

STAR FERRO AND CEMENT LTD.

6 Lyons Range,
Kolkata - 700 001

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the Annual Report and the audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS

	Year ended 31.03.2012 Rs.	Year ended 31.03.2011 Rs.
A. Total Income	20,432	-
B. Total Expenditure	23,349	7,074
C. Profit Before Taxation (A-B)	(2,917)	(7,074)
D. Provision for Taxation (including Deferred Tax)	-	-
E. Balance c/f to next Year	(2,917)	(7,074)

REVIEW OF OPERATIONS

Your directors are hopeful that the performance of the Company will improve in the coming year.

FUTURE OUTLOOK

The general business conditions affecting business are expected to remain stable and company is expected to perform well

DIVIDEND

With a view to create long term pool of resources, no dividend is recommended for the year.

DEPOSITS

Your Company has not accepted any Deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules framed thereunder.

AUDITORS AND AUDITORS' REPORT

Auditors' Report contains no remark requiring explanation.

M/s Kailash B. Goel & Co, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. Accordingly the Board recommends their re-appointment.

DIRECTORS

In accordance with Articles of Association of the Company, Sri Sanjay Agarwal retires by rotation, and being eligible, offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

Particulars of Employees

The Company did not have any employee during the financial year, hence disclosure under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1973 is not applicable

Conservation of Energy & Technology Absorption:

The company has no activity relating to conservation of energy or technology absorption, details of which are required to be furnished in this report as per the provision of Section 217(1)(e) of the Companies Act, 1956

Foreign Exchange Earning & Outgo

There were no foreign exchange earning and outgo during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- 1 In the Preparation of the Annual Accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 2 The Directors had adopted such accounting policies and applied them consistently and made judgements and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March, 2012 and of the profit of the Company for that year.
- 3 The Directors had 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
- 4 The Annual accounts for the year ended 31st March, 2012 have been prepared on a going concern basis.

ACKNOWLEDGEMENT

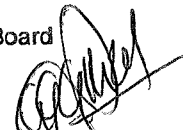
Your Directors take this opportunity to appreciate contributions made by the Company's bankers, shareholders and business associates for their respective services and patronage.

6 Lyons Range,
Kolkata - 700 001
Date: 20th April, 2012

For and on Behalf of the Board



(Sajjan Bhajanka)
Director



(Sanjay Agarwal)
Director



AUDITORS' REPORT

TO THE MEMBERS OF STAR FERRO AND CEMENT LIMITED

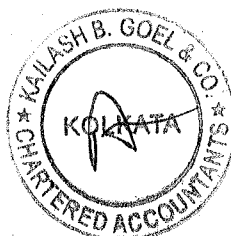
1. We have audited the attached Balance Sheet of **STAR FERRO AND CEMENT LIMITED** as at 31st March, 2012, the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we 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 also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annexed a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred in paragraph 3 above, 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) In our opinion the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts;
 - d) In our opinion the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards as referred to in Section 211(3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors as at 31st March 2012, and taken on record by the Board of Directors, we report that prima facie none of the Directors of the Company is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
 - f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with significant accounting policies and notes on accounts give the information required by the Companies Act, 1956 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 2012; and
 - ii in the case of the Profit and Loss Account, of the loss of the 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 on that date.

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

A. K. Sharma

Arun Kumar Sharma
Partner
M. No 057329

Place: Kolkata
Date: 20th April, 2012



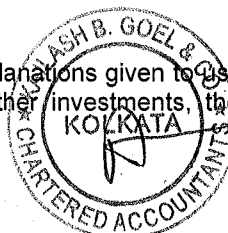


ANNEXURE REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE

1. The Company has no fixed assets during the year under audit so clause 1(a),(b) and (c) of the report are not applicable to the company.
2. The Company has no Inventories during the year under audit so clause 1(a),(b) and (c) of the report are not applicable to the company.
3. The Company has neither granted nor taken any loans secured or unsecured to and from companies, firms, or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. Hence, provisions of clause (iii)(b), (iii)(c), (iii) (d) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable to the Company.
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. During the course of our audit, no major weakness has been noticed in the internal control system in these areas.
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 u/s 301 of the Companies Act, 1956 have been so entered.

