Term Loans) issued by banks which are secured by first charge on fixed assets of the subsidiary's cement clinker plant at Lumshnong, Meghalaya.
- (h) Hire Purchase Finance of ₹38.64 lacs is secured by hypothecation of company's vehicles and is repayable within three to four years having varying date of payment.
- (i) Hire Purchase Finance of ₹564.59 lacs is secured by hypothecation of subsidiary's vehicles / equipments and is repayable within three to four years having varying date of payment.
- (j) Term Loans of ₹39,449.42 lacs from Banks have been guaranteed by some of the Directors of the Company.

6 OTHER LONG TERM LIABILITIES

₹ in Lacs

Particulars	31st March, 2014	31st March, 2013
Security Deposits	5,945.94	5,205.03
Others	1,335.85	2,795.62
Total	7281.79	8000.65

7 DEFERRED TAX LIABILITIES

₹ in Lacs

Particulars	31st March, 2014	31st March, 2013
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	579.11	1,023.61
	579.11	1,023.61
Deferred tax asset		
Business Loss Carried forward	-	234.99
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes upon payments	32.52	278.86
Provision for Bad & Doubtful Debts	99.06	100.44
	131.58	614.29
Net deferred tax liabilities	447.53	409.32

Notes to the Consolidated Financial Statement (contd.)

8 PROVISIONS					₹ in Lacs
Particulars	Long Term		Short Term		
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013	
Provision for Employee Benefits					
Provision for Gratuity	81.39	83.83	16.05	-	
Provision for Leave Encashment	102.09	72.61	16.52	22.58	
Total	183.48	156.44	32.57	22.58	

9 SHORT TERM BORROWINGS				₹ in Lacs
Particulars	31st March, 2014		31st March, 2013	
Loans repayable on demand				
Cash Credit from banks (Secured)		12,289.27		3,765.50
Short Term Loan from Bodies Corporate (Unsecured)		219.80		200.00
Loans from related parties (Unsecured)				
- From Bodies Corporate		219.80		200.00
Other Loans and advances				
Foreign Currency Demand Loan (Secured)		4,504.99		3,448.46
Short Term Loan from a bank (Secured)		1,500.00		1,500.00
Total Amount		18733.86		9,113.96

Notes:-

- Working Capital facility of ₹1294.12 lacs from a Bank is secured by first charge on current assets and second charge on fixed assets of Company's Ferro Alloy Plant at Byrnihat, Meghalaya.
- Working Capital facilities of ₹3,517.26 lacs from banks are secured by first pari passu charge on current assets and second pari passu charge on fixed assets of the subsidiary's Cement plant at Lumshnong, Meghalaya.
- Working capital facilities of ₹4,940.38 lacs from banks are secured by pari passu first charge on current assets and pari passu second charge on fixed assets of the subsidiary's Cement Grinding Unit at Guwahati, Assam.
- Working capital facilities of ₹1,792.83 lacs from banks are secured by first charge on current assets and second charge on fixed assets of subsidiary's Cement Grinding unit at Lumshnong, Meghalaya on pari passu basis.
- Working capital facilities of ₹2,985.17 lacs from banks are secured by first charge on current assets and second charge on fixed assets of subsidiary's Clinker unit at Lumshnong, Meghalaya on pari passu basis.
- Cash credit of ₹2,264.50 lacs from a bank is secured by first charge on current assets and second charge on fixed assets of subsidiary's Power plants at Lumshnong, Meghalaya.
- Further, the working capital facilities for ₹24,950 lacs are also guaranteed by some directors of the Company.

10 OTHER CURRENT LIABILITIES			₹ in Lacs
Particulars	31st March, 2014		31st March, 2013
Trade Payables			
Dues to Micro and Small Enterprises (Refer Note No. 31)		-	-
Dues to Others		14,872.35	7,231.59
		14,872.35	7,231.59
Others Liabilities			
Payable against purchase of fixed assets		136.81	-
Current Maturities of Long Term Borrowings (Note-5)		14,740.99	7,310.80
Interest accrued but not due on Borrowings		68.12	1.21
Advances from Customers		986.52	466.71
Statutory Dues Payable		3,621.97	2,135.96
		19554.41	9,914.68
Total Amount		34426.76	17146.27

Notes to the Consolidated Financial Statement (contd.)

