Cementing a Stronger Future

Star Cement Limited | Annual Report 2018-19

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically, 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects' believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

WHY GO DIGITAL?

☑ Access to more detailed and interactive content

☑ The money saved on printing and postage will help lower our costs

☑ Reduces our carbon footprint and saves paper

CONTENTS

Cementing a stronger future

At Star Cement, we are engaged in growing our capacities – but with a difference.

Instead of the conventional approach of mobilising debt to fund a capital-intensive business, the Company is engaged in utilising the accruals generated in its business to fund new capacity.

This contrarian approach will help the Company accelerate a virtuous cycle expected to increase liquidity, profitability and sustainability.

Helping the Company cement a stronger future.

Corporate snapshot

At Star Cement, we have built a sustainable business.

Marked by a presence in attractive regions.

Reinforced by competitiveness across market cycles.

Sustained by adequate cash on the books and no debt.

Driven by a vision to be recognised among the top selling cement brands in Eastern India.

The Company comprises seven manufacturing units – four in Meghalaya, one in Assam and two outsourced units in West Bengal.

Our values driving our investments and aspirations

Vision

- To become the fastest-growing and the most competitive cement company in Eastern India
- To be respected for a high level of integrity and value

Vision

- Provide utmost satisfaction to the consumer by providing the best quality of cement and after-sales customer care support
- Continuous upgradation of the product through innovation and convergence of new technologies to produce the best quality at the lowest possible cost
- Safeguard and enhance shareholder value
- Utilise the surpluses for the welfare of all its stakeholders

Our track record, helping strengthen our foundation

Star Cement entered business in 2001 and commenced operations in 2005. Over the last two decades, the Company has emerged as the largest and most profitable cement manufacturer in North Eastern India.

Our capacities have enhanced our preparedness

The Company commenced cement manufacturing with a clinker capacity of 0.3 million metric tonnes and cement capacity of 0.4 million metric tonnes per annum. The Company has since grown to a clinker capacity of 2.80 million metric tonnes per annum, cement manufacturing capacity of 4.3 million metric tonnes per annum and power generation at 51 MW. This aggregate capacity empowered the Company to address growing consumer demand.

Our wide-spread presence has empowered us to address growing demand

The Company comprises seven manufacturing units – four in Meghalaya, one in Assam and two outsourced units in West Bengal. The Lumshnong plant is spread across 174.5 hectares in a strategic Meghalaya location that facilitates access to high-grade limestone and coal. The Company is engaged in commissioning a grinding unit in Siliguri (capacity 2 MTPA).

Our geographical focus is strengthening our presence across potential regions

The Company commenced the marketing of cement in North-East India. It subsequently extended its presence to Bihar and West Bengal. The Company is now a prominent player in North-East India with a growing presence across East India.

Our institutional clients have validated our quality

The Company addresses the demanding needs of prominent institutional clients like NHPC, HCC, Simplex Infrastructures, Oil India, NTPC and L&T, among others (non-trade sale at 18% in FY2018-19).

Our financial robustness has helped strengthen our credit rating

Star Cement's short-term rating was maintained at A1+ and long-term rating revised to AA- from Stable to Positive by ICRA in June 2018, validating business health.

Our quality products have strengthened our recall

The Company provides a range of products needed by consumers. It manufactures Ordinary Portland Cement (43-Grade and 53-Grade), Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC). The Company's products have been respected for a high consistent quality translating into superior compressive strength and corresponding setting time in applications.

Our widening trade network has enhanced product accessibility

The Company's extensive distribution network is spread across 11 States in Eastern India, comprising more than 2000 dealers and 9000 retailers. The Company has selected to grow its presence in Bengal and Bihar apart from its conventional market in North East India.

Our focused subsidiaries have helped enhance our business capability

The Company comprises five focused subsidiaries - Megha Technical and Engineers Private Limited, Meghalaya Power Limited, Star Cement Meghalaya Limited, NE Hills Hydro Limited and Star Century Global Cement Private Limited.

Our quality standards are driven by credible accreditations

Star Cement was recognised by the Meghalaya State Government for its pioneering cement plant in Lumshnong. The Company is certified for ISO 9001:2008, ISO 14001: 2004 and OHSAS 18001.

Star Cement's short-term rating was maintained at A1+ and long-term rating revised to AA- from Stable to Positive by ICRA.

Capacity accretion down the years

Clinker (MMT)	Cement (MMT)	Power (MW)
2.80 in FY2018-19	4.30 in FY2016-17	51 in FY2012-13
0.40 in FY2004-05	0.40 in FY2004-05	8 in FY2009-10

Revenue by geography, 2017-18

North East 72.32%
Eastern India 27.68%

Revenue by geography, 2018-19

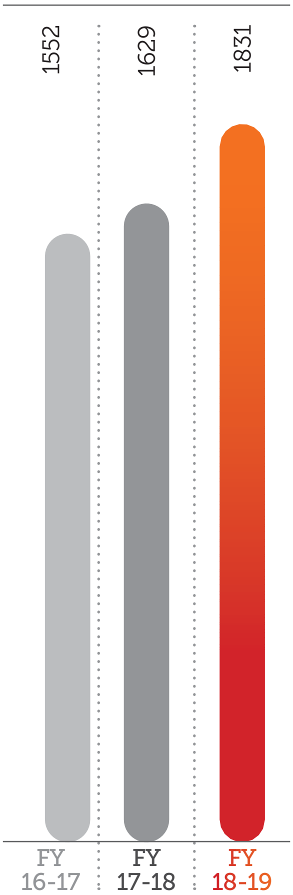
North East 67.78%
Eastern India 32.22%

Sales mix, 2018-19

Trade 81.81%
Non-trade 18.19%

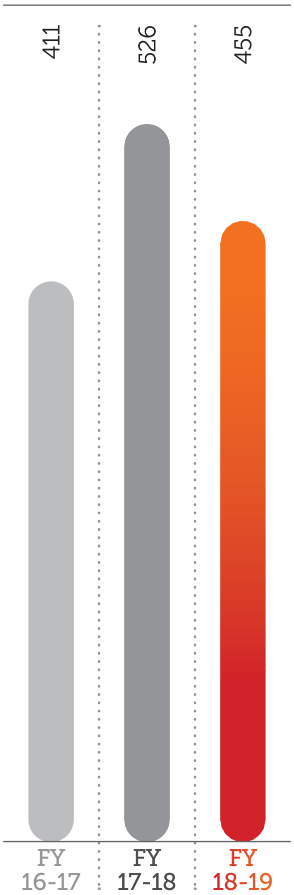
How we have consistently grown our business in the last few years

Revenues
(₹ crore)



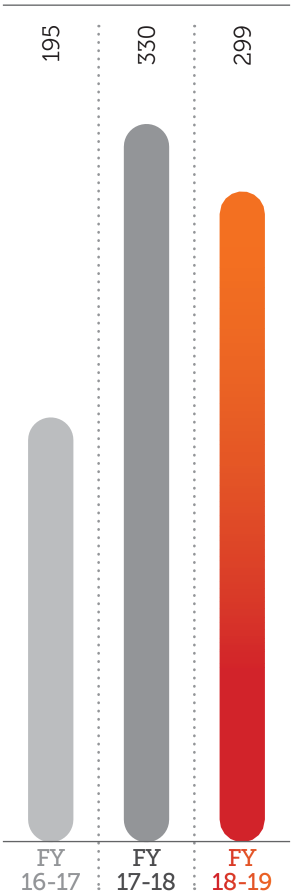
Performance, FY2018-19
Aggregate sales increased by 12.40% to ₹1831 crores in FY2018-19 following improved volume offtake in higher realisation zones.

EBITDA
(₹ crore)



Performance, FY2018-19
EBITDA declined 13.5% to ₹455 crores in 2018-19 following the expiry of freight subsidy.

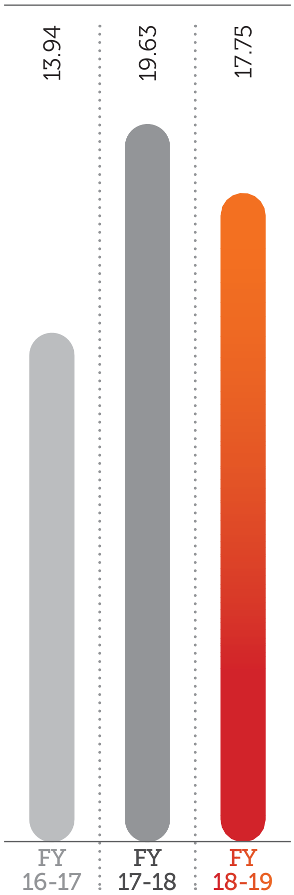
Net profit
(₹ crore)*



Performance, FY2018-19
The Company's net profit (after minority interest) declined 9.52% due to the ripple effect of the freight subsidy expiry.

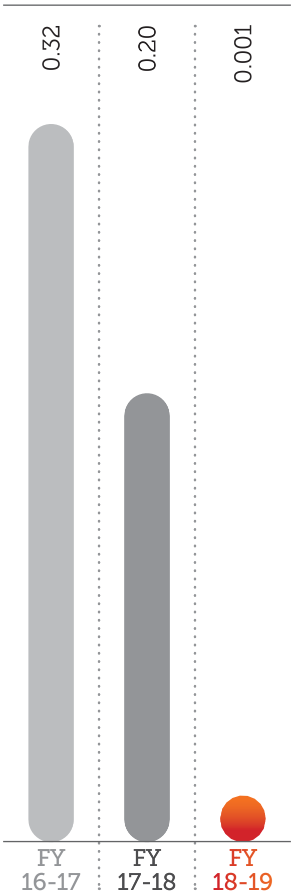
*after minority interest

ROCE
(%)



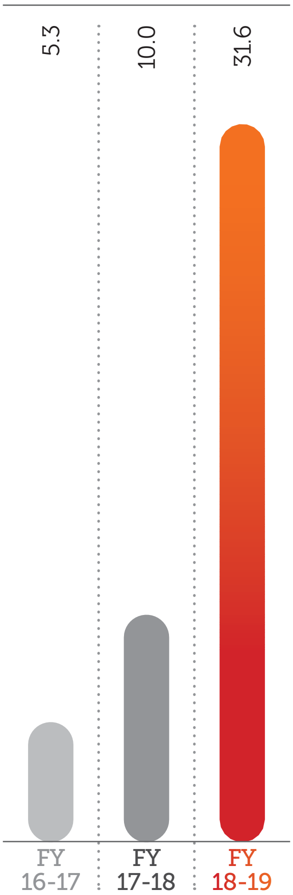
Performance, FY2018-19
The ROCE of the Company declined 188 bps over the previous year, due to reduced profits on accounts of the expiry of freight subsidy.

Debt-equity ratio
(x)



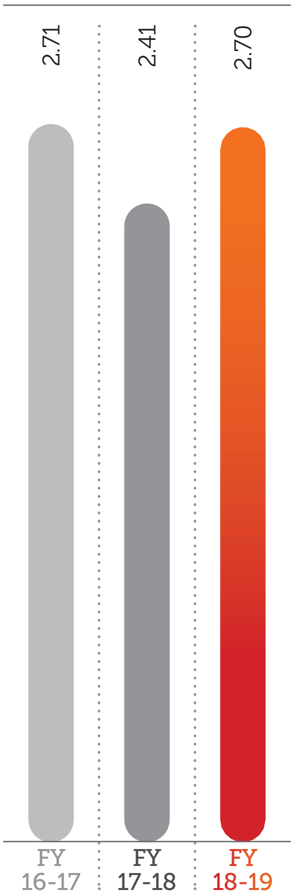
Performance, FY2018-19
The Company became debt-free following the repayment of debt during the year.

Interest cover
(x)



Performance, FY2018-19
Interest cover trebled following steady debt repayment and improved operational efficiency.

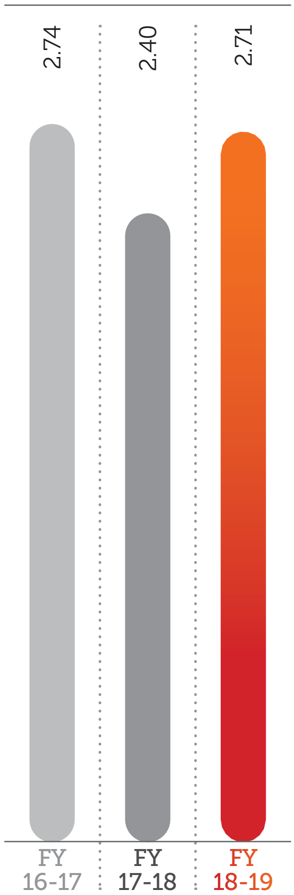
Cement production*
(million metric tonne)



Performance, FY2018-19
Cement production grew by 12.07% to 2.70 million tonnes during the year under review.

*including production from hire unit

Cement sales
(million metric tonne)



Performance, FY2018-19
Cement sales stood at 2.71 million metric tonnes, an increment of 12.54% over the previous year, following increased sales volume in higher realisation zones.

The Chairman's overview

Overview

I am pleased to present the performance of the Company during the year under review.

The Company's revenue from operations strengthened 12.40% to ₹1,831 crores while EBIDTA declined to ₹455 crores and profit after tax declined 9.52% to ₹299 crores in 2018-19.

The principal reason for the decline was the expiry of the Freight Subsidy Scheme. If the performance of the two years is normalised and compared without factoring the Freight Subsidy Scheme, then the Company would have reported higher EBIDTA and correspondingly higher profits.

Strengthening our competitiveness

The growth in our operating numbers indicates that we strengthened our competitiveness during the year under review in various ways.

One, we marketed a larger volume of cement by 12.41% over the previous year. Our growth in the North East market was more than the growth in demand in the region.

Two, the heartening feature of our performance is that in attempting to carve out a larger market share, we did not discount our product or brand. The result is that our average realisations of cement strengthened 2% to around ₹127 per tonne during the last financial year.

The regional optimism

North East India possesses a clinker capacity of approximately 7.5 million TPA and an effective cement capacity of 9.5 million TPA. The demand for cement in the region is estimated at 8.8 million TPA.

There are a number of reasons why we are optimistic of our prospects in the market.

Demand growth in North East India ranges between 8 and 12% a year, based on our experience of the last couple of decades. This provides us with adequate scope to market additional cement year-on-year.

The Company intends to increase its clinker capacity from 2.8 million TPA to 3 million TPA through debottlenecking. Besides, the Company intends to increase its 3.7 million TPA cement grinding capacity with an additional 2 million TPA greenfield grinding capacity in Siliguri.

Assam, the largest state in the region, is growing at 12-13%, virtually twice the pace of the Indian economy.

The per capita consumption of cement in North East India is about 140 kgs compared with the all-India average of around 225 kgs and a global average of around 520 kgs. The result is that North East India is but a fraction of the global average but now increasingly marked by higher income, which is expected to accelerate the offtake of cement going forward.

Disposable incomes and aspirations are rising in North East India, translating into inceased cement offtake. We believe that the extent of under-penetration on the one hand and the government's focus on enhancing infrastructure investments in the region on the other should help correct the consumption under-penetration with speed.

The quantum of additional cement capacity going on stream in the region continues to be limited, resulting in better prospects for existing cement manufacturers who would be competently placed to either debottleneck capacities or commission brownfield units.

The Star Cement advantage

Star Cement capitalised on the sustained growth of the North East market through various initiatives.

Even though the Company increased capacity utilisation 800 bps to 63% during the year under review, the Company still possesses adequate manufacturing capacity to service increasing demand. This increase should translate into a superior coverage of fixed costs and higher RoCE going ahead.

The Company strengthened its retail focus through a wider and deeper distribution footprint. This increased retail focus helped the Company widen its consumer risk and generate realisations attractively higher than the institutional market average.

The Company increased the proportion of imported coal with a high calorific value to offset coal scarcity in the region and reduce its coal consumption.

Optimistic outlook

Star Cement is attractively placed to sustain its growth journey.

The Company is positioned to grow faster than the North East average, servicing this increased demand out of its existing capacities.

The Company intends to increase its clinker capacity from 2.8 million TPA to 3 million TPA through debottlenecking. Besides, the Company intends to increase its 3.7 million TPA cement grinding capacity with an additional 2 million TPA greenfield grinding capacity in Siliguri.

The proposed Siliguri facility is expected to be commissioned during the last quarter of the FY2019-20. Following this expansion, we are confident of competing more effectively in Bengal and Bihar. This grinding facility will empower the Company to address a sustained 8-10% cement demand growth coming from this market.

Over time, we expect to emerge as a company with half its sales derived from Eastern and North Eastern India each. We are optimistic of our prospects in East India as demand continues to be growing faster than in the rest of the country, where demand continues to match supply and where

We believe that the Company is at the cusp of evolving its personality and positioning, which should translate into larger volumes, increased respect and superior profitability across the foreseeable future.

Enhancing our sustainability

The one question that our management has been repeatedly asked is whether we will risk the Balance Sheet in growing our manufacturing capacity.

My answer is that we will strengthen our competitiveness instead. The Company had ₹143 crores on its books as on 31st March 2019, which will be completely utilised to commission the Siliguri facility. The subsidy accrued and receivable following March 2019 shall be utilised for capacity expansion. The result is that we should emerge as a 5 million TPA cement company by the close of this financial year with virtually no debt on our books.

In turn, we believe that timely commissioning and prudent market selection should translate into a sizable annual cash profit that makes it possible to sustain the pace of our capacity expansion, empowering us to emerge as a 7 million TPA company by 2024.

