



**LIMITED REVIEW REPORT TO  
THE BOARD OF DIRECTORS OF  
STAR FERRO & CEMENT LIMITED**

1. We have reviewed the accompanying statement of Unaudited Financial Results of Star Ferro & Cement Limited. ("the Company") for the nine months and quarter ended 31<sup>st</sup> December, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been reviewed by us, This statement is the responsibility of the Company's management and has been approved by the Board Of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

*A. K. Sharma*

CA Arun Kumar Sharma  
Partner  
Membership No. - 057329



Place: Kolkata  
Date: 20<sup>th</sup> January, 2015



**PART I**

**Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months ended 31st December, 2014**

(₹ in Lacs)

Sl. No.	PARTICULARS	STANDALONE					Previous Year ended 31.03.2014 Audited
		Quarter ended 31.12.2014 Unaudited	Quarter ended 30.09.2014 Unaudited	Quarter ended 31.12.2013 Unaudited	NINE MONTHS ENDED		
					31.12.2014 Unaudited	31.12.2013 Unaudited	
1	(a) Net Sales/Income from Operations (Net of Excise Duty)	2,277.01	2,946.99	4,026.45	8,576.93	9,954.96	14,548.60
	(b) Other Operating Income	3.11	6.00	6.99	15.85	22.77	28.91
	<b>Total Income from Operations (Net)</b>	<b>2,280.12</b>	<b>2,952.99</b>	<b>4,033.44</b>	<b>8,592.78</b>	<b>9,977.13</b>	<b>14,577.51</b>
2	<b>Expenses</b>						
	a. Cost of Materials consumed	853.26	904.79	939.99	2,657.69	3,019.41	4,374.75
	b. Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(648.79)	(23.42)	(18.79)	(569.73)	513.41	826.31
	c. Employee benefits expenses	163.12	139.51	165.14	454.45	414.16	516.76
	d. Depreciation and amortisation expense	138.18	39.99	123.45	411.70	368.64	480.46
	e. Other expenses	1,660.67	1,466.86	1,556.87	4,786.16	4,629.91	6,752.99
	<b>Total expenses</b>	<b>2,166.43</b>	<b>2,527.73</b>	<b>2,766.67</b>	<b>7,740.27</b>	<b>8,945.53</b>	<b>12,951.27</b>
3	<b>Profit from Operations, before other income, finance costs and exceptional items (1-2)</b>	<b>113.69</b>	<b>425.26</b>	<b>1,266.77</b>	<b>852.51</b>	<b>1,031.60</b>	<b>1,626.23</b>
4	Other Income	-	0.02	0.01	4.82	0.13	741.35
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>113.69</b>	<b>425.28</b>	<b>1,266.78</b>	<b>857.33</b>	<b>1,031.73</b>	<b>2,367.58</b>
6	Finance costs	30.50	103.27	92.65	231.66	311.42	399.57
7	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>83.19</b>	<b>322.01</b>	<b>1,174.13</b>	<b>625.67</b>	<b>720.31</b>	<b>1,968.01</b>
8	Exceptional items	1.08	(28.49)	-	(27.42)	-	9.56
9	<b>Profit/(Loss) from ordinary activities before tax ( 7-8)</b>	<b>84.26</b>	<b>293.51</b>	<b>1,174.13</b>	<b>598.26</b>	<b>720.31</b>	<b>1,977.57</b>
10	Tax expense	15.72	(8.04)	383.90	39.09	237.35	404.34
11	<b>Net Profit/(Loss) from ordinary activities after tax ( 9-10)</b>	<b>68.54</b>	<b>301.55</b>	<b>790.23</b>	<b>559.17</b>	<b>482.96</b>	<b>1,573.23</b>
12	Extraordinary items	-	-	-	-	-	-
13	<b>Net Profit/(Loss) for the period (11-12)</b>	<b>68.54</b>	<b>301.55</b>	<b>790.23</b>	<b>559.17</b>	<b>482.96</b>	<b>1,573.23</b>
14	Share of profit/(loss) of associates	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-
16	<b>Net Profit/(Loss) after taxes, minority interest and shares of profit/(loss) of associates (13-14-15)</b>	<b>68.54</b>	<b>301.55</b>	<b>790.23</b>	<b>559.17</b>	<b>482.96</b>	<b>1,573.23</b>
17	a) Paid up Equity Share Capital ( Face value of Re. 1/- each)	2,221.73	2,221.73	2,221.73	2,221.73	2,221.73	2,221.73
	b) Share Capital Pending Allotment	-	-	-	-	-	-
18	Reserves excluding Revaluation Reserves	9,679.61	9,611.07	8,872.13	9,679.61	8,872.13	9,229.23
19	<b>Earnings Per Share (EPS) - (not annualised) Rs.</b>						
	- Basic	0.03	0.14	0.36	0.25	0.22	0.71
	- Diluted	0.03	0.14	0.36	0.25	0.22	0.71
	Face Value of Shares Re. 1/-						