11 TANGIBLE ASSETS

₹ in Lacs

Particulars	Land & Site Development	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Electrical Installations	furniture & Fixtures	Office Equipments	Computers	Vehicles	Mines & Mines Developments	Total
	Free Hold		On Freehold Land								
COST											
At 1 st April, 2012	-	-	-	-	-	-	-	-	-	-	-
Transferred pursuant to Scheme of Arrangement	86.17	1,172.90	-	3,547.42	910.35	33.41	8.92	22.17	664.56	-	6,445.90
Transferred on acquisition of subsidiaries pursuant to the scheme	2,697.14	6,241.34	3,516.85	23,092.75	-	458.57	364.26	438.66	2,307.51	1,122.15	40,239.23
Additions	2,098.82	7,908.18	1,229.98	83,190.38	199.69	133.19	51.95	51.93	185.87	3.50	95,053.49
Disposals	38.14	-	-	82.62	-	12.66	6.84	2.05	50.68	-	192.99
At 31st March, 2013	4,843.99	15,322.42	4,746.83	1,09,747.93	1,110.04	612.51	418.29	510.71	3,107.26	1,125.65	1,41,545.63
Additions	1,116.90	4,283.93	474.62	9,757.23	7.74	73.54	63.72	110.69	1,097.44	-	16,985.81
Disposals	-	-	-	114.84	-	1.80	3.84	0.12	172.21	-	292.82
At 31st March, 2014	5,960.89	19,606.35	5,221.45	1,19,390.32	1,117.78	684.25	478.16	621.27	4,084.49	1,125.65	1,58,238.62
Depreciation											
At 1 st April, 2012	-	-	-	-	-	-	-	-	-	-	-
Transferred pursuant to Scheme of Arrangement	-	552.93	-	2,367.07	611.98	23.57	4.93	18.01	326.35	-	3,904.84
Transferred on acquisition of subsidiaries pursuant to the scheme	-	2,469.58	605.07	10,892.62	-	253.40	132.75	321.74	958.91	-	15,634.07
Charge for the Year	-	575.41	154.04	4,079.36	70.55	58.08	36.72	60.18	597.39	-	5,631.73
Disposals	-	-	-	25.58	-	8.31	3.68	1.86	34.34	-	73.77
As at 31st March, 2013	-	3,597.92	759.11	17,313.47	682.53	326.74	170.72	398.07	1,848.31	-	25,096.87
Charge for the year	-	1,170.59	200.21	13,898.17	64.86	67.46	39.14	69.13	631.90	-	16,141.45
Disposals	-	-	-	70.98	-	1.28	2.04	0.10	116.79	-	191.19
At 31st March, 2014	-	4,768.51	959.32	31,140.66	747.39	392.91	207.81	467.10	2,363.42	-	41,047.12
Net Block											
As at 31 st March, 2013	4,843.99	11,724.50	3,987.72	92,434.46	427.51	285.77	247.57	112.64	1,258.95	1,125.65	1,16,448.76
At 31st March, 2014	5,960.89	14,837.84	4,262.13	88,249.66	370.39	291.34	270.35	154.18	1,699.07	1,125.65	1,17,191.50

Notes to the Consolidated Financial Statement (contd.)

12 INTANGIBLE ASSETS		₹ in Lacs
Particulars		Computer Software
COST		
At 1 st April, 2012		-
Transferred pursuant to Scheme of Arrangement		-
Transferred on acquisition of subsidiaries pursuant to the scheme		86.69
Addition		40.45
Disposals		2.45
At 31st March, 2013		124.69
Addition		21.69
Disposals		-
At 31st March, 2014		146.39
Depreciation		
At 1 st April, 2012		-
Transferred pursuant to Scheme of arrangement		-
Transferred on acquisition of subsidiaries pursuant to the scheme		81.46
Charge for the Year		14.17
Disposals		2.45
At 31st March, 2013		93.18
Charge for the year		22.20
Disposals		-
At 31st March, 2014		115.38
Net Block		
As at 31 st March, 2013		31.51
At 31st March, 2014		31.01

13 NON - CURRENT INVESTMENTS (AT COST)		₹ in Lacs		
Particulars	Face Value Per Share	No. of Shares	31st March, 2014	31st March, 2013
A. NON TRADE INVESTMENTS				
Quoted Equity Shares				
Reliance Power Ltd.	10	8743 (8743)	24.54	24.54
Sub Total			24.54	24.54
B TRADE INVESTMENTS				
Unquoted Equity Instruments				
Investments In Associates				
Ara Suppliers Pvt. Ltd.	10	323190 (323190)	31.36	31.36
Arham Sales Pvt. Ltd.	10	323190 (323190)	31.42	31.42
Adonis Vyapar Pvt. Ltd.	10	323190 (323190)	31.42	31.42
Apanapan Viniyog Pvt. Ltd.	10	323190 (323190)	31.42	31.42
Ribhoi Engineering Company Pvt Ltd.	10	27000 (27000)	2.70	2.70
Total			128.32	128.32
Aggregate Amount of Investments			152.86	152.86
Quoted			24.54	24.54
Unquoted			128.32	128.32
Market Value of Quoted Investments			6.15	5.38

Notes to the Consolidated Financial Statement (contd.)