Regards,

Sajjan Bhajanka,
Chairman

This is how we have transformed in the last few years

We were a one million TPA cement company in 2008

The Company embarked on a vision to aggressively enhance capacity

The Company invested in capacity building out of accruals and debt

The Company commissioned, widened and deepened its North East footprint

The Company possesses 3.7 million TPA owned cement capacity today

We were an unlisted company until 2016

We were relatively unknown in regions other than North East India

Our low visibility affected organisational morale and recruitment

We were listed on the exchanges in June 2017

The listing has enhanced our corporate respect, strengthening recruitment

We needed to enhance our brand recall in North East India

We invested in a defined typeface and colours

We enhanced our recall around two words ('Solid setting')

We listed on the exchange, which enhanced our visibility

We are among the most prominent brands in North East India and a growing brand in East India today

We enjoyed a North East market share of ~23% some years ago

We set about widening and deepening our footprint

We appointed more dealers and distributors of our products

We ensured that our products were available virtually everywhere in North East India

We maintained our market share at >23% even while new players entered and the market expanded

We needed to strengthen our systems and processes some years ago

We appointed professionals across a range of competencies

We aggressively delegated roles and responsibilities

We strengthened reporting processes and systems

We are a professionalised management company with the highest standard of governance

We were a cement company focused completely on North East India

We recognised the need to build a larger capacity and extend beyond

We are engaged in commissioning grinding capacity in Siliguri

This will make it possible to service a fast-growing Eastern India market

The Company is likely to emerge as a serious player in North East and Eastern India

How we strengthened prospects through digital technology interventions

In a commodity business where the general assumption is that products by most companies are the same, Star Cement leveraged technology with the objective to market its brand better, deepen its dealer connect, reach the marketplace faster, enhance productivity visibly and harness opportunities.

During the last few years, the Company leveraged digital technologies with the objective to enhance business efficiency.

Smart applications leading to smarter processes

Sales-force automation app: Star Cement developed an automated application to strengthen sales effectiveness in 2016. The app, used by sales, technical and branding teams, has enhanced systemic productivity, work load reduction, increased efficiency and stock spreading across more counters, addressing secondary sales and scheme distribution.

STAR-Saathi: This mobile application helps dealers place orders, track orders and check ledger balances, enhancing transaction transparency. The visible payable amount on the app has enhanced transparency and convenience for the Company and customer. Besides, the aggregated data helps analyse demand patterns, resulting in corresponding cement dispatch.

STAR-Stellar: Engineers are key influencers in recommending cement for construction applications, playing a crucial opinon-influencing role in brand building and offtake. The Company created an application for engineers wherein every engineer who signed the application is linked to the technical team.

Other technological interventions

Customer portal: The Company empowered dealers to check their account ledgers online, enhancing transparency and reducing dependence on conventional paper-based invoices. This facility (ability to download the pdf of the ledger with a mini-statement) also addressed probable discrepancies with speed, enhancing the confidence of trade partners.

Digital marketing: The Company leverages Youtube, Twitter and other social media platforms to widen its recall, especially in the geographies of its proposed presence.

Bar-coding: The Company introduced bar coding of its products to enhance record keeping and tracking efficiency, strengthening inventory management and smoothening sales operations.

Business WhatsApp: The Company introduced business WhatsApp across its network to improve its service and immediate resolution of issues.

Star Cement leveraged technology with the objective to market its brand better, deepen its dealer connect, reach the marketplace faster, enhance productivity visibly and harness opportunities.

12.4%

The Company's systems enabled a growth in revenues in FY2018-19

Strengthening our business efficiency through logistical competitiveness

In the business of cement manufacturing, which comprises the inflow of sizable mineral resources on the one hand and dispatch of a bulky end product on the other, success is derived from the moderation of logistic costs, which normally account for 20-30% of the overall costs of cement manufacture.

Over the years, the Company strengthened its competitiveness by leveraging the advantage of its clinker manufacturing facilities being proximate to limestone deposits.

The Company's focus on proximity (to resources and consumers) helped reduce carbon footprint and costs on the one hand while enhancing responsiveness to marketplace dynamics on the other.

Logistics-strengthening initiatives

The Company invested in a number of initiatives in 2018-19 to reinforce its positioning as one of the most competitive cement manufacturers in the region.

One, the Company reduced the lead distance (from clinker to grinding unit) to 275 kilometers in FY2018-19 compared to 283 kilometers FY2017-18.

Two, the Company commissioned a railway siding within the Guwahati plant in February 2019, translating into probable savings from FY2019-20 (reducing dependence on railway siding, which is 3 kilometers from the plant).

Our strategically-located plants address demand from North Eastern and Eastern regions

Target markets

Assam
Meghalaya
Arunachal Pradesh
Manipur
Tripura
Nagaland
Sikkim
Mizoram
West Bengal
Bihar

Strengthening our prospects through consistent brand investment and positioning

In the business of cement manufacture and marketing, the critical driver of offtake is the respect for the product and the recall it evokes.

Over the years, the Company consciously and consistently strengthened its recall around 'solid setting', reinforcing its respect around a simple positioning. The result is that the Company's products are respected for the positive impact achieved at the consumer's end.

The Company focused on concentrating launches in select markets backed by growing budget outlays, innovative marketing, use of diverse media and adequate manufacturing capacities. These initiatives helped to service the demand generated by brand investments.

The result is that Star Cement emerged as a preferred brand in North East India with the largest share of the market while growing its presence in Bengal and Bihar as well.

Brand building initiatives

Quantum: The Company's aggregate brand investment stood at ~ ₹2726 million in the last decade, estimated at 14.89% of aggregate revenue during this period

Endorsements: The Company engaged prominent North Eastern celebrities like Bipasha Basu, Hima Das, Debojit Saha, Saurabhee Debbarma, Lou Majaw, Mami Varte, Bhupen Hazarika, Pranjal Saikia and Simanta Sekhar to endorse its brand.

Sponsorship: The Company engaged in the sponsorship of distinctive events; it organized North East India's first international half marathon attracting more than 20,000 participants around a single cause ('Run to support a clean India').

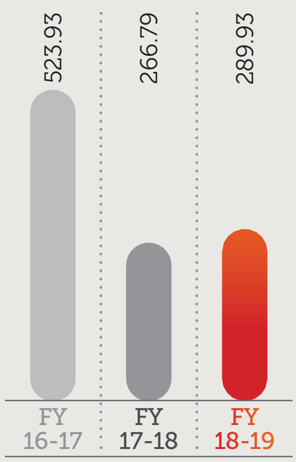
Mind share: The Company conducted a 360-degree promotional campaign in North East India, West Bengal and Bihar through initiatives addressing out-of-home, electronic media, radio, print media, prominent road crossings and 'paan' shops. The Company focused at the block level, haats and village congregation points to enhance visibility.

Schemes: The Company initiated attractive schemes like 'Kismat ki Bori', 'Bag Me Chandi', 'Dhan Varsha' and gifts for dealers, masons and customers to catalyse offtake.

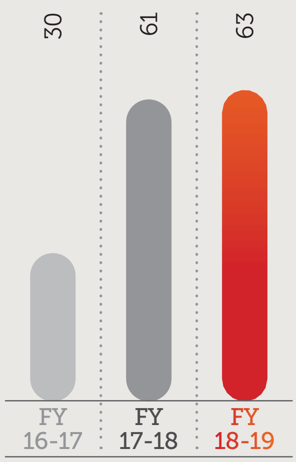
Direct: The Company pioneered distribution through the direct network, i.e. dealers over C&F agents in East India.

Consultant: The Company provided technical on-site assistance to retail consumers through unique mobile vans.

Growing brand spend
(₹ million)



Sales per rupee of brand spend
(₹)



Retail-driven marketing strategy

Distribution network spread across 10 States

Built on an enduring network of partners

Focus on accelerating a consumer walk-in

14.89%

Brand spending as a percentage of revenues across the last decade.

Investing in our future through timely capacity addition

Location	Number of units	Capacity
Meghalaya	4	Cement: 1.7 million metric tonnes per annum Clinker: 2.8 million metric tonnes per annum Power: 51 megawatts
Assam	1	Cement: 2 million metric tonnes per annum
West Bengal (outsourced)	2	Cement: 0.60 million metric tonnes per annum

In the business of cement manufacture, success is derived from the ability to provide adequate cement to service growing consumption. The premium on being able to provide as much cement as a region needs is derived from a robust Balance Sheet foundation, access to institutional debt and environment clearances.

Over the last decade-and-a-half, the Company grew its own cement manufacturing capacity nine-fold to 3.7 million TPA in six expansion phases. The result is that the Company accounts for 39% of North-East India's active cement capacity.

Expansion: The Company is engaged in commissioning a grinding unit in Siliguri with a capacity of 2 MTPA entailing a capital expenditure of more than ₹400 crore. The unit is expected to be commissioned by FY2019-20.

Logistical saving: The fly ash sourced from Farakka (Bengal) and Kahalgaon (Bihar) transported to the Guwahati grinding unit will now be dispatched across a shorter distance to Siliguri, saving transportation costs both ways.

Resource security: The Company possesses adequate raw material to sustain the new plant. At an optimum utilisation level, the Company is expected to generate around 3.5 million tonnes of clinker for two years assuming an annual growth of 15-20%.

Balance Sheet: The Company possessed ₹143 crores cash on books in addition to subsidy receivables, which will help fund the greenfield capacity creation without borrowings, strengthening its foundation for sustainable growth.

Way ahead

The Company will de-bottleneck its existing manufacturing capacities for ~₹25-30 crores. The Company's installed grinding capacity (following the Siliguri expansion) will be 5.7 million tonnes per annum. To match clinker requirement, the Company will commission a clinker facility in Meghalaya.

The greenfield expansion will catalyse the Company's cement production by 20% over the next two years.

This expansion will help the Company deepen its presence in the existing markets and extend into new ones.

How we have created a sustainable foundation through operational and financial competence

In a capital-intensive business like cement manufacture, operational excellence is derived from the ability to optimise various processes – resource procurement to product marketing – leading to enhanced organisational value.

Over the years, the Company invested in strengthening its operating practices with the objective to enhance efficiency, reflected in a superior utilisation of assets and resources, lower costs and enhanced competitiveness.

Operational highlights, 2018-19

- Commissioned a railway siding, helping the Company moderate costs of delivered fly-ash (earlier unloaded at another railway siding 3 kilometers away).
- Marketed 72% cement in North East and 28% outside North East
- Achieved desired freight costs related to delivery in the markets of West Bengal and Bihar

Production and sales, 2018-19

Volume

- The Company produced 20.37 lac tonnes of clinker as against 20.57 lac tonnes in the previous year (on account of equipment downtime). Own Cement production was 24.58 lac tonnes in FY2018-19 as against 21.70 lac tonnes in the previous year, an increase of 13.27%.
- The Company's North East cement sales were 20.44 lac tonnes as against 17.52 lac tonnes in the previous year, a growth of ~17%. Sales outside North East were 6.61 lac tonnes as against 6.53 lac tonnes in FY2017-18.
- The Company marketed approximately 18% of OPC, 2% of PSC and 80% of PPC cement grades, an attractive and profitable mix.

Value

- Revenue was ₹1831 crores as against ₹1629 crores in FY2017-18, a growth of 12.40%.
- EBITDA was ₹455 crores against ₹526 crores
- PAT (after minority interest) was ₹299 crores compared to ₹330 crores.
- EBITDA per tonne declined to ₹1591 in 2018-19 from ₹2018 per ton in FY2017-18 mostly on account of the expiry of freight subsidy support to the Company.
- Trade sales accounted for 82% and non-trade 18% (79% and 21% respectively in FY2017-18) due to increased consumer demand.

Way ahead

The Company is expected to register a value and volume growth of approximately 15% following increased capacity, helping maintain North East market share between 23-24%.

15%

Targeted value and volume growth following increased capacity.

The Company marketed 72% of its cement in North East India and 28% outside North East India

Our value-creation business model

What brought us here...

- Extensive and balanced integration of manufacturing process
- Proactive investments in capacity creation and environment management
- Proactive debt repayment
- Consistent focus quality
- Deepening market penetration

How we plan to grow our business...

- Sustain our integrated business model (clinker and cement)
- Appraise expansion around the right costs and desired returns
- Focus on generating a bottomline above the sectoral average irrespective of market conditions
- Enhance product mix with reference to the market demand to provide a better value proposition
- Reward shareholders through attractive returns
- Remain largely debt-free (for long-term debt)
- Enhance asset sweating; rationalize operating costs

What makes Star Cement an attractive proxy of the North Eastern cement sector...

Integrated cement manufacturing unit

+

Adequate capacities to address demand

+

Technological intervention and effective logistics management

+

Commanding market share and established brand recall

Competitive advantages of Star Cement

Back-end support
The Company's captive resource mines contain quality limestone with calcium oxide content greater than 49% (higher than the rest of India) and limestone reserves extending across more than 80 years.

Retail concentricity
The Company enjoys the highest volume growth in North East with adequate capacities to address growth targets over the medium to long-term.

Footprint
The Company enjoys a strong presence in North East India and now expanding across East India (Bengal and Bihar), regions that are witnessing faster growth than the national average.

Capacities
The Company possessed an aggregate own cement manufacturing capacity of 3.7 MTPA, accounting for 33% of North East capacities, one of the largest in the region and generating superior economies of scale.

Integrated
The Company's integrated cement and clinker unit, coupled with a captive power plant in North East India (51 MW), enhanced cost efficiencies and reduced reliance on the state electricity grid.

Proximity
The Company enjoys resource proximity, helping moderate logistics costs. It acquired limestone within 2-3 kilometres of its clinker manufacturing facility.

Brand recall
The Company is one of the first cement brands in North East to provide technical assistance to customers on-site through the deployment of cement experts in mobile vans. It was among the first cement companies in North East to provide architects, engineers, masons, industry experts and academia with a common platform for knowledge sharing. The Company engaged regional celebrities to endorse the Star Cement brand.

Financial robustness
The Company reconciled manufacturing growth with Balance Sheet integrity. The Company's gearing improved from 0.54 to nil across five years. The Company had ₹143 crores on its books to support prospective capacity expansions.

Pro-environment
The Company consumed fly ash in its raw material mix, helping reduce production costs, provide a superior blended cement variety and transform waste into a productive asset. The Company automated plant lighting through LED alternatives, reducing power consumption. The Company consumed waste oil to replace high-speed diesel in ammonium nitrate mixing, reducing costs. It installed a waste recovery heat system to generate power at a low cost, productively utilising in-process heat.

Corporate Social Responsibility

At Star Cement, we play the role of a responsible corporate citizen. Our role is defined by a number of priorities.

One, we believe that we are engaged in business to make the world a better place

Two, our engagement in corporate social responsibility projects is aligned with national and regional priorities.

Three, we have extended beyond mere 'cheque-writing' to a deeper engagement with the objective to make a lasting positive difference.

Four, we partner specialized agencies who possess a deeper terrain experience and understanding.

Five, we believe in making initial investments where a moderate engagement from our side can translate into disproportionately larger societal impact.

Six, we focus on responsible engagement where we empower beneficiaries to assume control of their lives.

Health and sanitation

- Provided drinking water and health services to mega festival participants at Lumshnong in March 2019, benefitting more than 63,000 people
- Constructed 75 household toilets in the Chamata Pathar area of Assam (25 under construction)
- Organized eye care programmes for the local community; supported farmers with cataract surgeries and spectacles

Livelihood development

- Undertook Eri cocoon production programme to enhance farmer livelihoods
- Distributed 2000 ducklings to 100 beneficiaries; trained farmers in scientific duckling rearing
- Commissioned women tailoring schools in Chamata Pathar and Lumshnong to upgrade skills
- Distributed milk-yielding cows across the local community to enhance secondary earnings

Education

- Around 10 LP schools were covered by a computer literacy programme under the Star Pragya Jyoti Project
- Supported 13 schools and around 5000 students with dictionaries, bags, books and stationery under the Company's school and student support program
- Renovated the approach road of Nahargurihat Higher Secondary School; constructed stairs in Gumoria LP School (Assam) and four schools of Sonapur area supported with new corrugated galvanized iron roofing sheets
- Provided scholarships in the Lumshnong local community for higher education

Rural development

- Constructed CC roads, drain and footpaths in Lumshnong village
- Completed renovation of the Lumshnong Community Hall
- Installed solar street lights in four villages of Meghalaya
- Renovated a community hall named Burung Hall in Chamata Patharand
- Developed public utility areas in three religious institutions

The Company received the CSR Best Practice Award by World CSR Congress

Management discussion and analysis

Global economic overview

Following growth of 3.8% in 2017, the global economy slowed in the second half of 2018 on account of a confluence of factors - the failure of Brexit negotiations, tightened financial conditions, geopolitical tensions, and higher crude oil prices that affected the major economies. Crude prices remained volatile due to multiple factors; oil prices dropped from a four-year peak of US$ 81 per barrel in October 2018 to US$ 61 per barrel in February 2019. Global economic growth in 2018 was estimated at 3.6% and projected to slow to 3.3% in 2019.

Global economic growth over the years

Year	2015	2016	2017	2018(E)	2019 (P)
Real GDP growth (%)	3.2	3.1	3.8	3.6	3.3

[Source: World Economic Outlook, April 2019] E: Estimated; P: Projected

Indian economic overview

India retained its position as the sixth-largest economy and the fastest-growing trillion-dollar economy through a major part of the year under review (except in the last quarter of 2018-19). After growing 7.2% in 2017-18, the Indian economy is estimated to have grown 6.8% in 2018-19 as per the Central Statistics Office release, May 2019.

The principal developments during the year under review comprised a sustained increase in per capita incomes, decline in national inflation, steadying interest rates and weakened consumer sentiment from the second half of the financial year. The weaker sentiment was on account of a large non-banking financial company announcing its inability to address liabilities. This affected credit expansion, financial markets and consumer sentiment, which in turn resulted in slower GDP growth that declined to 5.8% by the fourth quarter of 2018-19, the slowest growth in a single quarter in years.

Driven by strong policy reforms, India witnessed a 23-notch jump to a record 77th position in the World Bank's latest report on the 'Ease of Doing Business' that captured the performance of 190 countries.

The commencement of the US-China trade war opened a new opportunity for India, particularly in the agro sector. Inflation (including food and energy prices) was estimated at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%.

Key governmental initiatives

The Indian government continued to take a number of initiatives in strengthening national economy.