## PART II

## Select Information for the Quarter and Nine Months ended 31st December, 2014

Sl. No.	PARTICULARS	STANDALONE					Previous Year ended 31.03.2014 Audited
		Quarter ended 31.12.2014 Unaudited	Quarter ended 30.09.2014 Unaudited	Quarter ended 31.12.2013 Unaudited	NINE MONTHS ENDED		
					31.12.2014 Unaudited	31.12.2013 Unaudited	
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
<b>1</b>	Public Shareholding						
	-Number of Shares	73313344	73336269	60243613	73313344	60243613	64687314
	-Percentage of shareholding	33.00	33.01	27.12	33.00	27.12	29.12
<b>2</b>	Promoter and Promoter Group Shareholding						
	Pledged /Encumbered						
	-Number of Shares	3000000	3000000	3000000	3000000	3000000	3000000
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	2.02	2.02	1.85	2.02	1.85	1.90
	-Percentage of shares (as a % of the total share capital of the Company)	1.35	1.35	1.35	1.35	1.35	1.35
	Non-Encumbered						
	-Number of Shares	145859646	145836721	158929377	145859646	158929377	154485676
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	97.98	97.98	98.15	97.98	98.15	98.10
	-Percentage of shares (as a % of the total share capital of the Company)	65.65	65.64	71.53	65.65	71.53	69.53

INVESTOR COMPLAINTS		Quarter ended 31.12.2014
<b>B</b>		
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil



**Statement of Segment Revenue, Results and Capital Employed for the Quarter and Nine Months ended 31st December, 2014**

Sl. No.	PARTICULARS	STANDALONE					Previous Year ended 31.09.2014 Audited
		Quarter ended 31.12.2014 Unaudited	Quarter ended 30.09.2014 Unaudited	Quarter ended 31.12.2013 Unaudited	NINE MONTHS ENDED		
					31.12.2014 Unaudited	31.12.2013 Unaudited	
<b>1</b>	<b>Segment Revenue (Net)</b>						
	(a) Ferro Alloys	2,277.01	2,947.00	4,026.45	8,576.93	9,954.36	14,548.60
	(b) Power :						
	External Sales Revenue						
	Inter Segment Revenue	553.94	1,486.42	1,156.57	3,545.79	3,538.93	4,916.81
	<b>Total Segment Revenue</b>	<b>2,830.96</b>	<b>4,433.41</b>	<b>5,183.02</b>	<b>12,122.72</b>	<b>13,493.29</b>	<b>19,465.41</b>
	Less : Inter Segment Revenue	553.94	1,486.42	1,156.57	3,545.79	3,538.93	4,916.81
	<b>Net Sales/Income from Operations</b>	<b>2,277.01</b>	<b>2,947.00</b>	<b>4,026.45</b>	<b>8,576.93</b>	<b>9,954.36</b>	<b>14,548.60</b>
<b>2</b>	<b>Segment Results (Profit/(Loss) Before Tax &amp; Finance Cost)</b>						
	(a) Ferro Alloys	110.33	(211.49)	922.43	(235.36)	190.67	501.93
	(b) Power	90.75	669.24	355.41	1,233.50	874.97	1,235.65
	<b>Total</b>	<b>201.08</b>	<b>457.75</b>	<b>1,277.84</b>	<b>998.15</b>	<b>1,065.64</b>	<b>1,737.58</b>
	Less : Finance Costs	30.50	103.27	92.65	231.65	311.42	399.57
	Add : Unallocable (Expenses)/Income net of unallocable Income/expenses	(86.33)	(60.97)	(11.06)	(168.24)	(33.91)	639.56
	<b>Total Profit/(Loss) Before Tax</b>	<b>84.26</b>	<b>293.51</b>	<b>1,174.13</b>	<b>598.26</b>	<b>720.31</b>	<b>1,977.57</b>
<b>3</b>	<b>Capital Employed (Segment Assets less Segment Liabilities)</b>						
	(a) Ferro Alloys	4,655.15	4,556.27	7,564.06	4,655.15	7,564.06	5,362.88
	(b) Power	1,751.26	1,941.50	3,529.80	1,751.26	3,529.80	2,539.65
	(c) Others	5,494.94	5,335.03	-	5,494.94	-	3,548.43
	<b>Total</b>	<b>11,901.34</b>	<b>11,832.80</b>	<b>11,093.86</b>	<b>11,901.34</b>	<b>11,093.86</b>	<b>11,450.96</b>