14 LOANS AND ADVANCES ₹ in Lacs				
Particulars	Non Current		Current	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Loans and Advances (Considered Good)				
Capital Advances				
Secured	8.00	272.82	-	-
Unsecured	4,042.37	3,964.77	-	-
Security Deposits				
Unsecured	295.86	244.23	0.50	0.60
Loans - Unsecured				
To related parties	-	-	35.00	35.00
To other Bodies corporate	-	-	800.00	800.00
Advances recoverable in cash or kind or for value to be received				
Unsecured	-	-	3,519.28	3,363.33
Other Loans and Advances (Unsecured - Considered Good)				
Prepaid Expenses	0.16	0.28	359.99	414.87
Advance Income Tax including MAT credit entitlement, net of provisions	-	-	10,004.89	9,914.01
Balance with Statutory/Government Authorities	2,160.53	-	7,448.78	3,209.96
Total	6506.92	4,482.10	22168.44	17,737.77
15 TRADE RECEIVABLES AND OTHER ASSETS ₹ in Lacs				
Particulars	Non Current		Current	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
15.1 Trade Receivables				
Debts outstanding for a period exceeding six months				
Secured - Considered Good	-	-	101.65	27.15
Unsecured - Considered Good	-	-	226.94	145.21
Unsecured - Considered Doubtful	-	-	309.89	309.55
	-	-	638.48	481.91
Provision for doubtful trade receivables	-	-	309.89	309.55
A	-	-	328.59	172.36
Other Debts				
Secured - Considered Good	-	-	2,424.20	1,585.03
Unsecured - Considered Good	-	-	8,220.07	2,513.97
B	-	-	10,644.27	4,099.00
Total (A+B)	-	-	10,972.86	4,271.36
15.2 Other Assets				
Unsecured - Considered Good				
Non Current Bank Balances	54.16	-	-	5.82
Central/State Government Claims/Subsidies Receivable	21,219.50	22,722.63	13,663.98	9,541.53
Total	21,273.66	22,722.63	13,663.98	9,547.35

Notes to the Consolidated Financial Statement (contd.)

16 INVENTORIES		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
(At Lower of Cost and Net Realisable Value)	1,995.76	1,484.16	
Raw Materials	289.92	114.42	
Work in Progress	4,082.25	3,481.82	
Finished Goods [including Power inventory (with MeSCL) ₹687.15, Previous Year ₹ Nil] Stores & Spares Parts, etc	11,180.75	9,919.01	
	17,548.68	14,999.41	
Note:			
The above includes stock in Transit			
Raw Materials	-	48.76	
Finished Goods	559.17	208.03	

17 CASH AND BANK BALANCES		₹ in Lacs	
Particulars	Current		31st March, 2013
	31st March, 2014		
Cash and Cash Equivalents			
Balances with Banks			
On Current accounts	532.32		1,806.88
Deposits with Original Maturity of less than three months	0.13		150.51
Cheques in hand	430.61		637.07
Cash on hand	58.10		30.98
	1021.16		2625.44
Other Bank Balances			
Deposits with Original Maturity of more than 3 months but less than 12 months	236.96		83.35
	236.96		83.35
	1,258.12		2,708.79

18 REVENUE FROM OPERATIONS		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Revenue from Operations			
Sale of Products			
Finished Goods	1,16,937.22	69,151.56	
Other Operating revenue			
Scrap Sales	111.25	25.82	
Miscellaneous Income	81.79	201.47	
Revenue from Operations (Gross)	1,17,130.26	69,378.85	
	31st March, 2014	31st March, 2013	
Details of Products Sold			
Finished Goods Sold			
Cement	97,565.59	62,252.56	
Ferro Silicon	14,206.63	6,830.58	
Clinker	5,101.04	-	
Power	63.97	68.42	
	1,16,937.22	69,151.56	

Notes to the Consolidated Financial Statement (contd.)

19 OTHER INCOME

₹ in Lacs

Particulars	31st March, 2014	31st March, 2013
Interest Income on		
Fixed Deposits, Loans etc.	139.35	124.70
Insurance and Other Claims	0.49	0.36
Miscellaneous Receipts	96.90	31.00
Total	236.74	156.06

20 COST OF RAW MATERIALS CONSUMED

₹ in Lacs

Particulars	31st March, 2014	31st March, 2013
Inventory at the beginning of the year	1,484.15	-
Add: Stock transferred pursuant to scheme of arrangement	-	201.09
Add: Stock of subsidiaries transferred pursuant to scheme of arrangement	-	667.87
Add : Purchases	21,468.13	12,555.02
	22,952.28	13,423.98
Less : Inventory at the end of the year	1,995.76	1,484.15
Cost of Raw Materials Consumed	20,956.52	11,939.83

Details of Raw Material consumed

Charcoal	1,521.48	285.04
Quartz	501.86	1,099.50
Lam Coke	1,926.61	873.21
Mill Scale	372.16	187.08
Coal	30.11	45.62
Fly Ash	6,243.02	6,443.40
Limestone	4,552.73	1,656.51
Iron Mill Scale & Fines	1,086.63	536.76
Gypsum	483.10	517.92
Clinker (freight)	3,974.88	131.47
Shale	190.50	128.65
Other Raw Material	73.44	34.67
	20,956.52	11,939.83

21 (INCREASE)/DECREASE IN INVENTORIES

₹ in Lacs

Particulars	31st March, 2014	31st March, 2013
Inventory at the beginning of the year		
Finished Goods	3,481.82	-
Work in Progress	114.42	-
Add: Inventories transferred pursuant to Scheme of arrangement	-	544.32
Finished goods		
Add: Inventories of subsidiaries transferred pursuant to Scheme of arrangement		
Finished goods	-	417.78
Work in Progress	-	21.86
Trial Run Production		
Work In Progress	-	101.87
Finished goods	-	77.95
	-	1,163.78
Inventories at the end of the year		
Finished Goods	4,082.25	3,481.82
Work in Progress	289.92	114.42
	4,372.17	3,596.24
(Increase)/Decrease in inventories of Finished Goods/Work in Progress	(775.93)	(2,432.46)

Notes to the Consolidated Financial Statement (contd.)