- Bank recapitalisation scheme: In addition to infusing ₹2.1 lac crores in public sector units, the Indian Government announced a capital infusion of ₹41,000 crores to boost credit for a strong impetus to the economy in FY2018-19. The Budget 2019-20 mandated that the Union Government will infuse ₹70,000 crores to strengthen and enhance their lending capacity.
(Source: Hindu Business Line)

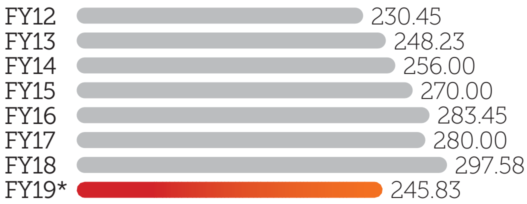
- Expanding infrastructure: India's proposed expenditure of ₹5.97 trillion (US$ 89.7 billion) towards infrastructural development in Union Budget 2018-19 is expected to strengthen the national economy. As of November 2018, total length of projects awarded under Bharatmala Pariyojana (including residual NHDP works) was 6,460 kilometers for a total cost of ₹1.52 trillion (US$ 21.07 billion). The Government has announced in investment of ₹10,000,000 crores (US$ 1.5 trillion) in infrastructure over the next five years in Budget 2019-20.
(Source: IBEF)

- Pradhan Mantri Kisan Samman Nidhi: The Indian Government announced in February 2019 the Pradhan Mantri Kisan Samman Nidhi, a scheme promising an annual assured income of ₹6,000 (US$ 84.5) for any farmer owning ≤2 hectares of farmland. The budget for fiscal year 2020 allocated ₹75,000 crores for the scheme, benefiting ~120 million land-owning farmer households.
(Source: PIB)

Outlook

India is likely to outperform the global average economic growth and sustain growth momentum to emerge as a US$ 4 trillion economy by 2024. A combination of favourable demographics, rising urbanisation and shift from the unorganised to the organised sector are expected to drive growth in private

India's cement production (million tonnes)



*Up to December, 2018; F: Forecast - (Source: CRISIL, ICRA, IBEF)

consumption. The rise in social sector spending, improvement in agricultural productivity, increase in financial inclusion and adoption of digital technologies are expected to strengthen rural demand.

(Source: CSO, Fitch, Economic Times, Business Standard, IBEF, Business Today, India Today, Live Mont, PIB, Times Now)

Indian cement industry overview

Accounting for ~8% of the global installed capacity, Indian cement industry is the second largest in the world after China, with a production capacity pegged at 502 million tonnes in 2018. The private sector accounts for 98% of the production capacity. Of this, the top 20 companies account for 70% of total production. Of the 210 large cement plants, 77 are located in Andhra Pradesh, Rajasthan and Tamil Nadu. A cumulative of 410 million tonnes of cement is produced by 210 large cement plants and 92 million tonnes is produced by 350 mini-plants across the country.

Indian cement demand registered a double-digit growth in FY2018-19 led by a low base of the previous year (GST in H1 FY2017-18) and healthy growth rates in Eastern and Southern India. The year witnessed a steady implementation and completion of mega-infrastructure projects, especially in North and Central India. Central Government-backed mega-infrastructure projects like Bharatmala for roads, Sagarmala for ports and development of dedicated freight corridors and Smart Cities witnessed awards and implementation of new projects. Cement realisations grew ~2% y-o-y in 2018 compared to 2017.

(Source: Cement Manufacturers Association, Equity Master, IBEF)

Outlook

The price hikes announced by the cement companies in 2018-19 may help them to strengthen EBITDA per ton. Domestic cement demand is estimated to grow at ~8% till FY2019-20 on account of a likely pick-up in rural demand with the expectation of a normal monsoon in 2019 (Skymet estimate), government's continued thrust on infrastructure and low base-effect in the housing sector.

The government's positive approach to revive agriculture/rural economy is likely to augur well for the cement industry in FY2019-20. Notably, slower capacity addition (15-17 MTPA versus incremental demand of 25-27 MTPA), incremental demand from the Housing for All project (following rising number of sanctioned houses in the last few quarters) and the timely commencement of construction activities of Metro/Irrigation/ Bharatmala projects are likely to catalyse the long-term utilization and profitability of the industry. In the next 10 years, India is expected to emerge as a leading exporter of clinker and grey cement to the Middle East, Africa and other developing nations.

(Source: Hindu Business Line, ICRA, IBEF, JP Morgan)

Cement demand break up in India	%
Rural housing	28-30%
>Tier I Metro cities	8%
>Tier 2 & 3	18%
Total urban housing	25-26%
Low cost housing	11-12%
Infrastructure	22-24%
Commercial and industrial capex	10-12%
Total	100%

(Source: HDFC)

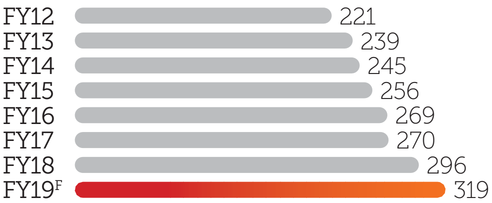
Government initiatives

- The Central Government allocated ₹10 billion for the National Investment and Infrastructure Fund.
- Budgetary allocation for infrastructure was ₹5.97 lac crores for 2018-19.
- Smart Cities Mission projects worth ₹2,350 crores were completed; projects worth 20,852 crores are under progress. A total of 99 cities have been selected under the mission with an outlay of ₹2.04 lac crores (US$ 32.07 billion).
- ~35,000 kilometres of road construction was approved under Phase-1 of Bharatmala Pariyojana for ₹5.35 lac crores (US$ 84.10 billion).
- An outlay of ₹33,000 crores (US$ 5.097 billion) has been proposed for building 4.9 million houses under Pradhan Mantri Awas Yojana (Gramin) in Union Budget 2018 -19.
- The Pradhan Mantri Awas Yojana (Universal Housing by 2022) received an allocation of ₹25,853 crore.
- In Budget 2018-19, the Government of India announced the setting up of an Affordable Housing Fund of ₹25,000 crores under the National Housing Bank to provide credit to homebuyers.

Infrastructural development in North Eastern India

The Indian Government's 'Act East' focus on strengthening relation with neighbouring countries helped enhance connectivity through transportation, telecom and power projects. Allocation towards the North Eastern region increased to ₹58,166 crore, a y-o-y increase of more than 21%.

India's cement consumption (million tonnes)



*Up to December, 2018; F: Forecast - (Source: CRISIL, ICRA, IBEF)

Airports

- The North Eastern Council is a nodal agency entrusted with the responsibility of fostering economic and social development in the North East. The North Eastern Council, whose key members include the Governors and Chief Ministers of eight States, is funding the infrastructural upgradation of 12 airports.
- The Tezu Airport (Arunachal Pradesh) ensured connectivity to districts like Lower Dibang Valley, Anjaw, Namsai and Dibang Valley, among others.
- Runway extension was taken up by the North Eastern Council in Umroi (Shillong) Airport; work is underway to allocate hangars at Lokpriya Gopinath Bordoloi International Airport in Guwahati.

Roads

- Recently inaugurated projects comprised the 17.47-kilometre Doimukh-Harmuti Road (links Assam and Arunachal Pradesh) and the 1.66- kilometre Tura-Mankachar Road (connects Assam and Meghalaya). The 17.47-kilometre Doimukh-Harmuti Road provides a link across the Gumto and Gulajoly rivers.
- An express highway project along the Brahmaputra River, built at an investment of ₹40,000 crore, spanning 1,300 kilometres is expected to resolve connectivity issues in Assam.
- The North East Road Sector Development Scheme, launched in FY2015-16, is a centrally-sponsored scheme for the construction/ upgradation/ improvement of 433.7 kilometres of roads in Assam, Manipur, Meghalaya, Mizoram, Sikkim, Arunachal Pradesh, Nagaland and Tripura.

Railways

- There are plans to provide a railway link for the North Eastern states through 20 major railway projects, encompassing 13 new lines, two gauge conversions and five doublings, stretching ~2,624 kilometres.
- All capitals of North Eastern Indian states would be connected by a broad gauge rail link by 2020.
- Some 43 projects are underway within the jurisdiction of the North East Frontier Railway.
- Assam and Meghalaya will be connected through the Byrnihat-Shillong line whereas Manipur will be connected to Jiribam, a bridge with a pier height of 141 metres, making it the tallest rail bridge in the world.

Growth drivers

Infrastructure development: The Central Government-backed mega-infrastructure projects like Bharatmala, Sagarmala and Smart Cities are beginning to report increased traction in terms of project awards and implementation, a trend likely to sustain.

Affordable housing: ~1.53 crores houses were constructed under the Pradhan Mantri Awas Yojana between 2014 and 2018. The share of houses sanctioned under the Pradhan Mantri Awas Yojana increased from 22% in March 2018 to 35% in March 2019 as a proportion of the total homes being built.

(Source: Motilal Oswal)

Highway construction: In FY2018-19, highway construction and expansion reached its highest pace at ~30 kilometres per day. The Central Government has estimated that 65,000 kilometres of highways will be constructed at a cost of more than ₹5.35 lac crores by 2022.

(Source: Times of India)

Rural roads: Over the last five years, the Central Government spent more than ₹80,000 crores on building and upgrading rural roads. Since 2014, ~200,000 kilometres of new roads were built across rural India at a rate of ~109 kilometres per day. In March 2014, 55% of India's habitations were connected to a road and this increased to 91% by January 2019.

(Source: PMGSY)

The Company's consolidated financial performance

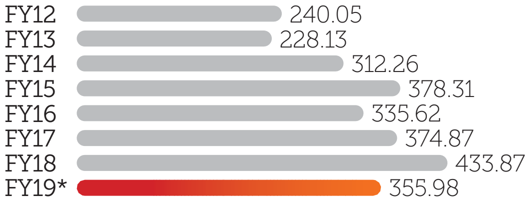
Gross revenues: Gross revenues stood at ₹1,831 crore, increasing by 12.40%, compared to ₹1,629 crores a year back.

Depreciation: Depreciation and amortisation for the year under review stood at ₹105.64 crores compared to ₹120.69 crores in the previous year,

Tax expenses: Tax expenses for the year stood at ₹29.64 crore, which included current tax payouts worth ₹68.25 crore, deferred tax charges worth ₹38.61 crores and tax related to earlier years' worth ₹16.41 crore.

Net profit: Net profit for the year under review stood at ₹299 crore, a 9.52% decline over the previous year mainly due to expiry of freight subsidy.

India's cement exports (US$ million)



*Up to December, 2018; F: Forecast - (Source: CRISIL, ICRA, IBEF)

Balance Sheet analysis

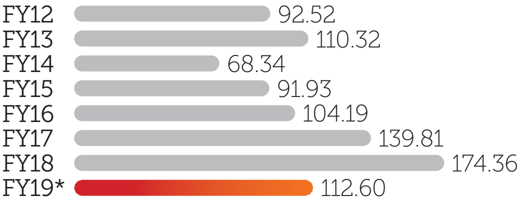
Net worth
The net worth of the Company stood at ₹1724.66 crores as on 31st March 2019, increasing by 14.35% compared to ₹1476.35 crores as on 31st March 2018.

Loan profile
The total loan funds of the Company stood at ₹73.82 crores while long-term borrowings stood at ₹24.25 crore. The net debt as on 31st March 2018 stood at ₹427.13 crore.

Sundry debts
Sundry debts of the Company stood at ₹143.76 crore, a decrease of 1.85% compared to the previous year.

Cash and cash equivalents
The Company had on its books cash and cash equivalents worth ₹211.30 crores as on 31st March 2019 compared to ₹19.77 crores in the previous year.

India's cement imports (US$ million)



*Up to December, 2018; F: Forecast - (Source: CRISIL, ICRA, IBEF)

Risk management

The Company is subject to many risks and uncertainties that may affect its financial performance. The business, results of operations or financial conditions of the Company could be adversely affected by the risks described below. These are not the only risks the Company faces. Additional risks and uncertainties not presently known to the Company or considered immaterial may also impair its business and operations.

Economic risk	A slowdown in the economy could reduce infrastructure investments, decelerating growth for the Company	Mitigation: After growing at 7.2% in 2017-18 the Indian economy was expected to grow at 7% in FY2018-19 and is projected to pick up to 7.3% and 7.5% in FY2019-20 and FY2020-21, respectively. This indicates that the Indian economy is back on the growth track.
Debt risk	Inability to secure capex funding at competitive rates could jeopardise the Company's growth plans.	Mitigation: The Company became debt-free during the financial year and improved its debt-equity ratio from 0.13 in FY2017-18 to nil in FY2018-19. This has not only enhanced the Company's credit rating but also allowed it to access loans at pocket-friendly rates.
Demand risk	A less-than-optimal demand growth in the region can lower revenues	Mitigation: The Interim Budget proposed a 21% increase in budgetary support to the region amounting to ₹58,165 crores for the financial year 2019-20. The Pakyong Airport in Sikkim and the Bogibeel Bridge over the Brahmaputra will boost defence logistics along the Chinese border and reduce travel time for rail and road passengers. Japan has also joined hands with India to aggressively develop infrastructure projects in India's North Eastern states focusing on connectivity, power generation and disaster management.

Raw material risk	Significant increase in the cost or shortage of raw materials could affect operations	**Mitigation strategy:** Over the years, Star Cement has established a reputation of being a cost-competitive player. Its plants are located within a ~3-kilometre radius of limestone quarries, providing the Company with an uninterrupted supply of raw materials and lowering freight costs. These captive quarries offer high quality limestone with a calcium oxide content of more than 49% (higher than the rest of India) and reserves that can potentially last more than 80 years.
Concentration risk	Concentration of operations in a particular location could lead to price under-cutting	**Mitigation:** Star Cement has evolved being from a North Eastern India-focused company to an Eastern India-focused company. The Company's extensive distribution network is spread across 10 states in Eastern India, comprising more than 2,000 dealers and 9,000 retailers, ensuring last-mile access.

Human resources

The Company believes that its inherent strength lies in its dedicated and motivated workforce. The Company has created a holistic working environment and urged its employees to go beyond their predetermined scope of work, so that they could come up with innovative ideas that brighten long-term growth prospects. The Company reduced its employee headcount but did not replace the people who left the organisation. Instead, it chose to reskill and assign new roles to its existing employees, enhancing productivity levels.

Internal control systems and their adequacy

The internal control framework is designed to ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information and other data. This system is supplemented by internal audit, reviews by the management and documented policies, guidelines and procedures. The Company has a well-defined organisational structure, authority levels, internal rules and guidelines for conducting the business transactions. The Company intends to undertake further measures as necessary in line with its intent to adhere to procedures, guidelines and regulations as applicable in a transparent manner. Internal audit department of the Company carries out the internal audit of the Company operations and reports its finding to the Audit Committee. In this process the internal audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting. Internal audit is carried out as per risk based internal audit plan which is reviewed by the Audit Committee of the Company. The committee periodically reviews the findings and suggestions for the improvement and is apprised on the implementation status with respect to the actionable items.

Disclaimer

Statements in management discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include, among others, economic conditions affecting demand/supply and price conditions, variation in prices of raw materials, changes in governmental regulations, tax regimes, economic developments and other incidental factors.

Directors' Report
and Management Discussion & Analysis

Dear Shareholders

Your Directors have pleasure in presenting Eighteenth Annual Report of the Company together with the Audited Balance Sheet as at March 31, 2019 and the Statement of Profit & Loss for the year ended on that date.

FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company for the financial year ended March 31, 2019 as compared to the previous financial year are as under:

(₹ in Lacs)

Particulars	Consolidated		Standalone	
	2018-19	2017-18	2018-19	2017-18
Total Income	1,83,651.63	1,63,349.21	1,73,488.92	1,48,759.25
Profit before Interest, Depreciation and Tax	45,463.89	52,573.74	34,773.40	32,872.77
Interest & Finance Charges	1,437.99	5,245.73	2,087.86	4,343.37
Depreciation	10,564.48	12,068.65	4,648.77	5,745.45
Profit/(Loss) before Tax	33,461.42	35,259.36	28,036.77	22,783.95
Provision for taxation:				
- Current Tax	6,825.41	7,326.93	5,187.74	4,877.74
- Deferred Tax	(3,860.98)	(5,685.62)	(2,740.11)	(3,171.44)
Net Profit after Tax	30,496.99	33,618.05	25,589.14	21,077.65
Other comprehensive income for the year, net of tax	14.36	(28.29)	1.93	(13.18)
Total comprehensive income for the year	30,511.35	33,589.76	25,591.07	21,064.47
Net profit attributable to:				
Owners of the Company	29,877.70	33,065.62	-	-
Non-controlling interest	619.29	552.43	-	-
Total	30,496.99	33,618.05	-	-
Other Comprehensive Income attributable to:				
Owners of the Company	14.65	(27.43)	-	-
Non-controlling interest	(0.29)	(0.86)	-	-
Total	14.36	(28.29)	-	-
Total Comprehensive Income attributable to:				
Owners of the Company	29,892.35	33,038.20	-	-
Non-controlling interest	619.00	551.56	-	-
Total	30,511.35	33,589.76	-	-
Proposed Dividend:				
Proposed Dividend @ ₹1/- per share	-	4,192.29	-	4,192.29

OPERATIONAL REVIEW

During the year under review, your Company has manufactured 6,00,025 MT of Cement Clinker as against 5,15,350 MT recorded during the FY2017-18. Company's subsidiary M/s. Star Cement Meghalaya Limited has produced 14,36,600 MT of Clinker as against 15,41,945 MT during the FY2017-18. On consolidated basis total clinker production during the year was at 20,36,625 MT as against 20,57,295 MT during FY2017-18.

During the year under review the Company has received subsidies from the Central Government under Capital Subsidy Scheme and the said amount has been utilized towards prepayment of loan.

In terms of capacity utilization, clinkerization unit of your Company was able to utilize 75.76% of its installed capacity as against 65.07% during the FY2017-18. Similarly, the capacity utilization of clinkerization unit of its subsidiary M/s. Star Cement Meghalaya Limited was at 82.14% during FY2018-19 as against 88.16% during the FY2017-18. On consolidated basis, the capacity utilization of clinkerization units was at 80.15% during the FY2018-19 as against 80.96% during FY2017-18. Marginal reduction of capacity utilization on consolidated basis was due to reduction of capacity utilization of Star Cement Meghalaya Limited owing to sudden shutdown of gear box.