(b) According to the information and explanations given to us, there is no transactions 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.
6. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA and other relevant provisions of the Act and the Rules framed there under apply.
7. In our opinion, the Company is not required to have an internal audit system commensurate with the size of the Company and nature of its business.
8. The Central Government of India has not prescribed maintenance of cost records u/s 209 (1)(d) of the Companies Act, 1956 for the product of the company.
9. (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues applicable to it. There were no arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and the records of the company examined by us, there were no disputed taxes and duties as at March 31,2012.
10. In our opinion the company is having accumulated loss and the company has incurred cash losses during the financial year covered by our Audit and in the 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 taken any loans so default in repayment of dues to financial institutions or banks as at the end of the balance sheet date does not arise.
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. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments, therefore, the maintenance of records of contract and transactions does not arise.



KAILASH B. GOEL & CO.
CHARTERED ACCOUNTANTS



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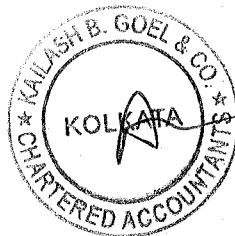
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. In our opinion and on the basis of information and explanations given to us, the company has not taken any term loans so the clause is not applicable to the Company.
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. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year.
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 Regn. No. 322460E
Chartered Accountants

A. K. Sharma

Arun Kumar Sharma
Partner
M. No 057329

Place: Kolkata
Date: 20th April, 2012



STAR FERRO AND CEMENT LTD.
6 Lyons Range,
Kolkata - 700 001
Balance Sheet as at 31st March, 2012

Particulars	Note No.	31st March, 2012 Rs.	31st March, 2011 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	500,000	500,000
(b) Reserves and Surplus	4	(9,991)	(7,074)
(2) Current Liabilities			
Other current liabilities	5	5,618	36,623
Total		495,627	529,549
II. Assets			
(1) Current assets			
(a) Cash and cash equivalents	6	464,035	500,000
(b) Short-term loans and advances	7	2,043	-
(c) Other current assets	8	29,549	29,549
Total		495,627	529,549

The accompanying notes are 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

A.K. Sharma

CA Arun Kumar Sharma
Partner
 Membership No. 57329
 Date: 20th April, 2012



For and on Behalf of the Board

Sajjan Bhajanka

(Sajjan Bhajanka)
Director

Sanjay Agarwal

(Sanjay Agarwal)
Director

STAR FERRO AND CEMENT LTD.

6 Lyons Range,
Kolkata - 700 001

Statement of Profit and Loss for the year ended 31st March, 2012

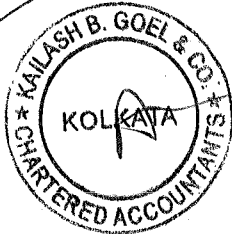
Particulars		Note No.	31st March, 2012 Rs.	31st March, 2011 Rs.
I.	Other Income	9	20,432	-
II	Total Revenue		20,432	-
III	<i>Expenses:</i>			
	Other expenses	10	23,349	7,074
	Total Expenses		23,349	7,074
IV	Profit before exceptional and extraordinary items and tax (III - IV)		(2,917)	(7,074)
V	Profit before extraordinary items and tax (V - VI)		(2,917)	(7,074)
VI	Profit before tax (VII - VIII)		(2,917)	(7,074)
VII	Profit/(Loss) from the period from continuing operations (VII - VIII)		(2,917)	(7,074)
VIII	Profit/(Loss) for the period (XI + XIV)		(2,917)	(7,074)
IX	Earning per equity share:			
	(1) Basic		(0.06)	(0.14)
	(2) Diluted		(0.06)	(0.14)

The accompanying notes are an integral part of the financial statements

As per our report of even date
For Kailash B. Goel & Co.
Firm Registration No. 322460E

A. K. Sharma

CA Arun Kumar Sharma
Partner
Membership No. 57329
Date: 20th April, 2012



For and on Behalf of the Board

Sajjan Bhajanka
(Sajjan Bhajanka)
Director

(Sajjan Agarwal)
(Sajjan Agarwal)
Director

STAR FERRO AND CEMENT LTD.