21 (INCREASE)/DECREASE IN INVENTORIES (Contd.)		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Details of Inventory			
Finished Goods			
Ferro Silicon	209.30	1,035.61	
Silico Manganese	9.86	9.86	
Power	687.15	-	
Cement	1,899.40	637.31	
Clinker	1,276.54	1,799.04	
	4,082.25	3,481.82	
Work in Progress			
Raw Mill	116.18	27.21	
Fine Coal	7.61	32.37	
Crushed Lime Stone	166.13	54.84	
	289.92	114.42	
22 EMPLOYEE BENEFITS EXPENSE		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Salaries, Wages & other Manpower Expenses	7,323.43	3,993.44	
Contribution to Provident, Gratuity and other Funds	209.82	127.59	
Employees Welfare Expenses	324.43	181.65	
	7,857.68	4,302.68	
23 OTHER EXPENSES		₹ in Lacs	
Particulars	31st March, 2014	31st March, 2013	
Stores & Spare parts consumed	5,300.34	3,079.47	
Power and Fuel	20,864.53	15,220.52	
(Increase)/decrease of excise duty on inventory	0.32	252.07	
Insurance	307.18	188.21	
Rent	489.53	213.97	
Rates & Taxes	751.66	535.86	
Repairs & Maintenance			
-Buildings	545.78	249.37	
-Plant & Machinery	1,580.85	677.72	
-Others	237.99	143.25	
Transport & Freight	19,773.19	12,248.53	
Commission, Discount & Incentives on Sale	6,704.94	4,072.31	
Advertisement, Publicity and Sales Promotion	4,337.97	1,606.74	
Preliminary Expenses Written off	-	16.25	
Charity and Donations	342.40	341.48	
Miscellaneous Expenses	2,567.19	1,466.98	
Total	63,803.87	40,312.73	

Notes to the Consolidated Financial Statement (contd.)

24 DEPRECIATION AND AMORTISATION EXPENSE ₹ in Lacs		
Particulars	31st March, 2014	31st March, 2013
Depreciation on Tangible Assets	16,141.45	5,631.73
Depreciation on Intangible Assets	22.20	14.17
	16,163.64	5,645.90
Less: Transferred to pre-operative expenses	-	616.81
	16,163.64	5,029.09

25 FINANCE COST ₹ in Lacs		
Particulars	31st March, 2014	31st March, 2013
Interest Expenses [net of Capitalisation ₹1,105.40 Lacs (₹7,025.59 Lacs)]	8403.65	2,386.80
Exchange difference to the extent considered as an adjustment to borrowing costs	174.16	317.40
Other Finance Cost	143.40	147.93
Total	8,721.20	2,852.13

26 EXCEPTIONAL ITEMS ₹ in Lacs		
Particulars	31st March, 2014	31st March, 2013
Unspent/Unclaimed liabilities written back	23.97	(10.24)
Profit on Fixed Assets Sold /Discarded (Net)	1.87	8.59
Foreign Exchange Fluctuations	(113.30)	(17.64)
Total	(87.46)	(19.29)

27. Capital & Other Commitments

Estimated amount of contracts remaining to be executed on Capital Account (net of advances) and not provided for ₹166.92 lacs (₹899.12 lacs).

28. Contingent Liabilities

₹ in Lacs		
	31st March, 2014	31st March, 2013
Contingent Liabilities not provided for in respect of :-		
(a) Demands / Claims by various Government Authorities and others not acknowledged as debt:		
(i) Excise Duty/Service Tax	144.20	120.84
(ii) Income Tax	3,053.87	3278.31
Total	3,198.07	3,399.15
(b) Un-redeemed bank guarantees	4,212.11	587.36
(c) Bills discounted with banks	2,088.71	988.87
(d) Letters of credit issued by the banks	82.00	262.64
(e) Custom Duty on import under EPCG Scheme against which Export obligation is to be fulfilled	1,001.04	1,373.82
(f) Guarantee provided to bank on behalf of Contractors	379.18	2,477.30
(g) Solvent surety furnished to Excise Department against differential excise duty refund	2,286.18	-

Note: Based on discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

Notes to the Consolidated Financial Statement (contd.)

- 29.** There is a diminution of ₹18.39 lacs (₹19.16 lacs) in the value of a quoted investment based on last quoted price. The above investment being long term and strategic in nature, the said diminution, in the opinion of the management, is temporary in nature and hence no provision is considered necessary.
- 30.** Against claim for refund of differential excise duty, Hon'ble High Court at Guwahati (Shillong Bench) vide its order dated 12th September, 2012 has directed the Excise Department to release 50% of the differential amount against furnishing of solvent surety in line with the Interim Order dated 13th January, 2012 passed by Hon'ble Supreme Court in case of "VVF Ltd and others". Based on the said judgment of Hon'ble High Court in favour of the Company and its subsidiaries Viz. Cement Manufacturing Company Limited and Megha Technical & Engineers Private Limited and based on legal opinion obtained the differential excise duty refund of ₹4,585.52 lacs has been recognized as revenue.
- 31.** There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company.
- 32.** The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The said scheme in respect of its subsidiaries is funded with the insurance company.