Your Company has been able to maintain the performance on grinding front too. During the year under review, total cement production on consolidated basis was at 26,98,536 MT (including volume from hired grinding units) as against 24,07,955 MT during the FY2017-18.

Similarly, your Company has been able to achieve sales volume of 27,05,841 MT of Cement as against 24,04,423 MT during the previous financial year. There has been improvement in performance of your Company during the financial year 2018-19.

DIVIDEND

Your Directors do not recommend any dividend for the Financial Year 2018-19 (Previous year @100%).

INDIAN ECONOMY AND OUTLOOK – AT A GLANCE

The Indian economy is the world's seventh-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). After the 1991 economic liberalisation, India achieved 6-7% an average GDP growth annually. Since 2014 with the exception of 2017, India's economy has been one of the world's fastest growing large economy. Foreign companies are also encouraged to set up facilities in India on account of various government initiatives like 'Make in India' and 'Digital India'. Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. These initiatives was reflected by India's improved ranking on World Bank's 'ease of doing business' report for the second straight year, jumping 23 places to the 77th position on the back of reforms related to insolvency, taxation and other areas.

Digitisation movement increased transparency and ease of doing business. Agriculture, manufacturing and service sectors performance improved. However, during the year the Country faced a growth risk due to fluctuation in rupee and crude prices.

Government's introduction of various policies like National Mineral Policy, National Policy on Software Products, National Electronics Policy, Agriculture Export Policy etc., will help all round development of the Country and boost the economy. Country's GDP is expected to reach US$ 6 trillion by FY27 and revenue receipts are estimated to touch ₹28-30 trillion (US$ 385-412 billion) by 2019. Country is also focusing on renewable sources to generate energy and planning to achieve 40 per cent of its energy from non-fossil sources by 2030. It is also expected that the country is likely to be the third largest consumer economy by 2025 due to change in consumer behaviour and expenditure pattern.

CEMENT INDUSTRY OVERVIEW

India is occupying second position amongst the cement producer countries in the world and the industry plays a vital role in the development of the country's economy and provides employment to more than a million people directly and indirectly. Post deregulation, the sector has attracted huge investment from within the country and abroad. Real estate and housing sector in India is the biggest demand driver of cement consumption and it covers 65% of total consumption, infrastructure sector consumes 20% and industrial development consumes 15% of total consumption.

Country's cement production capacity stood at 502 MT p.a. and the country is presently producing 280 MT p.a. and 5 MT for export requirements. Cement production capacity had grown steadily in last 15 years at a CAGR of about 9%. GDP growth of the Country historically has had correlation with cement capacity addition. Industry's capacity utilization also improved by 3% compared to previous year. In the F.Y 2019-21, capacity addition of 20 MTPA is expected.

Government's initiatives for development of 'Smart cities', 'Housing for all' and infrastructural projects like development and construction of road, rail, bridges etc., will boost the grow of the cement sector. The Government has also launched various missions like the Pradhan Mantri Awas Yojana, Atal Mission for Rejuvination and Urban Transformation and Swachh Bharat Mission in order to ensure advanced living habitation for the poor. In view of increasing domestic demand in certain specified sector like housing, industrial construction and commercial construction the capacity of the cement industry of the country is expected to reach 550-600 MTPA by 2025.

The aforesaid factors contributed the cement sector to grow at approx. 9% during the year. Implementation of the Real Estate (Regulation and Development) Act, 2016 (RERA) made the sector transparent.

NORTHEAST SCENARIO – GATEWAY OF OPPORTUNITIES

The North Eastern Region of the Country comprising of eight states are very rich in natural resources. Post-independence era and after partition, the region became land locked and lost its easy access to ports and other parts of the country. As a result, it witnessed lack of development in comparison with other states of the country. The Government of India has taken several measures to accelerate growth of the North East Region (NER). In the past few years due to continued support of the State and Central Government, the North East Region has seen continued improvement in consumer spending on Housing.

The Government's development initiatives in the Northeastern states got a major budgetary push as the Government proposed to increase in the interim budget 2019-20, allocation to the region by 21 per cent to ₹58,166 crore in comparison to the previous year allocation. The said allocation will have direct and significant benefits of infrastructure development. Several Central Government projects have restarted and some of them have been completed during 2018-19.

During the year Arunachal Pradesh has come on the air map of country and Meghalaya, Tripura and Mizoram have come on India's rail map for the first time. This will have a positive impact on the all round development of the North Eastern Region.

It is also proposed to introduce container cargo movement to the northeast by improving the navigation capacity of the Brahmaputra River. Long stucked projects like the Bogibeel rail-cum-road bridge in Assam and Arunachal Pradesh have been completed and opened to the public on 25th December, 2018. It is the longest rail-cum-road bridge in India and second longest in Asia measuring 4.94 kms. With the commissioning of the Pakyong airport in Sikkim, the number of operational airports in the country has crossed 100. Ro-Ro service between Neamati-Kamalbari in Assam became operational w.e.f. 11th October, 2018 and projects of construction of bridges across Diband and Lohit river systems including approach road between Chowkham-Diagaru and Bomjur-Meka in the State of Arunachal Pradesh inaugurated and opened to the public.

Inclusion of several northeastern cities such as Guwahati (Assam), Imphal (Manipur), Agartala (Tripura), Kohima (Nagaland), Aizwal (Mizoram), Pasighat and Itanagar (AP) in the 'SMART CITY' project offers huge scope of infrastructure development. Central Government has approved funds of about ₹15,000 crore to boost this development.

The budget allocation for some of the schemes being implemented in the northeastern region of the country.

Proposal of Government of Assam for establishment of an Industrial Corridor in the North Eastern Region from Dawki, Shillong via Guwahati to Nagaon and from Golaghat via Dimapur and Imphal to Moreh once materialized will help to further develop in the Region. The Ministry of Finance has requested Asian Development Bank for undertaking feasibility study. Total 10 projects under North East Special Infrastructure Development Scheme (NESIDS) have been sanctioned with projects cost of ₹473.11 crores.

The aforesaid developments and initiatives specially in infrastructure fonts present a promising future for cement industry in the North East Region. Over the past 7-8 years, NER cement demand has risen at 1.3-1.5 times and it seems likely to continue in future.

NEW PROJECT AT SILIGURI

In order to meet increase demand of cement and to expand business operation in Eastern India, the Company is establishing a new Grinding Unit with 2 million tonne capacity per annum at Siliguri, West Bengal. Construction works of the project is in full swing. Upon operational, the said project will help the Company to strengthen its market share in Eastern markets. The project is likely to be functional by Q4, 2019.

Market Development

As a strategy, the North East Market continued to be the focus market for your company. Cement demand was good throughout the year. Demand increased by 12% in NER against an all India average of 9%. The Company recorded growth of about 17% YOY in NER and overall by 12.5%.

During the year under review your company was able to sell 20,44,484 MT of cement in NER market as against 17,51,508 MT during the FY2017-18. During the year under review, around 12.5% of the total Cement demand in NER was catered to by the industry through imports from other regions including Bangladesh and Bhutan.

Clinker demand was good in Eastern Nepal and Bhutan. Your company grabbed this opportunity and has achieved export of 91,142 MT Cement Clinker during the entire year under review as against 1,38,508 MT recorded in previous year.

As a market leader in NER your company has further consolidated dealers and sub dealer's network. The Company has introduced a mobile application for dealers for payments, orders booking, printouts of invoices and ledgers. This initiative is helping dealers in timely submission of GST returns.

During the year under review your Company has undertaken various marketing initiatives in order to make the brand **"Star Cement"** more visible and attain top of mind recall. A unique Brand Campaign named "Bhaag North East Bhaag" was launched in North East. This was North East's first International Half Marathon & people in thousands from all walks of like participated in the event with the Honourable Chief Minister of Assam Mr. Sarbananda Sonowal and Bollywood Star Bipasha Basu flagging off the event on 1st April 2018 at Guwahati. The brand also tied up with Ms Hima Das, the first Indian athlete to win Gold at an International event. The tie up resulted in a TVC being made with Ms Hima Das where she factually claimed that her own house was being made with Star Cement which created a huge buzz around the brand "Star Cement" in market places. Other initiatives included retail & mass branding initiatives in the form of retail boards, cuboids, hoarding at shop, TV, Radio, Print & OOH ads. To make the brand more visible in remote areas, a block level branding campaign was undertaken through wall wraps, rural vans & rural theatres alongwith high impact Building Branding in select locations.

PRODUCTION AND COST DEVELOPMENTS

Fly Ash

Use of Fly ash in Cement Manufacturing has multiple benefits. Besides the environmental benefits, major cost benefits and capacity enhancement is possible through better use of fly ash. Your Company used fly ash and produced 21,46,900 MT of Portland Pozzolana Cement (PPC) (including from hired grinding units) on consolidated basis out of total production of 26,98,537 MT of cement during FY2018-19. Your Company ensured utilization of fly ash generated by power plant of its subsidiary M/s. Meghalaya Power Limited and such close access to fly ash provides competitive edge to your Company in term of cost. In addition, your Company has also made arrangements with major power plants like NTPC, Tata Power, DVC, WBPDCL and few others to ensure its long-term requirement of fly ash.

Power cost

During the year under review too, your Company continued to source its power requirement for its Lumshnong unit from its subsidiary

M/s. Meghalaya Power Limited under long term arrangement for supply of quality power at competitive rates and thus, has been able to reduce dependency on grid power. To optimize the power cost and to reduce dependency on State supplied grid power, your Company has been able to source its power requirement of its Grinding Unit at Guwahati and integrated cement plant at Lumshnong from Indian Energy Exchange (IEX), in addition to sourcing of power from State Grid. The blend of sourcing has not only reduced power cost for your Company but also its quality and dependability.

Logistics & Freight

Your Company achieved better service levels on order execution, through process optimization. While new warehouses were opened at strategic locations for better service levels, right sizing of warehouse network was done to keep the cost under control.

Private Railway Siding at Guwahati Factory was commissioned during the year. This Railway siding besides giving major cost benefits, will provide better efficiency in handling Railway Traffic.

Inland Waterway's transportation, which is a considered to be the most economical and environment friendly mode of transportation, was used by the Company for number of pilot movement for Cement and Fly Ash. Barges loaded with Fly Ash were transported from NTPC – Kahalgaon in Bihar to Guwahati, in close co-ordination with Inland Waterways Authority of India.

Freight cost came under pressure due to increase in Diesel prices. MORTH increased the safe axle load capacity of goods vehicles by 25% resulting in freight reduction. Wtd. Avg. Freight increased by 3% to ₹1168 against ₹1133 during previous year. Wtd. Avg. Lead reduced to 275 KM as against 283 KM during previous year.

KEY PERFORMANCE HIGHLIGHTS

- Consolidated cement production (including purchase from hired grinding units) was at 26.98 Lac MT during the year as against 24.07 Lac MT during the previous financial year.
- Consolidated net sales at ₹1,836.52 Crores during the year under review as compared to ₹1,633.49 Crores during the financial year 2017-18.
- Consolidated EBIDTA was at ₹454.63 Crores during the year under review as compared to ₹525.73 Crores during the immediate previous financial year.
- Consolidated profit before tax during the year 2018-19 was at ₹334.61 Crores as against a profit of ₹352.59 Crores in the year 2017-18.

OPPORTUNITIES & THREATS, RISKS AND CONCERNS

Your Company has been maintaining a very strong dealer network, which has helped the Company withstand intense market competition. Company's strong presence in North Eastern Region supported market position. Locational advantages helped to procure raw materials at affordable prices. Company's aggressive marketing strategies and strong branding network also contributed to establish its position as the market leader in the region.

However, dependent on domestic market and concentration on regional market for a longer period of time may adversely affect the long time productivity of the Company.

India is the second leading cement producer in the world. The country's cement production is expected to grow at a high speed. Which creates opportunities for the Company to tap the demand so created. Cement Industry of the country is going to be benefited with GST, logistics cost is also to be decreased by GST.

Government's various initiatives like Make in India, Housing for all, development of Ports, Roads and Highways, dedicated Freight Corridors, Gauge conversion Projects undertaken by Railways, development in the area of alternative source of energy viz. Hydro and Solar Power and other infrastructure projects is expected to boost Cement and Power Demand of the country. Various positive moves on the policy front, in areas related to ease of doing business, promoting start-ups, rationalising the tax structure, administration, and opening up more areas for foreign investment through the automatic route will also increase the demand of cement and power.

Competition in the cement industry is very high apart from the large players there are also small players in the market. Competition from the foreign players may lead to tougher competition to the domestic players. This allows limited market share in the industry. Cement and power industry being majorly dependent upon availability of raw materials at affordable cost. Policies of the Government as well as Central and State Laws may adversely affect the availability of lime stone, coal etc. Any major changes in Government's Environmental and Forest regulations may affect limestone and coal availability to cement plants. However, your Company is sourcing raw materials from alternate sources so that raw materials availability risks is mitigated. Company's vast dealer's network across the States also help to mitigate the risk.

Your Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of Directors of the Company is kept informed about the risk management of the Company. The Board of Directors have formed a Risk Management Committee inter alia, to oversee the risk assessing and mitigation process of the Company and advice the management in this regard.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2019 was ₹41,92,28,997/- divided into 41,92,28,997 equity shares of ₹1/- each. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

SHARES IN SUSPENSE ACCOUNT

Disclosures of the shares lying in Company's Unclaimed Shares Suspense Account are given in the Report of Corporate Governance.

TRANSFER OF UNCLAIMED DIVIDEND

The details relating to Unclaimed Dividend are given in the report of Corporate Governance.

EXTRACT OF ANNUAL RETURN

In terms of requirement of section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual return in form MGT-9 is annexed herewith and marked Annexure-1.

Further, in terms of Section 134(3)(a) of the Companies Act, 2013 the Annual Return of the Company has been placed on the Company's website and can be accessed at the web link: http://starcement.co.in/wp-content/uploads/Annual-Return-2017-18.pdf

MEETINGS OF THE BOARD

During the year Five (5) Board Meetings and five (5) Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board meeting and the Committee meeting are provided in the Corporate Governance Report.

MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, a meeting of Independent Directors was held on 15th March, 2019 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also inter alia assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

COMMITTEES OF THE BOARD

The composition and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee and Finance Committee have been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee and Nomination and Remuneration Committee.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and as per Listing Obligations and Disclosures Requirements Regulations, 2015 formulated by Securities and Exchange Board of India (SEBI). The Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy may be referred to at the Company's website at the web link: http://starcement.co.in/wp-content/uploads/Whistle-Blower-Policy.pdf

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and at other executive levels. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations. The details on the same are given in the Corporate Governance Report. The said policy may be referred to at the Company's website at the web link: http://starcement.co.in/wp-content/uploads/Remuneration-policy.pdf

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Listing Regulations, your Board has framed and adopted a Dividend Distribution Policy. The object of the policy is to sharing profit of the Company with the shareholders appropriately and also to ensure funds are available for the growth of the Company. The policy inter alia describes the circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy for utilization of retained earnings and the parameters with respect to different classes of shares for the purpose of declaration of dividend. The said policy may be referred to at the Company's website at the web link: http://starcement.co.in/wp-content/uploads/Dividend-policy.pdf

CODE OF CONDUCT

With intent to enhance integrity, ethics & transparency in governance of the Company your Company had adopted a Code of Conduct for Directors and Senior Management Personnel. The Code has been displayed on the Company's website www.starcement.co.in

COMPLIANCE WITH THE SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS

The Company has complied with the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India. The Company has also complied with all relevant Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 while preparing the financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and have 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 31st March, 2019 and of the profit of the Company for the year under review;

- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

AUDITORS & AUDITORS' REPORT

M/s. D. K. Chhajer & Co., Chartered Accountants (Firm Registration no. 304138E) Statutory Auditors of the Company, have been appointed by the members at the Sixteenth Annual General Meeting and shall hold office for a period of 5 years from the date of such meeting held on 11th September, 2017.

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

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. The Board of Directors re-appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as Cost Auditors of the Company for conducting the audit of cost records of the Company for the Financial Year 2018-19.

The Board of Directors of the Company on the recommendation of the Audit Committee, appointed Messrs Sanjib Das & Associates, Cost Accountants (Firm Registration Number 100751), as the Cost Auditors of the Company for the Financial Year 2019-20 under section 148 of the Companies Act, 2013. Messrs Sanjib Das & Associates have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3). The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Messrs Sanjib Das & Associates, Cost Auditors for the Financial year 2019-20 is included in the Notice convening the ensuing Annual General Meeting.

The cost audit report for the Financial Year 2017-18 was filed with the Ministry of Corporate Affairs on 26th September, 2018.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MKB & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith and marked Annexure-2. The report is self-explanatory and do not call for any further comments.

In terms of Regulation 24A of LODR, Star Cement Meghalaya Limited, a material subsidiary is under secretarial audit and report submitted by the secretarial auditors is annexed herewith and marked Annexure – 2A.

BUSINESS RESPONSIBILITY REPORT

As required under Regulation 34 of SEBI Listing Regulations 2015, the Business Responsibility Report of the Company for the financial year ended March 31, 2019 is attached as part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has not made any investment or provided guarantee or security in connection with a loan to any person exceeding the limit specified in Section 186 of the Companies Act, 2013.

Details of Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in notes to the financial statements and the loans received from the Directors of the Company are fully repaid during the Financial Year 2018-19.

RELATED PARTY TRANSACTIONS

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the material contract or arrangement entered into by the Company with related parties as referred to in Section 188 in form AOC-2 is attached as Annexure – 3 of this report. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

A policy on 'Related Party Transactions' has been devised by the Company which may be referred to at the Company's website at the web link http://starcement.co.in/wp-content/uploads/Related-Party-policy.pdf .