1 Corporate Information

Star Ferro and Cement Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Commercial operations of the company is yet to commence.

2 SIGNIFICANT ACCOUNTING POLICIES

a Accounting Concepts:

The financial statements are prepared under the historical cost convention on accrual & going concern basis and in accordance with the applicable mandatory Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006

b Revenue Recognition

Income and expenditure are recognized on accrual basis. Interest income is recognized on time proportionate basis. Where quantum of accruals can not be ascertained with reasonable certainty, they are accounted for on acceptance basis

c Fixed Assets:

Fixed Assets are stated at their cost of acquisition or construction less accumulated depreciation/amortisation and impairment loss, if any. Cost comprises the purchase price, installation and attributable cost of bringing the asset to its working condition for its intended use.

d Intangible Assets

Intangible Assets are recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. The amortisable amount of an intangible asset is allocated over its estimated useful life.

e Depreciation:

Depreciation on Fixed Assets is charged on Written Down Value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Leasehold assets are amortized on the basis of their useful life or remaining lease period, whichever is lower.

f Investments:

Current Investments are stated at lower of cost and market/fair value. Long-term investments are stated at cost after deducting provision made for permanent diminution in value.

g Taxes on Income:

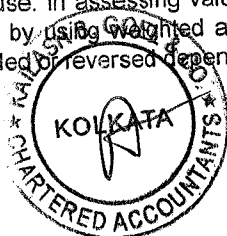
Provision for current tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of The Income Tax Act, 1961
Deferred tax is recognized on timing differences between the accounting income and taxable income for the year, and quantified using the tax rates and laws substantially enacted on the Balance Sheet Date. The resulting deferred tax liability, if any is provided in the accounts but resultant deferred tax assets is recognized only if there is virtual certainty of realization of such amount and otherwise not provided in the accounts. Such assets are reviewed at each Balance Sheet Date to reassess their realization.

h Provision and Contingent Liabilities:

Provisions for contingencies are recognized in respect of present obligation arising out of past events where there are reliable estimate of probable outflows of resource. Contingent liabilities are the possible obligation of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

i Impairment:

The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using Weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

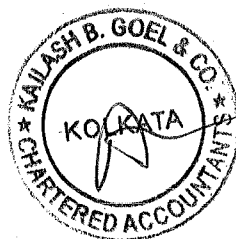


STAR FERRO AND CEMENT LTD.

Note No.		31st March, 2012 Rs.	31st March, 2011 Rs.
3	Share Capital		
	Equity Share Capital		
	Authorised Share capital		
	1000000 (PY 1000000) Equity Shares of Re. 1/- each	1,000,000	1,000,000
		1,000,000	1,000,000
	Issued, subscribed & fully paid share capital		
	500000(PY 500000) Equity Shares of Re. 1/- each	500,000	500,000
		500,000	500,000
a)	Reconciliation of number of shares outstanding		
	Equity Shares of Re. 1/- each	No. of shares	No. of shares
	At the Beginning of the period	500,000	-
	Issued during the period	-	500,000
	Outstanding at the end of the period	500,000	500,000
b)	Terms/Rights attached to the Equity Shares		
	The company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. 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	Details of Shareholders holding more than 5% shares in the company	No. of shares (%)	No. of shares (%)
	Century Plyboards (India) Ltd.	500000(100%)	500000(100%)
4	Reserves and Surplus		
	Surplus/(Deficit) in the statement of Profit and Loss		
	Balance as per last Financial Statements	(7,074)	-
	Profit/(Loss) for the year	(2,917)	(7,074)
	Net Surplus in the Statement of Profit and Loss	(9,991)	(7,074)
	Total	(9,991)	(7,074)