The following tables summarize the components of net benefit expenses recognized in the Statement of Profit & Loss and the funded status and amounts recognized in the balance sheet for the Gratuity.

₹ in Lacs

	2013-14	2012-13
(i) Net Employee Expense/(benefit)		
Current service cost	46.90	35.23
Interest cost on benefit obligation	18.49	13.77
Expected return on plan assets	(10.49)	(8.89)
Net Actuarial (gains)/losses recognized in the year	9.36	(15.95)
Past Service Cost	-	-
Settlement Cost	-	-
Losses/(gains) on acquisition/divesture	(9.54)	6.12
Total employer expense	54.73	30.37
(ii) Benefit Asset / (Liability)		
Fair Value of Plan Assets	137.11	95.93
Defined benefit obligation	231.32	179.76
Benefit Asset / (Liability)	(94.22)	(83.83)
(iii) Movement in benefit liability		
Opening defined benefit obligation	179.75	158.89
Interest cost	18.49	13.77
Current service cost	46.90	35.23
Benefits paid	(23.18)	(10.65)
Actuarial (gains) / losses	9.36	(15.95)
Liabilities assumed on acquisition/ (settled on divesture)	--	(1.54)
Closing benefit obligation	231.34	179.75

Notes to the Consolidated Financial Statement (contd.)

32. (Contd.)

₹ in Lacs

	2013-14	2012-13
(iv) Movement in fair value of plan assets		
Opening fair value of plan assets	95.93	101.72
Expected Return on plan assets	10.49	8.88
Contribution by employer	44.32	--
Benefits paid	(23.18)	(6.93)
Actuarial gains / (losses) on obligation	9.54	(7.74)
Closing fair value of plan assets	137.11	95.93
(v) The major categories of plan assets as a percentage of the fair value of total plan assets		
Funded with insurer		
-Company	-	-
-Subsidiaries	100%	100%
(vi) The Principal actuarial assumptions are as follows:		
Discount rate	8.25%	8.25%
Expected Return on plan assets	9%	9%
Salary Increase	5%	5%
Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-8%	1%-8%

(vii) Amount incurred as expense for defined contribution to Provident Fund is ₹202.47 lacs (₹120.43 lacs).

(vii) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(viii) The Company expects to contribute ₹98.85 Lacs (₹38.06 Lacs) to Gratuity Fund in 2014-15.

(ix) The details for the current and previous periods are as follows:

	2013-14	2012-13
Defined Benefit Obligation	231.33	179.76
Plan Assets	137.11	95.93
Surplus / (Deficit)	(94.22)	(83.83)
Experience adjustments on plan Liability	(9.36)	6.93
Experience adjustments on Plan assets	9.54	-

33. Earning per Share (EPS)

In terms of Accounting Standard - 20, the calculation of EPS is given below: -

	2013-14	2012-13
Profit attributable to Equity Shareholders for basic and diluted EPS	612.44	2,492.02
Weighted average number of Equity Shares for basic EPS	22,21,72,990	5,00,000
Add : equity shares to be issued pursuant to Scheme of Arrangement	-	22,16,72,990
Weighted average number of Equity Shares for diluted EPS	22,21,72,990	22,21,72,990
Nominal value of equity shares (₹)	1.00	1.00
Basic earnings per share (EPS) (₹)	0.28	498.40
Diluted earnings per share (₹)	0.28	1.12

Notes to the Consolidated Financial Statement (contd.)

34. Derivative instruments and unhedged foreign currency exposure.

The particulars of unhedged foreign currency exposures as on the balance sheet dates are as follows:

Particulars	2013-14			2012-13		
	Foreign Currency	In Millions	₹ in Lacs	Foreign Currency	In Millions	₹ in Lacs
FCNRB Term Loan	USD	3.86	2,318.40	USD	4.99	2,711.51
FCNRB Demand Loan	USD	5.00	3,004.99	USD	5.00	2,719.47
ECB-Term Loan	USD	197.83	26,487.08	USD	203.33	23,484.47
Buyers Credit	EURO	0.13	11.07	EURO	49.85	5,697.51
Buyers Credit	USD	8.17	488.43	USD	22.83	1,241.54
Buyers Credit	GBP	0.22	21.97	GBP	0.22	18.11