**NOTES TO STANDALONE FINANCIAL RESULTS:**

- The above result has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 20th January, 2015. Limited Review of the above results has been carried out by the Statutory Auditor of the Company.
- The figures for the quarter ended 31st December, 2014 are the balancing figures being difference between the unaudited figures in respect of nine months ended 31st December, 2014 and the half year ended unaudited figures upto 30th September, 2014 which were subject to limited review.
- Figures of the previous period have been regrouped and reclassified to confirm to the classification of current period, where necessary.
- Standalone results for the quarter ended 31st December, 2014 includes exceptional item towards loss on sale of fixed assets of Rs. 27.42 Lacs.
- The Board of Directors at its meeting held on 25th August, 2014 approved the Scheme of Demerger of the Company's Ferro Alloy division to its wholly owned subsidiary Shyam Century Ferrous Limited. The Scheme has been approved by the Securities and Exchange Board of India and NDCs have been received from the Stock Exchanges. The proposed scheme will come into effect from the appointed date i.e., 1st April, 2014, subject to receipt of approvals of the regulatory authorities, High Court and the shareholders. The Court convened meeting of Equity Shareholders is scheduled to be held on 29th January, 2015 at the registered office.

Place-Kolkata  
Date -20th January,2015

\*For Star Ferro and Cement Limited

Sajjan Bhajanka  
Chairman



PART I

Statement of Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2014

(₹ in Lacs)