RESERVES

During the year under review no amount was transferred to reserves.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134 (3) (m) of the Act and rules framed there under is mentioned below:

(A) Steps taken toward Conservation of energy:

- Pre-heater down Comer Duct expansion joint replaced to reduce false air and Power/heat consumption.
- Preheater 5th Cyclone Dip Tube replaced to improve the cyclone efficiency.
- Continuous monitoring of false air to reduce specific power and specific fuel consumption.
- Total 506 Nos. of street lights including flood lights replaced with LED light fittings resultant saving of 2.79 lacs Kwh Per year.

(B) Steps taken toward Technical Absorption:

- National Counsel for cement and building material conducted diagnostic study for SOX-NOX. Their advice for controlling emission level is under implementation.
- Holtec conducted the feasible study for Waste heat Recovery Project.
- Anti-Coating Brick CR-60 used from 25 to 38 meters to reduce Coating formation in Burning and calcination Zone.
- The Company has developed a Research & Development cell for carrying out R&D Projects in the plant with specific objective of development of advanced systems for quality improvement. During the year under review, your Company incurred Capital expenditure of ₹12.49 Lacs (PY 6.38 Lacs) and Revenue Expenditure of ₹26.54 Lacs (PY 34.43 Lacs) in Research & Development.

(C) Foreign Exchange Earnings And Outgo

During the period under review, Foreign Exchange Earning was NIL (Previous Year – NIL) and the Foreign Exchange Outgo was ₹476.85 Lacs (Previous Year ₹914.60 Lacs).

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

As a responsible corporate citizen, Company's CSR initiatives have been playing a significant role in bringing steady transformation of the society with special focus on marginalized and underprivileged section. Business decisions of the Company have always linked to the ethical values of "do good for the community" and respect for people, communities and environment around the operational area and in nearby localities.

During the year under review your Company's generous contributions for the advancement of the rural society have brought about considerable positive changes in both its social and economic aspects. With focus on creating thriving conditions for the marginalised and underprivileged sections, the Company's CSR activities have transformed the standard of living, quality of life as well as the environment of the communities residing in the plant's functional and nearby areas. These goals have become achievable under the aegis of your Company and its affiliates. Under the CSR purview, your Company along with its subsidiaries had prioritized need of the community under the following verticals:

SUSTAINABLE LIVELIHOOD

Your company has taken up sustainable livelihood programs in village areas where employment opportunities barely exist. These programmes were initiated to enhance the source of secondary income of individual households in Meghalaya and Assam. The component broadly includes the following interventions for ensuring sustainable livelihood for farm families.

- Pig rearing project was initiated in Guwahati and Sonapur area. Beneficiary households were supported with free shifting of piglets and veterinary support to enable the farmers for earning substantial income.
- Support to Eri Silk farmers in Assam with supply of Motorised cum Pedal operated Eri Spinning machines.
- Support to Bee farmers by way of conducting workshops and construction of cemented stands.
- Star Usha Tailoring Schools, offering training on tailoring and embroidery to enhance skill of the rural unemployed youths, especially women to help them improve their household income. Sewing machines, Stitch Magic with Motor alongwith tailoring items were provided at the training centre. Honorarium paid to the Tailoring Instructors.
- Goat rearing project was initiated in Lumshong village and constructed shed for goat rearing.
- Fish Feed distribution and training programme organized in Sonapur, Assam to enable farmers for earning substantial income.

HEALTH & SANITATION

Your Company as a good corporate citizen provided basic health care services in and around plant location.

- The Company had also extended financial support for development of Paediatric Intensive Care Unit in Guwahati.
- Periodic Health camps were organised to diagnose health problems and patients were supported basic drugs for minor ailments needed for taking care of essential health needs of men, women and children. Company had taken up necessary measures to render eye care services in Assam and Meghalaya where free medicines, spectacles were distributed to the needy patients.
- The Company had donated Ambulance for benefit of the people located in Lumshnong
- The Company had distributed free napkins in the Lumshnong village and made them aware about the menstrual hygiene.

EDUCATION

Your Company had made necessary contribution in the area of education by extending the necessary support to the educational institutes in nearby plant areas of Assam and Meghalaya:

- Company had rendered necessary financial support for hiring teachers.
- Company had extended financial supports for expansion of the Assam Kaziranga University.
- Company has initiated for developing computer fitted bus for ensuring computer literacy among students and youths during journey.
- Company had taken up students support programme targeting to encourage students to attain their classes on regular basis. Under this programmes students were supported with distribution of exercise books etc.
- Company has responded to the request of school management committee and constructed additional class rooms and toilets in the schools of Sonapur areas of Assam.

RURAL DEVELOPMENT

In the year 2018-19, your company has contributed immensely in developing the rural infrastructure and enhancing the quality of life of people in the remote areas. Through various schemes like construction of internal roads, concrete road, footpaths, earth leveling, etc. the prime objectives of providing smooth mobility and access to livelihood opportunities to the villagers have been steadily achieved.

EMERGENCY RELIEF

Your Company has supported the flood affected people by providing foods, drinking water, medicines etc., in Assam, as a part of flood relief programme.

Annual Report on CSR as required to be annexed in terms of requirement of Section 135 of Companies Act, 2013 and rules framed thereunder is annexed herewith and marked Annexure- 4.

EVALUATION OF THE BOARD'S PERFORMANCE

In accordance with the requirements of the Companies Act 2013, the performance evaluation of the Board was carried out during the year under review. The Board follows a formal mechanism for the evaluation of the performance of the Board as well as Committee. The evaluation reflected the overall engagement of the Board and the Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Nomination and Remuneration Committee at its meeting established the criteria based on which the Board evaluate the performance of the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The Directors expressed their satisfaction over the evaluation process and results thereof.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The tenure of appointment of Mr. Mangilal Jain as Independent Director expired on 31st March, 2019 and pursuant to Regulation 17(1A) of SEBI Listing Regulations, 2018 as amended, no listed entity shall appoint a person or continue the directorship of any person as a non-executive Director who has attained the age of 75 years unless a special resolution is passed in this regard. Accordingly, the shareholders of the Company approved the re-appointment of Mr. Mangilal Jain as an Independent Director for a second term of 1 (one) consecutive year from 1st April, 2019 upto 31st March, 2020 by way of special resolution passed through postal ballot including e-voting concluded on 27th March, 2019.

Mr. Pramod Kumar Shah was appointed as an Independent Director of the Company by the shareholders of the Company upto 31st March, 2020. On the recommendation of the Nomination & Remuneration Committee and based on the performance evaluation, the Board of Directors re-appointed Mr. Pramod Kumar Shah as an Independent Director for a further period of 3 (three) consecutive years effective from 1st April, 2020 upto 31st March, 2023 subject to approval of the shareholders of the Company by way of Special Resolution at the ensuing Annual General Meeting. Requisite Notice under Section 160 of the Companies Act 2013 has been received from a member in respect of his re-appointment.

Mr. Pramod Kumar Shah has given his consent for re-appointment and has confirmed that he still retain his status as Independent Director and does not suffer from any disqualifications for re-appointment.

In accordance with the provisions of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Pankaj Kejriwal will retire by rotation and being eligible, offer himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the Listing Regulations. Mr. Mangilal Jain, Mr. Pramod Kumar Shah, Mr. Santanu Ray, Mrs. Ibaridor Katherine War and Mrs. Plistina Dkhar are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in section 149 of the Act and the Rules made thereunder and the Listing Regulations about their status as Independent Director of the Company.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In order to enable the Independent Directors to perform their duties optimally, the Board has devised a familiarization programme for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. They are periodically updated about the development which takes place in the Company. At the time of appointment of an

Independent Director, the Company issues a formal letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and commitments etc. The familiarization program is available on the Company's website under the web link: http://starcement.co.in/wp-content/uploads/Familiarization-Programme.pdf

SUBSIDIARIES AND ASSOCIATE COMPANY

M/s. Star Cement Meghalaya Limited, M/s. Megha Technical & Engineers Private Limited, M/s. Meghalaya Power Limited, M/s. NE Hills Hydro Limited and M/s. Star Century Global Cement Private Limited continue to remain subsidiaries of the Company.

Star Cement Meghalaya Limited is engaged in manufacturing of Cement Clinker and has a Clinkerization plant with an installed capacity of 1.75 MTPA. During the year under review, the Company manufactured 14,36,600 MT of clinker as against 15,41,945 MT in FY2017-18.

Megha Technical & Engineers Private Limited is engaged in the manufacture of cement. During the year under review, the Company produced 3,450 MT of Cement.

Meghalaya Power Limited is engaged in generation of Power. During the year under review the Company generated 1,701 Lac Kwh units of power.

NE Hills Hydro Ltd., wholly owned subsidiary of your Company is currently not operational.

Star Century Global Cement Private Limited a wholly-owned subsidiary in Myanmar is yet to commence its operations.

CHANGES IN NATURE OF BUSINESS, IF ANY

There has not been any change in the nature of business.

AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARIES

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement for the year ended March 31, 2019 for each of the Company's subsidiaries viz. Star Cement Meghalaya Limited (SCML), Megha Technical & Engineers Private Limited (MTEPL), Meghalaya Power Limited (MPL), NE Hills Hydro Limited (NHHL) and Star Century Global Cement Private Limited (SCGCPL) are annexed in the Form AOC – 1 and marked as Annexure-5.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have been prepared in accordance to requirements of Indian Accounting Standards, as prescribed by the Institute of Chartered Accountants of India and has been included as a part of this Annual Report.

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.

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 falling under ambit of Section 73 of the Companies Act, 2013.

CHANGES IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS

During the year under review, there have been no material orders passed by the Regulators/Courts impacting materially the going concern status or future operations of the Company.

There were no material changes and commitments affecting the financial position of the Company during the period under review.

CREDIT RATINGS

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. ICRA Limited, has reaffirmed the Company's short term rating to [ICRA] A1+ (pronounced ICRA A one plus) and upgraded the long term rating at [ICRA]AA- (pronounced as ICRA double A minus) from [ICRA]A+ (pronounced ICRA A plus).

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations, if any, along with corrective actions thereon are presented to the Audit Committee of the Board.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

DETAILS OF SIGNIFICANT CHANGES (I.E., CHANGES OF 25% OR MORE) IN KEY FINANCIAL RATIO AND CHANGE IN RETURN ON NETWORTH ALONGWITH DETAILED EXPLANATIONS

Key Financial ratios	F. Y. 2018-19	F.Y. 2017-18	% change	Explanation for Significant Changes
Debtors Turnover ratio	13.29	11.85	12.17	NA
Inventory Turnover ratio	10.69	10.53	1.56	NA
Interest Coverage ratio	14.43	6.25	131.03	All the loans have been repaid by the Company, therefore interest cost has been reduced drastically.
Current ratio	3.16	2.06	53.40	Company has received outstanding subsidies from the Government. Thus, the Current Assets has increased due to the parking of idle funds after payment of most of its Current Liabilities.
Debt Equity ratio	0.14	0.34	(57.09)	All the loans have been repaid by the Company during the year and therefore ratios has been decreased.
Operating Profit Margin (%)	15.44	18.02	(14.34)	NA
Net Profit Margin (%)	15.09	14.21	6.26	NA
Return on Net Worth	0.24	0.25	(3.17)	During the year the Company has no freight subsidy receivable from the Govt. as compared to the last year.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with a statement containing particulars of employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked Annexure- 6 and forms part of this report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act") and has constituted the Committee with internal and external members. We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under the Listing Obligations and Disclosures Requirements Regulations, 2015 formulated by Securities and Exchange Board of India (SEBI). 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.

CHIEF EXECUTIVE OFFICER (CEO) /CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the Listing Obligations and Disclosures Requirements Regulations, 2015 formulated by Securities and Exchange Board of India (SEBI), the CEO/CFO certification has been submitted to the Board and a copy thereof is contained in this Annual Report.

RISK MANAGEMENT

Risk management refers to the practice of identifying potential risks in advance, analyzing them and taking precautionary steps to reduce the risk. The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Human Resource (HR) supports and upholds Star Cement's overall goals/vision & mission by fostering a positive and engaging work environment. HR ensures that employees are engaged and motivated to help the Company succeed.

Alongwith the changing needs of our diverse community Our dedicated Human Capital, have transformed its practices from transactional to strategic from administration to business partnering, From Hiring to Developing & Retaining thus contributed in the making of Star Cement as one of the most sought after places to work in the cement sector in Eastern India.

Campus recruitment from some of the Best B Schools of Eastern India including IIM Shillong, IIM Ranchi and IIM Bodh Gaya also plays an integral role to help in differentiating the employer brand.

Human Resources streamlined processes and encouraged the use of technology by eliminating forms, automating manual processes, implementing online training and reducing Turnaround times. We at STAR, have always embraced the cultures in which we operate and considered diversity & inclusion as the most predominant agenda to be driven at workplace.

We have a strong belief that health and wellness of our employees contribute to the success of the organization and nation at large. There have been multifarious activities in regions and corporate offices to ensure they remain physically fit and emotionally agile.

It has been a constant endeavor of Human Resource Department of Star Cement to create a high performing organization. A structured and robust Performance Management System has helped in aligning the workforce, building competencies, improving employee performance and development, and driving better business results. It has also created a work environment that empowers employees to work to the best of their abilities. Over the years, people have grown and evolved with the organization and has been bestowed with the best of rewards, accolades, compensation and benefits, both fixed and variable.

Another area is the blue collared workforce management, especially the Local employees in our Plants, has witnessed transformational changes in their existing People Practices and gives a whole new dimension to employee life cycle management. Several interventions in the areas of Performance tracking & enhancement, Training, Performance Coaching for local employees and dedicated Counseling have led to a dynamic change in the culture of the organization and mindset of local employees, resulting in a marked improvement in the productivity and overall engagement levels.

During the year under review, there has not been any material changes in human resources and industrial relations.

AWARDS AND ACCOLADES

During the year under review your Company has won the 'CSR Leadership Award' in Manufacturing category organised by World CSR Congress and ET NOW for its exemplary contribution to the neighboring community of cement plant operational area through implementation of various CSR projects in the domain of health & sanitation, education, livelihood, rural development, environment and bio-diversity verticals. Your Company also received a 'Certificate of Appreciation' from the Office of the Deputy Commissioner, Kamrup, Assam for making adequate arrangement for serving food and water to the devotees during the Ambubachi Mahotsav, 2018".

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.

CAUTIONARY STATEMENT

Statements in this report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in Government policies and tax laws, economic development of the country and other factors which are material to the business operations of the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude to Banks, Central and State Governments and their departments and the local authorities, customers, vendors, business partners/associates 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 on behalf of the Board of Directors

Sajjan Bhajanka
Chairman
(DIN: 00246043)

Place: Kolkata
Date: 7th May, 2019

Annexure - 1

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2019

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L26942ML2001PLC006663
2	Registration Date	2nd November, 2001
3	Name of the Company	Star Cement Limited (Formerly Cement Manufacturing Company Limited)
4	Category/Sub-category of the Company	Company limited by Shares/ Non - Govt. Company
5	Address of the Registered office & contact details	Village: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 Phone No. : 03655 - 278215 Email: investors@starcement.co.in Website: www.starcement.co.in
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, 5th floor, Kolkata, West Bengal - 700001 Phone: 033-2248 2248; 033-22435029 Email: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company are stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Cement	23941	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Megha Technical & Engineers Private Limited Village: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210	U27107ML2002PTC006976	Subsidiary	100.00	2(87)
2	Star Cement Meghalaya Limited Village: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210	U63090ML2005PLC008011	Subsidiary	87.49	2(87)
3	Meghalaya Power Limited Village: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210	U40108ML2002PLC006921	Subsidiary	51.00	2(87)
4	NE Hills Hydro Limited Satyam Towers, 3 Alipore Road, Unit No. 9B, Kolkata - 700027	U40104WB2007PLC116195	Subsidiary	100.00	2(87)
5	Star Century Global Cement Pvt. Ltd., No. 24-27 Min Theidki Kyaw Swar Road, East Dagon Industrial Zone, Yangon, Myanmar	Foreign Company	Subsidiary	100.00	2(87)