35. Related Party Disclosures

a) Others - with whom transactions have taken place during the year

I	Names of related parties	Nature of relationship
	Century Plyboards (India) Limited (CPIL)	Associate
	Brijdham Merchants Private Limited (BMPL)	Enterprises Owned/ Influenced by Key Management Personnel or their relatives.
	Sriram Vanijya Private Limited (SVPL)	Enterprises Owned/ Influenced by Key Management Personnel or their relatives.
	Star India Cement Limited (SICL)	Enterprises Owned/ Influenced by Key Management Personnel or their relatives.
II	Key Management Personnel of the Company	
	Names of related parties	Nature of relationship
	Mr. Sajjan Bhajanka	Director
	Mr. Hari Prasad Agarwal	Managing Director
III	Key Management Personnel of the Subsidiaries	
	Names of related parties	Nature of relationship
	Mr. Sajjan Bhajanka	Managing Director
	Mr. Hari Prasad Agarwal	Managing Director
	Mr. Rajendra Chamaria	Vice Chairman & Managing Director
	Mr. Sanjay Agarwal	Joint Managing Director
	Mr. Pankaj Kejriwal	Managing Director
	Mr. Prem Kumar Bhajanka	Managing Director
	Mr. Sanjay Kumar Agarwal	Managing Director
	Mr. Atul Rasiklal Desai	Chief Operating Officer (upto 04.03.2013)
	Mr. Sanjay Kumar Gupta	Deputy Chief Executive Officer (w.e.f. 01.10.2013)
	Mr. Sanjay Kumar Gupta	Chief Financial Officer & President (upto 30.09.2013)
IV	Relatives of Key Management Personnel	
	Names of the related parties	Nature of relationship
	Mrs. Santosh Bhajanka	Wife of Mr. Sajjan Bhajanka
	Mrs. Sonu Kajaria	Daughter of Mr. Sajjan Bhajanka
	Mrs. Payal Agarwal	Daughter of Mr. Sajjan Bhajanka
	Mrs. Shraddha Agarwal	Daughter of Mr. Sajjan Bhajanka
	Mrs. Sumitra Devi Agarwal	Wife of Mr. Hari Prasad Agarwal
	Mr. Rajesh kumar Agarwal	Son of Mr. Hari Prasad Agarwal
	Mrs. Divya Agarwal	Wife of Mr. Sanjay Agarwal
	Mrs. Renu Chamaria	Wife of Mr. Rajendra Chamaria
	Mr. Rahul Chamaria	Son of Mr. Rajendra Chamaria
	Mr. Sachin Chamaria	Son of Mr. Rajendra Chamaria

Notes to the Consolidated Financial Statement (contd.)

35. Related Party Disclosures (Contd.)

b) Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2014 are given hereunder:

Sl. No	Type of Transactions	₹ in Lacs							
		Associates		Enterprises Owned / Influenced by KMP		Key Management Personnel		Relatives of KMP	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
1	Purchase Transactions								
	Century Plyboards (India) Limited	51.89	24.87	-	-	-	-	-	-
2	Sale Transactions								
	Century Plyboards (India) Limited	11.84	9.82	-	-	-	-	-	-
3	Purchase of Capital Goods								
	Century Plyboards (India) Limited	-	0.42	-	-	-	-	-	-
4	Loan Taken								
	Century Plyboards (India) Limited	2,400.00	-	-	-	-	-	-	-
	Brijdham Merchants Private Limited	-	-	-	100.00	-	-	-	-
	Sriram Vanijya Private Limited	-	-	-	100.00	-	-	-	-
5	Loan Taken Repaid								
	Century Plyboards (India) Limited	2,400.00	-	-	-	-	-	-	-
6	Loan Given								
	Century Plyboards (India) Limited	-	600.00	-	-	-	-	-	-
7	Loan Given Repaid								
	Century Plyboards (India) Limited	-	600.00	-	-	-	-	-	-
8	Interest Paid								
	Century Plyboards (India) Limited	20.94	-	-	-	-	-	-	-
	Brijdham Merchants Private Limited	-	-	11.00	0.06	-	-	-	-
	Sriram Vanijya Private Limited	-	-	11.00	0.06	-	-	-	-
9	Interest Received								
	Century Plyboards (India) Limited	-	0.87	-	-	-	-	-	-
10	Dividend Paid								
	Mr. Sajjan Bhajanka	-	-	-	-	166.19	-	60.88	-
	Mr. Rajendra Chamaria	-	-	-	-	79.09	-	61.41	-
	Mr. Rahul Chamaria	-	-	-	-	-	-	15.50	-
	Mr. Sachin Chamaria	-	-	-	-	-	-	15.00	-
	Mrs. Renu Chamaria	-	-	-	-	-	-	8.17	-
	Mr. Hari Prasad Agarwal	-	-	-	-	8.04	-	16.34	-
	Mr. Sanjay Agarwal	-	-	-	-	78.50	-	55.27	-
	Brijdham Merchants Private Limited	-	-	28.06	-	-	-	-	-
	Sriram Vanijya Private Limited	-	-	0.67	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
11	Remuneration Paid								
	Mr. Pankaj Kejriwal	-	-	-	-	42.00	42.00	-	-
	Mr. Rajendra Chamaria	-	-	-	-	48.00	66.00	-	-
	Mr. Sajjan Bhajanka	-	-	-	-	48.00	36.00	-	-
	Mr. Sanjay Agarwal	-	-	-	-	48.00	36.00	-	-
	Mr. Prem Kumar Bhajanka	-	-	-	-	43.00	36.00	-	-
	Mr. Hari Prasad Agarwal	-	-	-	-	2.81	-	-	-
	Mr. Rahul Chamaria	-	-	-	-	-	-	30.00	-
	Mr. Atul Rasiklal Desai	-	-	-	-	-	84.03	-	-
	Mr. Sachin Chamaria	-	-	-	-	-	-	24.00	-
	Mr. Sanjay Kumar Gupta	-	-	-	-	50.04	35.80	-	-
12	Share Allotment								
	Mr. Sajjan Bhajanka	-	-	-	-	245.72	-	174.50	-
	Mr. Hari Prasad Agarwal	-	-	-	-	24.36	-	49.51	-

Notes to the Consolidated Financial Statement (contd.)