Sl. No.	PARTICULARS	CONSOLIDATED					Previous Year ended 31.03.2014 Audited
		Quarter ended 31.12.2014 Unaudited	Quarter ended 30.09.2014 Unaudited	Quarter ended 31.12.2013 Unaudited	NINE MONTHS ENDED		
					31.12.2014 Unaudited	31.12.2013 Unaudited	
1	(a) Net Sales/Income from Operations (Net of Excise Duty)	35,986.90	29,146.66	33,518.29	100,742.36	79,100.30	117,144.29
	(b) Other Operating Income	106.15	72.03	13.80	180.89	159.29	193.03
	<b>Total Income from Operations (Net)</b>	<b>36,093.05</b>	<b>29,218.68</b>	<b>33,532.09</b>	<b>100,923.25</b>	<b>79,259.59</b>	<b>117,337.32</b>
2	<b>Expenses</b>						
	a. Cost of Materials consumed						
	b. Purchase of Traded Goods	5,609.24	4,913.01	6,782.82	15,632.21	15,265.42	20,956.52
	c. Changes in Inventories of finished goods, work-in-progress and stock -in-trade	769.90	239.19	-	1,128.16	-	-
	d. Employee benefits expense	(3,902.91)	1,987.90	(2,494.17)	(2,476.74)	(1,762.11)	(775.93)
	e. Depreciation and amortisation expense	2,613.69	2,534.25	1,992.63	7,288.20	5,680.84	7,857.68
	f. Other expenses	5,653.26	5,565.08	4,089.02	16,788.45	12,091.60	16,163.64
	<b>Total expenses</b>	<b>18,926.24</b>	<b>14,029.07</b>	<b>18,105.32</b>	<b>49,992.22</b>	<b>46,411.39</b>	<b>63,803.87</b>
3	<b>Profit from Operations, before other income, finance costs and exceptional items (1-2)</b>	<b>6,423.63</b>	<b>(49.81)</b>	<b>5,056.47</b>	<b>12,570.75</b>	<b>1,572.45</b>	<b>9,331.55</b>
4	Other Income	82.17	21.42	72.28	171.41	274.12	236.74
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>6,505.80</b>	<b>(28.39)</b>	<b>5,128.75</b>	<b>12,742.16</b>	<b>1,846.57</b>	<b>9,568.28</b>
6	Finance costs	2,369.87	2,182.09	2,268.46	6,960.18	6,606.05	8,721.20
7	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>4,135.94</b>	<b>(2,210.48)</b>	<b>2,860.29</b>	<b>5,781.98</b>	<b>(4,759.48)</b>	<b>847.08</b>
8	Exceptional items	79.89	(133.67)	81.40	(52.40)	261.73	87.46
9	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>4,215.83</b>	<b>(2,344.15)</b>	<b>2,941.69</b>	<b>5,729.58</b>	<b>(5,021.21)</b>	<b>759.62</b>
10	Tax expense	308.45	276.04	233.77	707.97	(158.60)	270.80
11	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>3,907.38</b>	<b>(2,620.19)</b>	<b>2,707.92</b>	<b>5,021.61</b>	<b>(4,862.61)</b>	<b>488.82</b>
12	Extraordinary items						
13	<b>Net Profit/(Loss) for the period (11-12)</b>	<b>3,907.38</b>	<b>(2,620.19)</b>	<b>2,707.92</b>	<b>5,021.61</b>	<b>(4,862.61)</b>	<b>488.82</b>
14	Share of profit/(loss) of associates						
15	Minority interest	1,088.10	(872.89)	525.51	1,248.79	(1,676.43)	(123.63)
16	<b>Net Profit/(Loss) after taxes, minority interest and shares of profit/(loss) of associates (13-14-15)</b>	<b>2,819.28</b>	<b>(1,747.31)</b>	<b>2,182.41</b>	<b>3,772.82</b>	<b>(3,186.18)</b>	<b>612.44</b>
17	a) Paid up Equity Share Capital ( Face value of Re. 1/- each)	2,221.73	2,221.73	2,221.73	2,221.73	2,221.73	2,221.73
	b) Share Capital Pending Allotment						
18	Reserves excluding Revaluation Reserves	69,606.56	66,789.43	63,863.64	69,606.56	63,863.64	66,411.35
19	<b>Earnings Per Share (EPS) - (not annualised) Rs.</b>						
	- Basic	1.27	(0.79)	0.98	1.70	(1.43)	0.28
	- Diluted	1.27	(0.79)	0.98	1.70	(1.43)	0.28
	Face Value of Shares Re. 1/-						

Select information for the Quarter and Nine Months ended 31st December, 2014

Sl No.	PARTICULARS	CONSOLIDATED					Previous Year ended 31.03.2014 Audited
		Quarter ended 31.12.2014 Unaudited	Quarter ended 30.09.2014 Unaudited	Quarter ended 31.12.2013 Unaudited	NINE MONTHS ENDED		
					31.12.2014 Unaudited	31.12.2013 Unaudited	
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Public Shareholding						
	-Number of Shares	73313344	73336269	60243613	73313344	60243613	64687314
	-Percentage of shareholding	33.00	33.01	27.12	33.00	27.12	29.12
2	Promoter and Promoter Group Shareholding						
	Pledged /Encumbered						
	-Number of Shares	3000000	3000000	3000000	3000000	3000000	3000000
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	2.02	2.02	1.85	2.02	1.85	1.90
	-Percentage of shares (as a % of the total share capital of the Company)	1.35	1.35	1.35	1.35	1.35	1.35
	Non-Encumbered						
	-Number of Shares	145859646	145836721	158929377	145859646	158929377	154485676
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	97.98	97.98	98.15	97.98	98.15	98.10
	-Percentage of shares (as a % of the total share capital of the Company)	65.65	65.64	71.53	65.65	71.53	69.53

INVESTOR COMPLAINTS		Quarter ended 31.12.2014
<b>B</b>		
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