Note No.		31st March, 2012 Rs.	31st March, 2011 Rs.
5	Other current liabilities		
	Other Liabilities:		
	Liabilities for expenses	5,618	36,623
	Total	5,618	36,623
6	Cash and cash equivalents		
	Balances with banks	39,250	-
	Fixed Deposit (Including Accrued interest)	418,389	-
	Cash on hand	6,396	500,000
	Total	464,035	500,000
7	Short term loans and advances		
	Advance Income Tax (Net of Provisions)	2,043	-
	Total	2,043	-
	Other current assets		
	Preliminary Expenses (to the extent not written off)	29,549	29,549
	Total	29,549	29,549
9	Other Income		
	Interest on Fixed Deposit	20,432	-
	Total	20,432	-
10	Other Expenses		
	Professional Charges	7,412	1,500
	Printing & Stationeries	8,164	480
	Filing Fees	1,500	-
	Bank Charges	110	-
	Auditor's Remuneration-		
	- Audit Fee	5,618	5,000
	Miscellaneous Expenses	545	94
	Total	23,349	7,074



11 OTHER NOTES ON ACCOUNTS

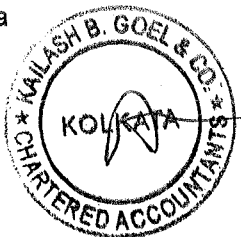
- a In the opinion of the Management and to the best of their knowledge and belief the value on realization of loans, advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
- b As there were no employees in the company, provision for retirement benefit is not required.
- c Deferred Tax Asset has not been recognized since there is no virtual certainty of its realization.
- d Earning in Foreign Currency - Nil (Previous Year- Nil)
Expenditure in Foreign Currency – Nil (Previous Year- Nil)
- e The figures have been rounded off the nearest rupee.
- f Previous Year Figures – Till the year ended 31st March 2011, the company was using pre-revised Schedule VI to the Companies Act 1956, for the preparation and presentation of its financial statements. During the year ended 31st March, 2012, the revised Schedule VI notified under Companies Act, 1956 has become applicable to the company. The company has reclassified previous year figures to confirm to this year's classification.

Signature to Notes '1' to '11' forming part of the Balance Sheet and Statement of Profit & Loss

As per our report of even date
For Kailash B. Goel & Co.
Firm Registration No. 322460E

A.K. Sharma

CA Arun Kumar Sharma
Partner
Membership No. 57329
Date: 20th April, 2012



For and on Behalf of the Board

Sajjan Bhajanka

(Sajjan Bhajanka)
Director

Sanjay Agarwal

(Sanjay Agarwal)
Director

STAR FERRO AND CEMENT LTD.

Cash flow statement for the year ended 31 March 2012

	31st March, 2012 Rs.	31st March, 2011 Rs.
Cash flow from operating activities		
Profit/(Loss) before tax from continuing operations	(2,917)	(7,074)
Profit/(Loss) before tax	(2,917)	(7,074)
Operating profit/(Loss) before working capital changes	(2,917)	(7,074)
Movements in working capital :		
Increase/ (decrease) in other current liabilities	(31,005)	36,623
Decrease / (increase) in short-term loans and advances	(2,043)	
Cash generated from /(used in) operations	(35,965)	29,549
Net cash flow from/ (used in) operating activities	(35,965)	29,549
Cash flow from financing activities		
Issue of Share Capital	-	500,000
Preliminary Expenses	-	(29,549)
Net Cash flow from financing activities	-	470,451
Net increase/(decrease) in cash and cash equivalents	(35,965)	500,000
Cash and cash equivalents at the beginning of the year	500,000	
Cash and cash equivalents at the end of the year	464,035	500,000
Components of cash and cash equivalents		
Cash on hand	6,396	-
With banks- on current account	39,250	-
- on deposit account	418,389	-
Total cash and cash equivalents	464,035	-

As per our report of even date

For Kailash B. Goel & Co.

Firm Registration No. 322460E

Chartered Accountants

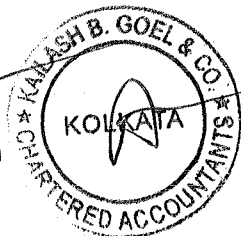
A.K. Sharma

CA Arun Kumar Sharma

Partner

Membership No. 57329

Date: 20th April, 2012



For and on Behalf of the Board

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