35. Related Party Disclosures (Contd.)

b) Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2014 are given hereunder: (Contd.)

Sl. No	Type of Transactions	₹ in Lacs								
		Associates		Enterprises Owned / Influenced by KMP		Key Management Personnel		Relatives of KMP		
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	
	Mr. Sanjay Agarwal	-	-	-	-	237.89	-	167.50	-	
	Brijdham Merchants Private Limited	-	-	77.44	-	-	-	-	-	
	Sriram Vanijya Private Limited	-	-	85.02	-	-	-	-	-	
13 Balance Outstanding										
A Receivable/ (Payable)										
	Century Plyboards (India) Limited	-	0.09	-	-	-	-	-	-	
D Loans & Advances paid										
	Sriram Vanijya Private Limited	-	-	-	35.00	-	-	-	-	
E Loans & Advances received										
	Brijdham Merchants Private Limited	-	-	109.90	100.00	-	-	-	-	
	Sriram Vanijya Private Limited	-	-	109.90	100.00	-	-	-	-	
E Guarantees Obtained										
	Mr. Sajjan Bhajanka	-	-	-	-	56,596.82	45,104.85	-	-	
	Mr. Rajendra Chamaria	-	-	-	-	38,136.74	26,358.75	-	-	
	Mr. Sanjay Agarwal	-	-	-	-	39,636.74	27,858.75	-	-	
	Mr. Hari Prasad Agarwal	-	-	-	-	1,500.00	1,500.00	-	-	
	Mr. Prem Kumar Bhajanka	-	-	-	-	13,443.43	13,715.38	-	-	

36. During the year ended 31st March, 2014 in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, the subsidiaries Cement Manufacturing Company Limited, Star Cement Meghalaya Limited and Meghalaya Power Limited have availed the option given in paragraph 46A of the Accounting Standard 11 (AS-11) – “The Effects of Changes in Foreign Exchange Rates”. Accordingly they have, with effect from 1st April, 2013 depreciated the foreign exchange (gain)/loss arising on revaluation on long term foreign Currency monetary items in so far as they relate to the acquisition of depreciable capital assets over the balance life of such assets. The depreciated portion of net foreign exchange (gain)/loss on such long term foreign currency monetary items for the year ended 31st March, 2014 of the subsidiaries is ₹18.59 lacs. The unamortized portion carried forward as at 31st March, 2014 is ₹3,756.60 lacs, had the subsidiaries followed the earlier policy of charging the entire amount to the Statement of Profit and Loss, the profit before tax for the year would have been lower by ₹3,756.60 lacs.

37. The Company's segment information as at and for the Year ended 31st March, 2014 are as below: ₹ in Lacs

Particulars	2013-14				2012-13			
	Ferro Alloys	Cement	Power	Total	Ferro Alloys	Cement	Power	Total
A Revenue(Gross)								
External Sales	14,206.63	102,666.62	63.97	116,937.22	6,830.58	62,252.56	68.42	69,151.56
Inter-segment Sales	-	33,232.79	13,427.75	46,660.54	-	-	7,880.58	7,880.58
Elimination	-	(33,232.79)	(13,427.75)	(46,660.54)	-	-	(7,880.58)	(7,880.58)
Total Revenue (Gross)	14,206.63	102,666.62	63.97	116,937.22	6,830.58	62,252.56	68.42	69,151.56
B Result								
Segment Results	501.93	6,819.17	2,466.56	9,787.66	(1,090.24)	7,252.39	1,058.80	7,220.95
Unallocated Income/ (-) Expenses (Net of unallocated Income/ (-) Expenses (including exceptional items)				(446.09)				(230.91)
Operating Profit				9,341.47				6,990.04

Notes to the Consolidated Financial Statement (contd.)

37. The Company's segment information as at and for the Year ended 31st March, 2014 are as below: (Contd.)

Particulars	2013-14				2012-13			
	Ferro Alloys	Cement	Power	Total	Ferro Alloys	Cement	Power	Total
Interest & Finance Cost (net)				8581.85				2,858.86
Provision for Taxation				(305.33)				(1,417.72)
Deferred Tax Charge / Credit				(38.21)				370.95
MAT Credit Entitlement								
MAT Credit Entitlement for earlier year				(26.61)				-
Income Tax for earlier year				0.40				-
Net Profit (before minority interest)				488.82				3,760.23
Other Information								
a Total Assets								
Segment Assets	6,325.07	177,024.75	33,335.00	216,684.82	5,677.49	159,432.27	33,857.18	198,966.94
Unallocated Corporate/ Other Assets	-	-	4,035.02	4,035.02	-	-	-	7,024.33
				220,719.84				205,991.27
b Total Liabilities								
Segment Liabilities	962.19	99,235.19	21,738.37	121,935.75	998.35	84,697.90	20,262.84	105,959.09
Unallocated Corporate/Other Liabilities	-	-	4,865.88	4,865.88	-	-	-	5,381.09
				126,801.63				111,340.18
C Capital Expenditure *	32.93	11,420.72	2,616.74	14,070.38	1,319.76	26,669.97	5,716.45	33,706.18
D Depreciation/ Amortisation	247.94	12,879.09	3,036.61	16,163.64	263.32	3,839.11	926.66	5,029.09

*Excluding ₹0.20 Lacs (₹0.54 lacs) for unallocated corporate assets.