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	23,65,02,615	-	23,65,02,615	56.41	23,27,15,310	-	23,27,15,310	55.51	(0.90)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	5,23,07,675	-	5,23,07,675	12.48	5,23,07,675	-	5,23,07,675	12.48	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub -total (A) (1)	**28,88,10,290**	**-**	**28,88,10,290**	**68.89**	**28,50,22,985**	**-**	**28,50,22,985**	**67.99**	**(0.90)**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub - total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of promoter (A) = (A) (1) + (A) (2)	**28,88,10,290**	**-**	**28,88,10,290**	**68.89**	**28,50,22,985**	**-**	**28,50,22,985**	**67.99**	**(0.90)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	3,01,78,759	-	3,01,78,759	7.20	3,64,80,223	-	3,64,80,223	8.70	1.50
b) Banks / FI	90,591	-	90,591	0.02	27,486	-	27,486	0.01	(0.02)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Alternate Investment Funds	1,45,567	-	1,45,567	0.03	-	-	-	-	(0.03)
Foreign Portfolio Investors	80,91,237	-	80,91,237	1.93	51,45,879	-	51,45,879	1.23	(0.70)
Sub-total (B)(1)	3,85,06,154	-	3,85,06,154	9.18	4,16,53,588	-	4,16,53,588	9.94	0.75
2. Non-Institutions									
a) Bodies Corporate				-				-	-
i) Indian	1,76,78,266	21,945	1,77,00,211	4.22	1,49,87,977	19,950	1,50,07,927	3.58	(0.64)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	1,28,38,718	10,08,756	1,38,47,474	3.30	1,14,90,450	7,31,848	1,22,22,298	2.92	(0.39)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	5,88,39,133	-	5,88,39,133	14.04	6,00,38,534	-	6,00,38,534	14.32	0.29
c) Others (specify)									
Non Resident Indians	5,26,814	-	5,26,814	0.13	5,80,661	-	5,80,661	0.14	0.01
Foreign Nationals	400	-	400	0.00	400	-	400	0.00	-
Clearing Members	7,40,267	-	7,40,267	0.18	33,25,515	-	33,25,515	0.79	0.62
Trusts	2,38,673	-	2,38,673	0.06	12,37,162	-	12,37,162	0.30	0.24
NBFCs registered with RBI	19,581	-	19,581	0.00	7,500	-	7,500	0.00	(0.00)
Domestic Corporate Unclaimed Account	-	-	-	-	-	1,32,427	1,32,427	0.03	0.03
Sub-total (B)(2)	**9,08,81,852**	**10,30,701**	**9,19,12,553**	**21.92**	**9,16,68,199**	**8,84,225**	**9,25,52,424**	**22.08**	**0.15**
Total Public shareholding (B) =(B) (1) + (B) (2)	**12,93,88,006**	**10,30,701**	**13,04,18,707**	**31.11**	**13,33,21,787**	**8,84,225**	**13,42,06,012**	**32.01**	**0.90**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**41,81,98,296**	**10,30,701**	**41,92,28,997**	**100.00**	**41,83,44,772**	**8,84,225**	**41,92,28,997**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01-April-2018]			Shareholding at the end of the year [As on 31-March-2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sajjan Bhajanka	4,69,08,547	11.19	-	4,73,16,047	11.29	-	0.10
2	Prem Kumar Bhajanka	3,78,15,053	9.02	-	3,82,22,553	9.12	-	0.10
3	Rajendra Chamaria	2,17,87,055	5.20	-	2,02,52,555	4.83	-	(0.37)
4	Divya Agarwal	1,92,70,037	4.60	-	1,92,70,037	4.60	-	0.00
5	Santosh Bhajanka	1,83,69,835	4.38	-	1,83,69,835	4.38	-	0.00
6	Sanjay Agarwal	1,68,80,135	4.03	-	1,72,87,635	4.12	-	0.09
7	Sriram Vanijya Pvt. Ltd.	1,13,07,899	2.70	-	1,13,07,899	2.70	-	0.00
8	Sachin Chamaria	1,07,25,000	2.56	-	1,00,50,000	2.40	-	(0.16)
9	Brijdham Merchants Pvt. Ltd.	1,02,99,506	2.46	-	1,02,99,506	2.46	-	0.00
10	Sumangal International Pvt. Ltd.	1,01,96,844	2.43	-	1,01,96,844	2.43	-	0.00
11	Sumangal Business Pvt. Ltd.	90,85,549	2.17	-	90,85,549	2.17	-	0.00
12	Sriram Merchants Pvt. Ltd.	89,64,027	2.14	-	89,64,027	2.14	-	0.00
13	Rahul Chamaria	79,25,000	1.89	-	69,25,000	1.65	-	(0.24)
14	Kamakhya Chamaria *	53,49,750	1.28	-	53,29,750	1.27	-	(0.01)
15	Yash Bhajanka	44,48,561	1.06	-	44,48,561	1.06	-	0.00
16	Laxmi Chamaria	42,80,000	1.02	-	42,50,691	1.01	-	(0.01)
17	Prahlad Rai Chamaria (HUF)	42,50,000	1.01	-	42,50,000	1.01	-	0.00
18	Renu Chamaria	40,89,894	0.98	-	38,14,894	0.91	-	(0.07)
19	Kamakhya Chamaria (HUF)	33,00,000	0.79	-	33,00,000	0.79	-	0.00
20	Hari Prasad Agarwal	32,39,560	0.77	-	32,39,560	0.77	-	0.00
21	Rajendra Chamaria (HUF)	32,00,000	0.76	-	32,00,000	0.76	-	0.00
22	Amritansh Chamaria	32,00,000	0.76	-	32,00,000	0.76	0.10	0.00
23	Kailash Prasad Chamaria	30,72,250	0.73	-	30,72,250	0.73	-	0.00
24	Kailash Prasad Chamaria (HUF)	29,00,000	0.69	-	29,00,000	0.69	-	0.00
25	Gayatri Chamaria	25,70,000	0.61	-	25,70,000	0.61	-	0.00
26	Auroville Investments Pvt. Ltd.	24,53,850	0.59	-	24,53,850	0.59	-	0.00
27	Bhawna Agarwal	23,56,347	0.56	-	23,56,347	0.56	-	0.00
28	Hari Prasad Agarwal	17,36,216	0.41	-	17,36,216	0.41	-	0.00
29	Amit Agarwal	13,75,000	0.33	-	-	0.00	-	(0.33)
30	Sonu Kajaria	13,69,913	0.33	-	13,69,913	0.33	-	0.00
31	Sumitra Devi Agarwal	13,42,412	0.32	-	13,42,412	0.32	-	0.00
32	Payal Agrawal	13,30,000	0.32	-	13,30,000	0.32	-	0.00
33	Shraddha Agarwal	10,79,720	0.26	-	10,79,720	0.26	-	0.00
34	Vinay Chamaria	4,25,000	0.10	-	3,24,604	0.08	-	(0.02)
35	Prahlad Rai Chamaria (HUF)	4,00,000	0.10	-	4,00,000	0.10	-	0.00
36	Rajesh Kumar Agarwal	3,91,149	0.09	-	3,91,149	0.09	-	0.00
37	Prahlad Rai Chamaria	3,18,085	0.08	-	3,17,485	0.08	-	0.00
38	Ratna Chamaira	2,39,606	0.06	-	2,39,606	0.06	-	0.00
39	Rishi Raj Shah	2,25,000	0.05	-	-	0.00	-	(0.05)
40	Jagdish Prasad Shah	-	0.00	-	2,25,000	0.05	-	0.05
41	Nancy Choudhary	1,70,000	0.04	-	1,70,000	0.04	-	0.00
42	Keshav Bhajanka	1,63,490	0.04	-	1,63,490	0.04	-	0.00
43	Pushpa Agarwala	-	0.00	-	-	0.00	-	0.00
	Total	**28,88,10,290**	**68.89**	**-**	**28,50,22,985**	**67.99**	**0.10**	**(0.90)**

* Additionally 30,000 shares has been transferred from the Demat Account to the Pool Account maintained by Shri Parasram Holdings Private Limited on March 29, 2019.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Sajjan Bhajanka						
	At the beginning of the year	01.04.2018		4,69,08,547	11.19		
	Changes during the year	16.02.2019	Transfer	4,07,500	0.10	4,73,16,047	11.29
	At the end of the year	31.03.2019		4,73,16,047	11.29	4,73,16,047	11.29
2	Mr. Sanjay Agarwal						
	At the beginning of the year	01.04.2018		1,68,80,135	4.03		
	Changes during the year	16.02.2019	Transfer	4,07,500	0.10	1,72,87,635	4.12
	At the end of the year	31.03.2019		1,72,87,635	4.12	1,72,87,635	4.12
3	Mr. Rajendra Chamaria						
	At the beginning of the year	01.04.2018		2,17,87,055	5.20		
	Changes during the year	18.02.2019	Transfer	(12,00,000)	(0.29)	2,05,87,055	4.91
		08.03.2019	Transfer	(3,34,500)	(0.08)	2,02,52,555	4.83
	At the end of the year	31.03.2019		2,02,52,555	4.83	2,02,52,555	4.83
4	Rajendra Chamaria (HUF)						
	At the beginning of the year	01.04.2018		32,00,000	0.76		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		32,00,000	0.76	32,00,000	0.76
5	Prahlad Rai Chamaria (G.S. Chamaria & Sons HUF)						
	At the beginning of the year	01.04.2018		4,00,000	0.10		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		4,00,000	0.10	4,00,000	0.10
6	Prahlad Rai Chamaria (Prahlad Rai Vinay Kumar HUF)						
	At the beginning of the year	01.04.2018		42,50,000	1.01		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		42,50,000	1.01	42,50,000	1.01
7	Mr. Prahlad Rai Chamaria						
	At the beginning of the year	01.04.2018		3,18,085	0.08		
	Changes during the year	07.09.2018	Transfer	(600)	(0.00)	3,17,485	0.08
	At the end of the year	31.03.2019		3,17,485	0.08	3,17,485	0.08
8	Ms. Ratna Chamaria						
	At the beginning of the year	01.04.2018		2,39,606	0.06		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		2,39,606	0.06	2,39,606	0.06
9	Ms. Renu Chamaria						
	At the beginning of the year	01.04.2018		40,89,894	0.98		
	Changes during the year	08.03.2019	Transfer	(2,75,000)	(0.07)	38,14,894	0.91
	At the end of the year	31.03.2019		38,14,894	0.91	38,14,894	0.91
10	Ms. Kamakhya Chamaria*						
	At the beginning of the year	01.04.2018		53,49,750	1.28		
	Changes during the year	30.03.2019	Transfer	(20,000)	(0.01)	53,29,750	1.27
	At the end of the year	31.03.2019		53,29,750	1.27	53,29,750	1.27
11	Kamakhya Chamaria (HUF)						
	At the beginning of the year	01.04.2018		33,00,000	0.79		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		33,00,000	0.79	33,00,000	0.79
12	Mr. Kailash Prasad Chamaria						
	At the beginning of the year	01.04.2018		30,72,250	0.73		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		30,72,250	0.73	30,72,250	0.73
13	Kailash Prasad Chamaria (HUF)						
	At the beginning of the year	01.04.2018		29,00,000	0.69		

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		29,00,000	0.69	29,00,000	0.69
14	Mr. Vinay Chamaria						
	At the beginning of the year	01.04.2018		4,25,000	0.10		
	Changes during the year	20.09.2018	Transfer	(10,100)	0.00	4,14,900	0.10
		28.09.2018	Transfer	(24,360)	(0.01)	3,90,540	0.09
		05.10.2019	Transfer	(6,000)	0.00	3,84,540	0.09
		08.10.2018	Transfer	(15,361)	0.00	3,69,179	0.09
		16.10.2018	Transfer	(12,349)	0.00	3,56,830	0.09
		20.10.2018	Transfer	(12,928)	(0.01)	3,43,902	0.08
		07.12.2018	Transfer	(11,158)	0.00	3,32,744	0.08
		14.12.2018	Transfer	(7,069)	0.00	3,25,675	0.08
		11.01.2019	Transfer	(1,071)	0.00	3,24,604	0.08
	At the end of the year	31.03.2019		3,24,604	0.08	3,24,604	0.08
15	Ms. Laxmi Chamaria						
	At the beginning of the year	01.04.2018		42,80,000	1.02		
	Changes during the year	11.03.2019	Transfer	(12,405)	0.00	42,67,595	1.02
		18.03.2019	Transfer	(12,100)	(0.01)	42,55,495	1.01
		22.03.2019	Transfer	(4,804)	0.00	42,50,691	1.01
	At the end of the year	31.03.2019		42,50,691	1.01	42,50,691	1.01
16	Ms. Gayatri Chamaria						
	At the beginning of the year	01.04.2018		25,70,000	0.61		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		25,70,000	0.61	25,70,000	0.61
17	Mr. Sachin Chamaria						
	At the beginning of the year	01.04.2018		1,07,25,000	2.56		
	Changes during the year	08.03.2019	Transfer	(2,75,000)	(0.07)	1,04,50,000	2.49
		30.03.2019	Transfer	(4,00,000)	(0.10)	1,00,50,000	2.40
	At the end of the year	31.03.2019		1,00,50,000	2.40	1,00,50,000	2.40
18	Mr. Rahul Chamaria						
	At the beginning of the year	01.04.2018		79,25,000	1.89		
	Changes during the year	08.03.2019	Transfer	(2,75,000)	(0.07)	76,50,000	1.82
		30.03.2019	Transfer	(7,25,000)	(0.17)	69,25,000	1.65
	At the end of the year	31.03.2019		69,25,000	1.65	69,25,000	1.65
19	Mr. Amritansh Chamaria						
	At the beginning of the year	01.04.2018		32,00,000	0.76		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		32,00,000	0.76	32,00,000	0.76
20	Mr. Amit Agarwal						
	At the beginning of the year	01.04.2018		13,75,000	0.33		
	Changes during the year	06.08.2018	Transfer	(3,75,000)	(0.09)	10,00,000	0.24
		30.03.2019	Transfer	(10,00,000)	(0.24)	-	-
	At the end of the year	31.03.2019		-	-	-	-
21	Mr. Rishi Raj Shah						
	At the beginning of the year	01.04.2018		2,25,000	0.05		
	Changes during the year	03.08.2018	Transfer	(2,25,000)	(0.05)	-	-
	At the end of the year	31.03.2019		-	-	-	-
22	Mr. Hari Prasad Agarwal						
	At the beginning of the year	01.04.2018		32,39,560	0.77		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		32,39,560	0.77	32,39,560	0.77
23	Mr. Hari Prasad Agarwal (HUF)						
	At the beginning of the year	01.04.2018		17,36,216	0.41		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		17,36,216	0.41	17,36,216	0.41

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
24	Brijdham Merchants Pvt. Ltd.						
	At the beginning of the year	01.04.2018		1,02,99,506	2.46		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,02,99,506	2.46	1,02,99,506	2.46
25	Auroville Investments Pvt. Ltd.						
	At the beginning of the year	01.04.2018		24,53,850	0.59		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		24,53,850	0.59	24,53,850	0.59
26	Sumangal International Pvt. Ltd.						
	At the beginning of the year	01.04.2018		1,01,96,844	2.43		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,01,96,844	2.43	1,01,96,844	2.43
27	Sumangal Business Pvt. Ltd.						
	At the beginning of the year	01.04.2018		90,85,549	2.17		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		90,85,549	2.17	90,85,549	2.17
28	Sriram Vanijya Pvt. Ltd.						
	At the beginning of the year	01.04.2018		1,13,07,899	2.70		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,13,07,899	2.70	1,13,07,899	2.70
29	Sriram Merchants Pvt. Ltd.						
	At the beginning of the year	01.04.2018		89,64,027	2.14		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		89,64,027	2.14	89,64,027	2.14
30	Mrs. Santosh Bhajanka						
	At the beginning of the year	01.04.2018		1,83,69,835	4.38		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,83,69,835	4.38	1,83,69,835	4.38
31	Mr. Prem Kumar Bhajanka						
	At the beginning of the year	01.04.2018		3,78,15,053	9.02		
	Changes during the year	16.02.2019	Transfer	4,07,500	0.10	3,82,22,553	9.12
	At the end of the year	31.03.2019		3,82,22,553	9.12	3,82,22,553	9.12
32	Mrs. Bhawna Agarwal						
	At the beginning of the year	01.04.2018		23,56,347	0.56		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		23,56,347	0.56	23,56,347	0.56
33	Mr. Rajesh Kumar Agarwal						
	At the beginning of the year	01.04.2018		3,91,149	0.09		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		3,91,149	0.09	3,91,149	0.09
34	Mrs. Sumitra Devi Agarwal						
	At the beginning of the year	01.04.2018		13,42,412	0.32		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		13,42,412	0.32	13,42,412	0.32
35	Mrs. Payal Agrawal						
	At the beginning of the year	01.04.2018		13,30,000	0.32		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		13,30,000	0.32	13,30,000	0.32
36	Mrs. Sonu Kajaria						
	At the beginning of the year	01.04.2018		13,69,913	0.33		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		13,69,913	0.33	13,69,913	0.33
37	Mrs. Divya Agarwal						
	At the beginning of the year	01.04.2018		1,92,70,037	4.60		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,92,70,037	4.60	1,92,70,037	4.60

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
38	Mrs. Yash Bhajanka						
	At the beginning of the year	01.04.2018		44,48,561	1.06		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		44,48,561	1.06	44,48,561	1.06
39	Mrs. Shraddha Agarwal						
	At the beginning of the year	01.04.2018		10,79,720	0.26		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		10,79,720	0.26	10,79,720	0.26
40	Mrs. Pushpa Agarwala						
	At the beginning of the year	01.04.2018		-	-		
	Changes during the year	06.08.2018	Transfer	3,75,000	0.09	3,75,000	0.09
		30.03.2019	Transfer	(3,75,000)	(0.09)	-	-
	At the end of the year	31.03.2019		-	-	-	-
41	Mr. Jagdish Prasad Shah						
	At the beginning of the year	01.04.2018		-	-		
	Changes during the year	03.08.2018	Transfer	2,25,000	0.05	2,25,000	0.05
	At the end of the year	31.03.2019		2,25,000	0.05	2,25,000	0.05
42	Mrs. Nancy Choudhary						
	At the beginning of the year	01.04.2018		1,70,000	0.04		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,70,000	0.04	1,70,000	0.04
43	Mr. Keshav Bhajanka						
	At the beginning of the year	01.04.2018		1,63,490	0.04		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,63,490	0.04	1,63,490	0.04

* Additionally 30,000 shares has been transferred from the Demat Account to the Pool Account maintained by Shri Parasram Holdings Private Limited on March 29, 2019

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	NARANTAK DEALCOMM LIMITED						
	At the beginning of the year	01.04.2018		36,54,148	0.87		
	Changes during the year	05.10.2018	Transfer	7,000	0.00	36,61,148	0.87
	At the end of the year	31.03.2019		36,61,148	0.87	36,61,148	0.87
2	DSP BLACK ROCK SMALL CAP FUND*						
	At the beginning of the year	01.04.2018		33,42,807	0.80		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		33,42,807	0.80	33,42,807	0.80
3	HSBC GLOBAL INVESTMENT FUNDS - ASIA EX JAPAN EQUITY SMALLER COMPANIES#						
	At the beginning of the year	01.04.2018		44,78,883	1.07		
	Changes during the year	21.09.2018	Transfer	(14,15,294)	(0.34)	30,63,589	0.73
		28.09.2018	Transfer	(10,56,539)	(0.25)	20,07,050	0.48
		18.01.2019	Transfer	(36,747)	(0.01)	19,70,303	0.47
	At the end of the year	31.03.2019		19,70,303	0.47	19,70,303	0.47
4	SUBHAM CAPITAL PRIVATE LIMITED*						
	At the beginning of the year	01.04.2018		30,65,029	0.73		
	Changes during the year	08.02.2019	Transfer	12,09,560	0.29	42,74,589	1.02
		08.03.2019	Transfer	7,36,338	0.18	50,10,927	1.20
	At the end of the year	31.03.2019		50,10,927	1.20	50,10,927	1.20
5	MAHABIR PRASAD AGARWAL						
	At the beginning of the year	01.04.2018		41,55,828	0.99		
	Changes during the year	13.04.2018	Transfer	(500)	(0.00)	41,55,328	0.99
		27.07.2018	Transfer	3,065	0.00	41,58,393	0.99
	At the end of the year	31.03.2019		41,58,393	0.99	41,58,393	0.99