Sl. No.	PARTICULARS	CONSOLIDATED					
		Quarter ended 31.12.2014 Unaudited	Quarter ended 30.09.2014 Unaudited	Quarter ended 31.12.2013 Unaudited	NINE MONTHS ENDED		Previous Year ended 31.09.2014 Audited
					31.12.2014 Unaudited	31.12.2013 Unaudited	
<b>1</b>	<b>Segment Revenue (Net)</b>						
	(a) Ferro Alloys						
	(b) Power :	2,277.01	2,867.63	4,026.44	8,576.93	9,954.36	14,548.60
	External Sales Revenue						
	Inter Segment Revenue	13.25	37.44	-	68.09	-	-
	(c) Cement	2,904.78	3,519.62	3,536.31	10,159.08	11,390.98	12,192.40
	<b>Total Segment Revenue</b>	<b>33,696.64</b>	<b>26,241.59</b>	<b>29,491.85</b>	<b>92,097.33</b>	<b>69,145.94</b>	<b>102,595.69</b>
	Less : Inter Segment Revenue	38,891.68	32,666.27	37,054.60	110,901.44	90,491.28	129,336.69
	<b>Net Sales/Income from Operations</b>	<b>35,986.90</b>	<b>29,145.66</b>	<b>33,518.29</b>	<b>100,742.36</b>	<b>11,390.98</b>	<b>12,192.40</b>
<b>2</b>	<b>Segment Results (Profit/(Loss) Before Tax &amp; Finance Cost)</b>						
	(a) Ferro Alloys	110.33	(211.49)	922.42	(235.36)	190.66	1,636.20
	(b) Power	919.14	1,141.38	1,401.89	3,050.37	2,300.49	1,230.81
	(c) Cement	5,460.93	(861.47)	3,306.89	10,011.00	(719.42)	6,819.17
	<b>Total</b>	<b>6,490.40</b>	<b>68.41</b>	<b>5,631.20</b>	<b>12,826.01</b>	<b>1,771.73</b>	<b>9,686.18</b>
	Less : Finance Costs	2,369.86	2,182.09	2,268.46	6,960.17	6,606.05	8,721.20
	Add : Unallocable (Expenses)/Income net of unallocable Income/expenses	95.29	(230.48)	(421.05)	(136.26)	(186.89)	(205.36)
	<b>Total Profit/(Loss) Before Tax</b>	<b>4,215.83</b>	<b>(2,344.15)</b>	<b>2,941.69</b>	<b>5,729.58</b>	<b>(5,021.21)</b>	<b>759.62</b>
<b>3</b>	<b>Capital Employed ( Segment Assets less Segment Liabilities)</b>						
	(a) Ferro Alloys	4,638.67	4,542.97	7,564.06	4,638.67	7,564.06	5,362.88
	(b) Power	11,887.31	12,101.96	11,048.81	11,887.31	11,048.81	11,596.63
	(c) Cement	80,575.44	76,412.35	71,109.60	80,575.44	71,109.60	77,789.56
	(d) Others	1,260.79	1,399.71	-	1,260.79	-	(830.85)
	<b>Total</b>	<b>98,362.22</b>	<b>94,456.98</b>	<b>89,722.47</b>	<b>98,362.22</b>	<b>89,722.47</b>	<b>93,918.21</b>

**NOTES TO CONSOLIDATED FINANCIAL RESULTS:**

- The above result has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 20th January, 2015.
- The figures for the quarter ended 31st December, 2014 are the balancing figures being difference between the unaudited figures in respect of nine months ended 31st December, 2014 and the half year ended unaudited figures upto 30th September, 2014.
- The consolidated result include results of subsidiaries Cement Manufacturing Company Limited (CMCL), Star Cement Meghalaya Limited (SCML), Megha Technical & Engineers Private Limited (MTEPL), Meghalaya Power Limited (MPL), NE Hills Hydro Ltd. (NEHL) and Shyam Century Ferrrous Limited (SCFL).
- In previous year, in line with the Notification dated 29th December, 2011 issued by the MCA, CMCL, SCML and MPL have selected the option given in paragraph 46A of the Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates". Accordingly, the depreciated portion of net 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 quarter ended 31st December 2014 is 433.65 Lacs and for the year ended 31st March, 2014 is Rs. 18.59 Lacs. The unamortised portion carried forward as at 31st December, 2014 is Rs.4788.60 Lacs (31st March, 2014 is Rs. 3,756.60 Lacs)
- Figures of the previous period have been regrouped and reclassified to confirm to the classification of current period, where necessary.

Place-Kolkata  
Date -20th January,2015

For Star Ferro and Cement Limited

*Sajjan Bhajanka*  
Sajjan Bhajanka  
Chairman