Notes:

(a) **Business Segments:** The business segments have been identified on the basis of the products of the Company. Accordingly, the Company has identified following business segments:

- Ferro-Alloys - Ferro Silicon
- Power - Generation of Power
- Cement - Cement and Clinker

(b) **Geographical Segments:** The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

38. Previous year figures has been regrouped and reclassified to conform to this year's classification.

For **Kailash B. Goel & Co.**
Firm Registration No. 322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner
Membership No. 057329

Place : Kolkata
Date : 28th May, 2014

For and on Behalf of the Board of Directors

Om Prakash Lohia
Chief Financial Officer

Sajjan Bhajanka
Director

Ravi Prakash Mundhra
Company Secretary

Hari Prasad Agarwal
Managing Director

STAR FERRO AND CEMENT LIMITED

CIN: L27310ML2011PLC008564

Regd. Office: Vill.: Lumshnong Village, PO: Khaliehriat, Dist.: East Jantia Hills, Meghalaya – 793210, Ph:(03655)-278215/16/18
Website: www.starferrocement.com, email: investors@starferrocement.com

PROXY FORM

Name of the Member(s):

Registered Address:

Email Id:

Folio No./DP ID and Client ID:

I/We, being the member(s) of the Company and holding _____ shares of the Company, hereby appoint:-

1. Name: _____,

Address: _____

Email: _____, Signature: _____, or failing him/her

2. Name: _____,

Address: _____

Email: _____, Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fourth Annual General Meeting of the Company, to be held on Saturday, 20th day of September, 2014 at 11:00 A.M. at "Star Club", Vill: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	RESOLUTIONS	Optional*	
		For	Against
Ordinary Business			
1	Adoption of Audited Financial Statements for the year ended March 31, 2014		
2.	Re-appointment of Mr. Sajjan Bhajanka as a Director of the Company, liable to retire by rotation.		
3.	Appointment of M/s Kailash B. Goel & Co. as Statutory Auditors of the Company and fixing their remuneration		
Special Business			
4	Appointment of Mr. Mangilal Jain as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
5	Appointment of Mr. Manindra Nath Banerjee as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
6	Appointment of Mr. Santanu Ray as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
7	Appointment of Mrs. Plistina Dkhar as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
8	Fixation of remuneration of Cost Auditors for the Financial Year 2014-15.		
9	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing an amount not exceeding ₹500 Crores.		
10	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecation on the assets of the Company to secure the borrowings made under resolution no.9		
11	Special Resolution under Section 94(1) of Companies Act, 2013 for keeping registers, books of accounts and other statutory documents at a place other than registered office of the Company.		

Signed this _____ day of _____, 2014

Signature of the share holder _____

Affix
Revenue
Stamp of
Re. 1/-

Notes:

1. 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.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 4th Annual General Meeting.
3. * It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including details of member(s) in the above box before submission.

STAR FERRO AND CEMENT LIMITED

CIN: L27310ML2011PLC008564

Regd. Office: Vill.: Lumshnong Village, PO: Khaliehriat, Dist.: East Jantia Hills, Meghalaya – 793210, Ph:(03655)-278215/16/18
Website: www.starferrocement.com, email: investors@starferrocement.com

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

ANNUAL GENERAL MEETING-20th September, 2014 at 11:00 A.M

Folio No./ DP ID & Client ID:

Name:

Address:

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company.

I hereby record my attendance at the Fourth Annual General of the Company at "Star Club", Vill: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 on Saturday, 20th September, 2014.

First/Sole holder/Proxy

Second holder/Proxy

Notes:

1. Registration will start at 9:00 A.M and close at 11:00 A.M on the day of Annual General Meeting.
2. The members are required to produce their duly signed Attendance Slips and get their entry passes from the registration counter.
3. The members should produce their entry passes at the entrance of the AGM Hall for attending the AGM.
4. The Members are informed that in case of joint holders attending the meeting, only such joint holder whose name appears in the chronological order in the Demat account /Folio will be entitled to vote.
5. This Attendance Slip is valid only in case shares are held on the date of the Annual General Meeting.
6. The Members who have received Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting.

Electronic Voting (e-voting):

7. The Company is pleased to offer the option of e-voting facility to the Members. The Members shall have the option to vote either through e-voting or in person at the Annual General Meeting. The voting period will commence at 9:00 A.M on Sunday 14th September, 2014 and will end at 5:00 P.M on Tuesday 16th September, 2014. The Members desiring to exercise e-voting option may refer to the detailed procedure on electronic voting provided along with the intimation of their USER ID and Password.





www.starferrocement.com

Regd. Office:

Vill: Lumshnong, PO: Khaliehriat,
Dist.: East Jaintia Hills, Meghalaya - 793210
CIN-L27310ML2011PLC008564