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
6	BRIJ BHUSHAN AGARWAL						
	At the beginning of the year	01.04.2018		1,10,92,886	2.65		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		1,10,92,886	2.65	1,10,92,886	2.65
7	SUNDARAM MUTUAL FUND A/C SUNDARAM INFRASTRUCTURE ADVANTAGE FUND						
	At the beginning of the year	01.04.2018		86,34,826	2.06		
	Changes during the year	02.11.2018	Transfer	(42,826)	(0.01)	85,92,000	2.05
		09.11.2018	Transfer	(63,440)	(0.02)	85,28,560	2.03
		16.11.2018	Transfer	(89,634)	(0.02)	84,38,926	2.01
		23.11.2018	Transfer	(1,36,878)	(0.03)	83,02,048	1.98
	At the end of the year	31.03.2019		83,02,048	1.98	83,02,048	1.98
8	SBI EQUITY HYBRID FUND						
	At the beginning of the year	01.04.2018		1,78,74,226	4.26		
	Changes during the year	25.05.2018	Transfer	97,677	0.02	1,79,71,903	4.29
		01.06.2018	Transfer	47,856	0.01	1,80,19,759	4.30
		08.06.2018	Transfer	(76,564)	(0.02)	1,79,43,195	4.28
		15.06.2018	Transfer	3,80,120	0.09	1,83,23,315	4.37
		20.07.2018	Transfer	(1,095)	(0.00)	1,83,22,220	4.37
		27.07.2018	Transfer	(1,38,486)	(0.03)	1,81,83,734	4.34
		03.08.2018	Transfer	(20,767)	(0.00)	1,81,62,967	4.34
		10.08.2018	Transfer	(22,919)	(0.01)	1,81,40,048	4.33
		17.08.2018	Transfer	(1,681)	(0.00)	1,81,38,367	4.33
		07.09.2018	Transfer	(3,29,569)	(0.08)	1,78,08,798	4.25
		14.09.2018	Transfer	4,32,816	0.10	1,82,41,614	4.35
		21.09.2018	Transfer	16,92,605	0.40	1,99,34,219	4.75
		28.09.2018	Transfer	28,77,901	0.69	2,28,12,120	5.44
		05.10.2018	Transfer	10,89,489	0.26	2,39,01,609	5.70
		12.10.2018	Transfer	78,229	0.02	2,39,79,838	5.72
		23.11.2018	Transfer	1,22,282	0.03	2,41,02,120	5.75
		07.12.2018	Transfer	1,11,762	0.03	2,42,13,882	5.78
		14.12.2018	Transfer	20,869	0.00	2,42,34,751	5.78
		01.02.2019	Transfer	(1,45,483)	(0.03)	2,40,89,268	5.75
		08.02.2019	Transfer	1,45,483	0.03	2,42,34,751	5.78
	At the end of the year	31.03.2019		2,42,34,751	5.78	2,42,34,751	5.78
9	SUMITRA DEVI AGARWAL						
	At the beginning of the year	01.04.2018		38,68,491	0.92		
	Changes during the year	06.07.2018	Transfer	1,451	0.00	38,69,942	0.92
		20.07.2018	Transfer	6,697	0.00	38,76,639	0.92
		28.09.2018	Transfer	14,145	0.00	38,90,784	0.93
		05.10.2018	Transfer	22,402	0.01	39,13,186	0.94
		12.10.2018	Transfer	8,500	0.00	39,21,686	0.94
		18.01.2019	Transfer	8,203	0.00	39,29,889	0.94
		25.01.2019	Transfer	5,669	0.00	39,35,558	0.94
		08.02.2019	Transfer	13,000	0.00	39,48,558	0.94
		15.02.2019	Transfer	3,224	0.00	39,51,782	0.94
	At the end of the year	31.03.2019		39,51,782	0.94	39,51,782	0.94
10	MITTU AGARWAL						
	At the beginning of the year	01.04.2018		78,03,651	1.86		
	Changes during the year	03.08.2018	Transfer	1,334	0.00	78,04,985	1.86
		31.08.2018	Transfer	7,884	0.00	78,12,869	1.86
		07.09.2018	Transfer	5,282	0.00	78,18,151	1.86
		14.09.2018	Transfer	(5,281)	(0.00)	78,12,870	1.86
	At the end of the year	31.03.2019		78,12,870	1.86	78,12,870	1.86
11	SHEETIJ AGARWAL						
	At the beginning of the year	01.04.2018		92,50,944	2.21		
	Changes during the year	13.04.2018	Transfer	(11,000)	(0.01)	92,39,944	2.20
		20.04.2018	Transfer	(15,000)	(0.00)	92,24,944	2.20
		08.06.2018	Transfer	5,000	0.00	92,29,944	2.20

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
		15.06.2018	Transfer	(6,000)	(0.00)	92,23,944	2.20
		22.06.2018	Transfer	2,200	0.00	92,26,144	2.20
		29.06.2018	Transfer	883	0.00	92,27,027	2.20
		05.10.2018	Transfer	(22,499)	(0.01)	92,04,528	2.19
	At the end of the year	31.03.2019		92,04,528	2.19	92,04,528	2.19
12	SUBHAM AGARWAL						
	At the beginning of the year	01.04.2018		1,44,17,883	3.44		
	Changes during the year	29.06.2018	Transfer	14,000	0.00	1,44,31,883	3.44
		05.10.2018	Transfer	(69,102)	(0.02)	1,43,62,781	3.43
		15.02.2019	Transfer	1,970	0.00	1,43,64,751	3.43
		22.02.2019	Transfer	25,431	0.01	1,43,90,182	3.43
		01.03.2019	Transfer	31,190	0.01	1,44,21,372	3.44
		08.03.2019	Transfer	11,31,955	0.27	1,55,53,327	3.71
	At the end of the year	31.03.2019		1,55,53,327	3.71	1,55,53,327	3.71

Note:

* Not in the list of Top 10 shareholders as on 01.04.2018, the same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019.

Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2018.

1. The above information is based on the weekly beneficiary position received from Depositories.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Sajjan Bhajanka, Managing Director						
	At the beginning of the year	01.04.2018		4,69,08,547	11.19		
	Changes during the year	16.02.2019	Transfer	4,07,500	0.10	4,73,16,047	11.29
	At the end of the year	31.03.2019		4,73,16,047	11.29	4,73,16,047	11.29
2	Mr. Sanjay Agarwal, Managing Director						
	At the beginning of the year	01.04.2018		1,68,80,135	4.03		
	Changes during the year	16.02.2019	Transfer	4,07,500	0.10	1,72,87,635	4.12
	At the end of the year	31.03.2019		1,72,87,635	4.12	1,72,87,635	4.12
3	Mr. Rajendra Chamaria, Managing Director						
	At the beginning of the year	01.04.2018		2,17,87,055	5.20		
	Changes during the year	18.02.2019	Transfer	(12,00,000)	(0.29)	2,05,87,055	4.91
		08.03.2019	Transfer	(3,34,500)	(0.08)	2,02,52,555	4.83
	At the end of the year	31.03.2019		2,02,52,555	4.83	2,02,52,555	4.83
4	Mr. Prem Kumar Bhajanka, Non-Executive Director						
	At the beginning of the year	01.04.2018		3,78,15,053	9.02		
	Changes during the year	16.02.2019	Transfer	4,07,500	0.10	3,82,22,553	9.12
	At the end of the year	31.03.2019		3,82,22,553	9.12	3,82,22,553	9.12
5	Mr. Pankaj Kejriwal, Non-Executive Director						
	At the beginning of the year	01.04.2018		4,522	0.00		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		4,522	0.00	4,522	0.00
6	Mr. Mangilal Jain, Independent Director						
	At the beginning of the year	01.04.2018		4,655	0.00		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		4,655	0.00	4,655	0.00
7	Mrs. Plistina Dkhar, Independent Director						
	At the beginning of the year	01.04.2018		997	0.00		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		997	0.00	997	0.00

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
8	Mr. Santanu Ray, Independent Director						
	At the beginning of the year	01.04.2018		-	-		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		-	-	-	-
9	Mrs. Ibaridor Katherine War, Independent Director						
	At the beginning of the year	01.04.2018		-	-		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		-	-	-	-
10	Mr. Pramod Kumar Shah, Independent Director						
	At the beginning of the year	01.04.2018		-	-		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		-	-	-	-
11	Mr. Sanjay Kumar Gupta, Chief Executive Officer						
	At the beginning of the year	01.04.2018		47,879	0.01		
	Changes during the year	18.08.2018	Transfer	(10,234)	(0.00)	37,645	0.01
		22.08.2018	Transfer	(5,795)	(0.00)	31,850	0.01
		19.09.2018	Transfer	(9,565)	(0.00)	22,285	0.01
		29.09.2019	Transfer	(13,063)	(0.00)	9,222	0.01
		09.10.2018	Transfer	(5,000)	(0.00)	4,222	0.01
	At the end of the year	31.03.2019		4,222	0.01	4,222	0.01
12	Mr. Manoj Agarwal, Chief Financial Officer						
	At the beginning of the year	01.04.2018		4,237	0.00		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		4,237	0.00	4,237	0.00
13	Mr. Debabrata Thakurta, Company Secretary						
	At the beginning of the year	01.04.2018		-	-		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2019		-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amt. ₹/Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits**	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,158.30	21,843.00	-	42,001.30
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	784.36	-	784.36
Total (i+ii+iii)	20,158.30	22,627.36	-	42,785.66
Change in Indebtedness during the financial year				
* Addition	13.60	5,471.10	-	5,484.70
* Reduction	(19,568.49)	(12,986.01)	-	(32,554.50)
Net Change	(19,554.89)	(7,514.91)	-	(27,069.80)
Indebtedness at the end of the financial year				
i) Principal Amount	603.41	14,836.00	-	15,439.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	276.45	-	276.45
Total (i+ii+iii)	603.41	15,112.45	-	15,715.86

** Trade Deposits have not been included

* Loss on account of Exchange Fluctuation in respect of Loans in Foreign Currency has been included in addition in indebtedness. Similarly, gain on account of Exchange Fluctuation has been included in Reduction in indebtedness.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (₹/Lac)
	Name	Sajjan Bhajanka	Sanjay Agarwal	Rajendra Chamaria	
	Designation	MD	MD	MD	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	198.00	198.00	237.00	633.00
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	198.00	198.00	237.00	633.00
	Ceiling as per the Act	10% of the Net profit i.e. ₹2801.73 Lacs			

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹/Lac)
		Mangilal Jain	Santanu Ray	Plistina Dkhar	Ibaridor Katherine War	Pramod Kumar Shah	
1	Independent Directors						
	Fee for attending board/ committee meetings	1.93	0.90	0.15	0.15	1.30	4.43
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	1.93	0.90	0.15	0.15	1.30	4.43
2	Other Non-Executive Directors						
	Fee for attending board/ committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, remuneration paid in professional capacity	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	1.93	0.90	0.15	0.15	1.30	4.43
	Total Managerial Remuneration						637.43
	Overall Ceiling as per the Act	11% of the Net Profit i.e. ₹3081.90 Lacs					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹/Lac)
	Name	Sanjay Kumar Gupta	Manoj Agarwal	Debabrata Thakurta	
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	137.09	64.77	23.05	224.91
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	137.09	64.77	23.05	224.91

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)

There were no penalties/Punishments/Compounding of offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other Officer in default during the year.

Annexure - 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
STAR CEMENT LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STAR CEMENT LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder [Not applicable to the Company during the audit period];

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder [Not applicable to the Company during the audit period];

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investments, Foreign Direct Investments and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

   b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

   e) The Securities & Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

   f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

   h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018

   i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

vi) Other than fiscal, labour and environmental laws, which are generally applicable to all companies, the following laws/acts are specifically applicable to the Company:

   a) The Petroleum Act, 1934;

   b) The Explosives Rules, 2008;

   c) The Mines & Minerals (Development and Regulation) Act, 1957;

   d) The Meghalaya Clincker Cess Act, 2015;

   e) The Meghalaya Cement Cess Rules, 2011;

   f) The Legal Metrology Act, 2009

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

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

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under audit, the Company has passed resolution for entering into material related party transactions with Star Cement Meghalaya Limited.

This report is to be read with our letter of even date which is annexed as **Annexure-I** which forms an integral part of this report.

For MKB & Associates
Company Secretaries

Raj Kumar Banthia
[Partner]
ACS no. 17190
COP no. 18428
FRN: P2010WB042700

Date: 6th May, 2019
Place: Kolkata

Annexure- I

To
The Members,
STAR CEMENT LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries

Raj Kumar Banthia
[Partner]
ACS no. 17190
COP no. 18428
FRN: P2010WB042700

Date: 6th May, 2019
Place: Kolkata

Annexure - 2A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
STAR CEMENT MEGHALAYA LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STAR CEMENT MEGHALAYA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder [Not applicable to the Company during the audit period];

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder [Not applicable to the Company during the audit period];

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI were not applicable.

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

   a) The Mines And Minerals (Development And Regulation) Act, 1957

   b) The Meghalaya Clinker Cess Act, 2015

   c) The Environment (Protection) Act, 1986

   d) The Water(Prevention and Control of Pollution) Act, 1974

   e) The Air(Prevention and Control of Pollution) Act, 1981

   f) The Explosives Rules, 2008

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

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

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of even date which is annexed as **Annexure – 1** which forms an integral part of this report.

For MKB & Associates
Company Secretaries

Raj Kumar Banthia
[Partner]
ACS no. 17190
COP no. 18428
FRN: P2010WB042700

Date: 6th May, 2019
Place: Kolkata

Annexure – 1

To
The Members,
STAR CEMENT MEGHALAYA LIMITED

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries

Raj Kumar Banthia
[Partner]
ACS no. 17190
COP no. 18428
FRN: P2010WB042700

Date: 6th May, 2019
Place: Kolkata

Annexure - 3

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL

   All transactions entered into by the Company during the year with related parties were on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

   (a) Name(s) of the related party and nature of relationship – Star Cement Meghalaya Limited, Subsidiary Company

   (b) Nature of contracts/arrangements/transactions –

      (i) Sale, purchase or supply of any goods or materials [Section 188(1)(a) of Companies Act, 2013]

      (ii) Availing and Rendering of Services [Section 188(1)(d) of Companies Act, 2013]

   (c) Duration of the contracts/arrangements/transactions - On-going transaction (Continuous)

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

      The transaction with Star Cement Meghalaya Limited includes:

      (i) Purchase of Clinker
      (ii) Sale of Cement
      (iii) Services Received

      The transaction value for the financial year 2018-19 with SCML was ₹58,275.73 Lacs.

   (e) Date(s) of approval by the Board, if any:

      Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.

   (f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman
(DIN: 00246043)

Place: Kolkata
Date: 7th May, 2019

Annexure - 4

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes :**

   The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. Your company's CSR strategy ensures compliance with ethical standards in business practices; minimising environmental impacts and waste; addresses the challenges of improved access to education, health, sports, drinking water, sanitation and livelihood opportunities; and helping underprivileged communities to become resilient and self-reliant.

   The CSR policy of the Company is available on the Company's website under the weblink: http://starcement.co.in/wp-content/uploads/Policy-on-Corporate-Social-Responsibility.pdf

2. The composition of the CSR Committee
   - Mr. Sanjay Agarwal - Chairman (Executive Director)
   - Mr. Sajjan Bhajanka - Member (Executive Director)
   - Mr. Mangilal Jain - Member (Independent Director)

3. Average Net Profit of the Company for last 3 financial years: ₹12,323.84 lacs

4. Prescribed CSR expenditure (2% of amount): ₹246.48 lacs

5. Details of CSR activities/projects undertaken during the year:

   a) Total amount to be spent for the financial year: ₹246.48 Lacs

   b) Amount un-spent, if any: NIL

   c) Manner in which the amount spent during financial year is detailed below:

(₹ In Lacs)

1	2	3	4	5	6	7	8
Sl. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects/ Programs 1.Local area or other 2.Specify the state and district where project or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: 1.Direct expenditure on projects or programs, 2.Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct/ through implementing agency***
1.	Promoting education to rural people	Education	In various parts of India	200.00	200.00	200.00	Direct
2.	Providing various student support programme	Education	Assam and Meghalaya	12.50	12.50	12.50	Through the registered trust
3.	Promoting health care including preventive health care, sanitation programs and organizing medical camps	Health and sanitation	Assam and Meghalaya	32.55	32.55	32.55	Direct & through the registered trust
4.	Relief to Flood affected people	Disaster Relief	Assam	18.04	18.04	18.04	Through the registered trust
5.	Rural Development programmes	Rural development projects	Assam and Meghalaya	21.86	21.86	21.86	Through the registered trust
6.	Enhancing vocational skills	Livelihood enhancement	Assam and Meghalaya	11.03	11.03	11.03	Through the registered trust
	Total			**295.98**	**295.98**	**295.98**	

*Details of implementing Agency/Trust: Lumshnong Village Local Area Welfare Trust and Star Cement Charitable Trust

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata
Date: 7th May, 2019

Sanjay Kumar Gupta
Chief Executive Officer

Sanjay Agarwal
Chairman – CSR Committee

Annexure - 5

ANNEXURE TO DIRECTORS' REPORT
FORM AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in lacs)

Sl. No.	Name of the subsidiary	Megha Technical & Engineers Pvt. Ltd.	Star Cement Meghalaya Ltd.	Meghalaya Power Ltd.	Star Century Global Cement Pvt. Ltd.	NE Hills Hydro Ltd.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A	N.A	N.A
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A	N.A	N.A	N.A	N.A
3	Share capital	2,734.64	2,981.78	1,713.06	20.03	7.00
4	Reserves & surplus	28,771.42	58,904.86	12,293.97	-	-
5	Total assets	31,831.78	75,498.38	26,295.24	24.93	29.93
6	Total Liabilities	31,831.78	75,498.38	26,295.24	24.93	29.93
7	Investments	10,678.05	-	-	-	26.04
8	Turnover	361.64	58,403.72	13,566.60	-	-
9	Profit before taxation	1,089.66	6,678.78	1,511.10	-	17.12
10	Provision for taxation	149.91	1.00	241.94	-	-
11	Profit after taxation	939.75	6,677.78	1,269.16	-	17.12
12	Proposed Dividend	-	-	-	-	-
13	% of shareholding	100.00	87.49	51.20	100.00	100.00

The following information shall be furnished:-

1 Names of subsidiaries which are yet to commence operations : NE Hills Hydro Limited and Star Century Global Cement (P) Ltd.

2 Names of subsidiaries which have been liquidated or sold during the year : N.A

Part "B": Associates and Joint Ventures

The Company does not have Associate/Joint Venture, hence, the requirements under this part is not applicable to the Company.

For and on Behalf of the Board

Sanjay Kumar Gupta
Chief Executive Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Manoj Agarwal
Chief Financial Officer

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place: Kolkata
Date: 7th May, 2019

Debabrata Thakurta
Company Secretary

Annexure - 6

PARTICULARS OF MANAGERIAL REMUNERATION

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees and percentage increase in remuneration of the Directors and Key Managerial Personnel of the Company for the financial year:

Name of Directors & Key Managerial Personnel	Designation	Percentage Increase in Remuneration	Ratio to median Remuneration**
Mr. Sajjan Bhajanka	Managing Director	230.00	55.85:1
Mr. Sanjay Agarwal	Managing Director	230.00	55.85:1
Mr. Rajendra Chamaria	Managing Director	259.09	66.85:1
Mr. Pankaj Kejriwal	Non-Executive Director	NA	NA
Mr. Prem Kumar Bhajanka	Non-Executive Director	NA	NA
Mr. Mangilal Jain	Independent Director	NA	NA
Mr. Santanu Ray	Independent Director	NA	NA
Mrs. Ibaridor Katherine War	Independent Director	NA	NA
Mrs. Plistina Dkhar	Independent Director	NA	NA
Mr. Pramod Kumar Shah	Independent Director	NA	NA
Mr. Sanjay Kumar Gupta	Chief Executive Officer	19.31	-
Mr. Manoj Agarwal#	Chief Financial Officer (appointed w.e.f. 13.11.2017)	-	-
Mr. Debabrata Thakurta#	Company Secretary (appointed w.e.f. 03.08.2017)	-	-

** None of the Non-Executive Directors receive any remuneration from the Company and the Independent Directors are paid only sitting fees for attending the meeting of the Board or Committee thereof.

Since this information is for part of the financial year 2017-18, the same is not comparable.

(ii) Percentage increase in the median remuneration of employees in the Financial Year: 6.26%

(iii) The number of permanent employees on the roll of the Company : 665

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

The average percentile increase in the salaries of non-managerial employees in the Financial Year 2018 -19 was 6% while the average percentile increase in the Managerial remuneration for Mr. Sajjan Bhajanka and Mr. Sanjay Agarwal was 230% and Mr. Rajendra Chamaria was 259.09%. The average increase in salaries is an outcome of the Company's performance and standard industry practices aligned with the individual performances and contributions made by them as well as business affordability.

(v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Statement of Particulars of Employees pursuant to the Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name of the Employees	Designation	Remuneration Received (₹ in Lacs)	Nature of Employment	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last Employment	% of Equity Share held in the Company	Relation with Director, if any
1	Mr. Sanjay Kumar Gupta	Chief Executive Officer	137.09	Permanent	CA, CWA	23	10.03.2003	49	Vinay Cement Limited	0.01	None
2	Mr. Jyoti Swaroop Agarwal	President - Sales & Marketing	125.25	Permanent	M.Com	36	27.03.2006	59	Ambuja Cement	NIL	None
3	Mr. Manoj Agarwal	Chief Financial Officer	64.77	Permanent	CA, CS, LLB	23	27.07.2009	47	Reliance Retail Limited	0.00	None
4	Mr. Shouvik Chakraborty	Senior General Manager - Sales	56.21	Permanent	BE; MBA	19	01.09.2010	42	Adhunik Cement Limited	NIL	None
5	Mr. Surya Prakash Shrimali	Assistant Vice President	55.90	Permanent	B. Sc.	38	10.12.2008	63	ZPCL, Zambia (South Africa)	NIL	None
6	Mr. Sachin Chamaria	Executive Director-Business Development (not a member of Board)	50.00	Permanent	B.com (Hons.)	7	01.01.2013	29	-	2.40	Son of Mr. Rajendra Chamaria
7	Mr. Rahul Chamaria	Executive Director-Technical (not a member of Board)	50.00	Permanent	B.E. Mechanical	10	01.04.2009	33	-	1.65	Son of Mr. Rajendra Chamaria
8	Mr. Ranjit Kumar Gupta	General Manager	44.48	Permanent	B.Com	24	14.07.2014	50	Dentsu Creative Impact Ltd	NIL	None
9	Mr. Sanjay Anthony	General Manager – Purchase	43.72	Permanent	B.E. Mechanical	27	05.01.2015	51	Tata Steel BSL Ltd.	NIL	None
10	Mr. Nirmal Kumar Agarwal	Deputy General Manager	41.56	Permanent	B.Com, CA	16	18.10.2005	36	Ultra Tech Cement Ltd.	NIL	None

For and on behalf of the Board

Date : 7th May, 2019
Place: Kolkata

Sajjan Bhajanka
Chairman
DIN:00246043

Report on Corporate Governance
For The Year 2018-19

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

Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company at large and its stake holders. It emphasizes the need for full transparency, accountability and compliances with laws and regulations in all its transactions and interactions with its stakeholders, employees, lenders and the Government etc., without compromising the environment and health of society at large. Your Company has complied with the requirements of Corporate Governance as laid down under SEBI Regulations.

BOARD OF DIRECTORS

Composition

As on the date of this report, the Board consists of ten Directors, including and headed by an Executive Chairman, two Executive Directors, two Non-Executive Directors and five Independent Directors out of which two are women Directors. The Board members are expert in different disciplines of corporate working. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

None of the Directors is a member of the Board of more than twenty Companies or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees. Further, none of the Directors is a member of the Board in more than eight listed entities and Independent Directors of the Company are not serving as an Independent Director in more than seven listed entities. None of the Managing Directors of the Company are serving as an Independent Director in not more than three listed entities.

Mr. Sanjay Kumar Gupta is the Chief Executive Officer and Mr. Manoj Agarwal is the Chief Financial Officer of the Company.

The Composition is as provided below:

Name of the Director	Designation	Category
Mr. Sajjan Bhajanka	Chairman & Managing Director	Promoter – Executive
Mr. Rajendra Chamaria	Vice-Chairman & Managing Director	Promoter – Executive
Mr. Sanjay Agarwal	Managing Director	Promoter – Executive
Mr. Prem Kumar Bhajanka	Director	Promoter – Non-Executive
Mr. Pankaj Kejriwal	Director	Non – Executive – Non-Independent
Mr. Mangilal Jain	Director	Independent
Mr. Santanu Ray	Director	Independent
Mrs. Plistina Dkhar	Director	Independent
Mrs. Ibaridor Katherine War	Director	Independent
Mr. Pramod Kumar Shah	Director	Independent

Directorship, Committee membership and Chairmanship

The details of each member of the Board along with the number of Directorship(s) / Committee Membership(s) and Committee Chairmanship/ name of listed entities where he/she is a Director and category of Directorship as on date of this report are provided herein below:

Name of the Director	Number of Directorship of Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **	Name of listed entities where he/she is a Director and category of Directorship
Mr. Sajjan Bhajanka	6	4	1. Century Plyboards (India) Limited - Managing Director 2. Shyam Century Ferrous Limited – Non – Independent Director
Mr. Sanjay Agarwal	7	1	1. Century Plyboards (India) Limited - Managing Director 2. Linc Pen & Plastics Ltd. – Additional Director in Independent category
Mr. Rajendra Chamaria	3	-	-
Mr. Prem Kumar Bhajanka	6	-	Century Plyboards (India) Limited - Executive Director
Mr. Pankaj Kejriwal	3	-	-
Mr. Mangilal Jain	8	7 (4 as Chairman)	1. Century Plyboards (India) Limited - Independent Director 2. Shyam Century Ferrous Limited – Independent Director
Mr. Santanu Ray	8	7 (4 as Chairman)	1. Century Plyboards (India) Limited - Independent Director 2. LA Opala R G Limited – Independent Director 3. Shyam Century Ferrous Limited – Independent Director 4. SKP Securities Limited – Independent Director
Mrs. Plistina Dkhar	4	-	Shyam Century Ferrous Limited – Independent Director
Mrs. Ibaridor Katherine War	1	-	-
Mr. Pramod Kumar Shah	7	5 (3 as Chairman)	1. Emami Frank Ross Limited - Independent Director 2. Skipper Limited – Additional Director in Independent Category

* Includes Private Limited Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/Professional Bodies but excludes Foreign Companies.

* * Only Audit Committee and Stakeholders' Relationship Committee have been considered as per SEBI Regulations.

The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors :-

(i) General Management (ii) Marketing and branding

(iii) Production, Technical and Logistics (iv) Accounts & Finance and Audit & Internal Audit, Taxation etc.

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the listing regulations and are independent of the management.

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. In case a meeting is called at shorter notice to transact urgent business, requirements of Section 173(3) are complied with. 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 and consent of the members. Drafts minutes of the proceedings of the Board/Committee 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

Five Board Meetings were held during the Financial Year 2018-19 and the gap between two meetings did not exceed 120 days. The Meetings were held on 17th May, 2018; 28th June, 2018; 26th July, 2018; 12th November, 2018 and 04th February, 2019. The attendance at the Board Meetings during the financial year 2018-19 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended	Last AGM Attended
Mr. Sajjan Bhajanka	5	Yes
Mr. Sanjay Agarwal	4	No
Mr. Rajendra Chamaria	4	No
Mr. Pankaj Kejriwal	3	No
Mr. Prem Kumar Bhajanka	3	No
Mr. Mangilal Jain	5	Yes
Mr. Santanu Ray	5	Yes
Mrs. Plistina Dkhar	1	Yes
Mrs. Ibaridor Katherine War	1	No
Mr. Pramod Kumar Shah	5	No

Separate Meeting of Independent Directors

As stipulated by the Code for Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 15th March, 2019 to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees, which is necessary to effectively and reasonably perform and discharge their duties.

Induction and Familiarization Program for Directors

As per the Listing Regulations, the Company shall provide suitable training to the Directors to familiarize them with the Company, nature of the industry in which the Company operates etc.

The members of the Board of Directors are well acquainted with the industry and are provided necessary reports, documents and other presentations including interactive session with the Chairman, CEO and other heads of the Company. Efforts are made to familiarize the Directors about their roles, rights and responsibilities. The Directors are regularly updated on the changes in policies, laws and regulations and other developments in the business. The details of the Director's induction and familiarization are available on the Company's website at http://starcement.co.in/wp-content/uploads/Familiarization-Programme.pdf

Performance Evaluation

Pursuant to the provisions of the Companies Act, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees. A structured questionnaire for evaluation was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment. The performance evaluation of the Chairman and the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. The Directors expressed their satisfaction over the evaluation process.

Resume of Directors proposed to be re-appointed/ appointed

The brief resume of Directors retiring by rotation and seeking re-appointment/appointment is appended in the notice convening the ensuing Annual General Meeting.

COMMITTEES OF THE BOARD

Currently, the Board has six committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Finance Committee and Risk Management Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

Audit Committee:

The Audit Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. The Committee is responsible for the effective supervision of the financial reporting processes to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

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

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report

   b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. modified opinion(s) in the draft audit report

v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with internal auditors of any significant findings and follow up there on;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. To review the functioning of the Whistle Blower mechanism;

xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx. To review utilization of loans and/ or advances by holding company in subsidiary companies exceeding ₹100.00 crores or 10% of asset size of subsidiary, whichever is lower;

xxi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Composition, number of Meetings and Attendance

The Audit Committee met five times during the Financial Year 2018-19. The Audit Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and the Listing Regulations. Members of the Audit Committee possess financial /accounting expertise/ exposure. The Committee is chaired by Mr. Mangilal Jain. The meetings were held on 17th May, 2018; 28th June, 2018; 26th July, 2018; 12th November, 2018 and 04th February, 2019.

The composition of the Audit Committee and the details of meetings attended by the Directors are as under:

Name	Category	No. of Committee Meetings Attended
Mr. Mangilal Jain	Chairman – Independent, Non-Executive	5
Mr. Pramod Kumar Shah	Member – Independent, Non-Executive	5
Mr. Sajjan Bhajanka	Member - Non-Independent, Executive	5

Audit Committee meetings are attended by the Chief Executive Officer, Chief Financial Officer of the Company and Representatives of Statutory Auditors and Internal Auditors, are invitees for the relevant meetings. The Company Secretary acts as the Secretary of the Audit Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee determines on behalf of the Board and shareholders as per agreed term of reference, the Company's policy on specific remuneration packages for Executive Directors, Key Managerial Personnel and other employees. The Chairman of the Committee is an Independent Director and the Members on the Committee are Non-Executive Directors.

The broad terms of reference of the Committee inter alia are as follows:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

ii. Formulation of criteria for evaluation of performance of Directors;

iii. Devising a policy on Board diversity;

iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

v. Recommending/reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;

vi. To recommend all remuneration payable to Senior Management in whatever form.

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 policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Wholetime Director/ Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

The remuneration to be paid to the Executive Directors is recommended by the Nomination & 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 was 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 each Board and Committee Meetings.

The appointment of the Executive Directors, if any is governed by the resolutions passed by the Board and shareholders. The service agreement is entered into with them. There is no provision for payment of severance fee under the resolutions governing appointment of Executive Directors. A notice period of three months is required to be given by the Executive Director seeking to vacate the office. The Company has no stock option plans and such option is not included in the remuneration package. During the year under review, none of the Directors was paid any bonus, pension or performance bonus. Formal appointment letter is issued to the Independent Directors and the terms and conditions of the appointment of Independent Directors is available on the web site of the Company. The Nomination & Remuneration Committee to recommend all remuneration payable to the Senior Management.

The Remuneration Policy of the Company is available on the Company's website at: http://starcement.co.in/wp-content/uploads/Remuneration-Policy.pdf

The composition of the Nomination and Remuneration Committee is in accordance with the regulatory requirements specified by Section 178 of the Companies Act, 2013 and the Listing Regulations. The Company Secretary acts as Secretary to the Committee. The Nomination and Remuneration Committee comprises of the following three members:

Name of the Member	Category	Designation
Mr. Mangilal Jain	Independent, Non-Executive	Chairman
Mr. Pramod Kumar Shah	Independent, Non-Executive	Member
Mr. Prem Kumar Bhajanka	Non-Independent, Non-Executive	Member

Meetings and Attendance:

The Remuneration Committee meetings were held on 17th May, 2018; 28th June 2018 and 04th February, 2019 during the Financial Year 2018-19. 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 2018-19 is provided below:

Sl. No.	Name of the Directors	Designation	Salary (₹)	Sitting Fees (₹)	No. of Shares held as on 31.03.2019
1.	Mr. Sajjan Bhajanka	Chairman & Managing Director	1,98,00,000	-	4,73,16,047
2.	Mr. Sanjay Agarwal	Managing Director	1,98,00,000	-	1,72,87,635
3.	Mr. Rajendra Chamaria	Vice - Chairman & Managing Director	2,37,00,000	-	2,07,29,902
4.	Mr. Prem Kumar Bhajanka	Director	-	-	3,82,22,553
5.	Mr. Pankaj Kejriwal	Director	-	-	4,522
6.	Mr. Mangilal Jain	Independent Director	-	1,92,500	4,655
7.	Mr. Santanu Ray	Independent Director	-	90,000	-
8.	Mrs. Plistina Dkhar	Independent Director	-	15,000	997
9.	Mr. Pramod Kumar Shah	Independent Director	-	1,30,000	-
10.	Mrs. Ibaridor Katherine War	Independent Director	-	15,000	-

None of the Directors of the Company / Key Managerial Personnel had any pecuniary relationship with the Company during the year.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Board has constituted "Stakeholders Relationship Committee".

The Committee's responsibility is to overseas 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.

The terms of reference of the Committee shall, inter alia, include:

i. Review the process and mechanism of redressal of investor grievance and suggest measures of improving the system of redressal of investor grievances.

ii. Consider and approve all requests from shareholders regarding transfer & transmission of shares, issue of duplicate share certificate, consolidation of shares, demat, remat, split & folio consolidation etc.

iii. Review and resolve the pending investors complaints, if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

iv. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.

v. To review measures for effective voting rights, adherence to service standards adopted by the Registrars & Share Transfer Agent and measures undertaken for reducing quantum of unclaimed dividend.

The Composition of Stakeholders Relationship Committee and the details of the meeting attended by the members are as follows:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Mangilal Jain	Non-Executive, Independent	Chairman	12
Mr. Sajjan Bhajanka	Executive, Non-Independent	Member	13
Mr. Sanjay Agarwal	Executive, Non-Independent	Member	13

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Stakeholder Relationship Committee meetings were held on 3rd April, 2018; 12th April 2018; 6th June, 2018; 28th June, 2018; 19th July, 2018; 24th July 2018; 24th September, 2018; 30th October, 2018; 27th November, 2018; 17th December, 2018; 31st January, 2019; 18th February, 2019 and 30th March, 2019 during the Financial Year 2018-19.

Status of Pending Complaints:

The Company has not received any Complaints during the Financial Year 2018-19. Hence, there were no complaints pending at the beginning and at the end of the Financial Year. However, during the year under review letters on various matters were received and were duly addressed.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee (CSR) Committee as required under Section 135 of the Companies Act 2013. The Committee consists of three Directors out of which one director is an Independent Director.

The terms of reference of the Committee are as follows:

i. To formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

ii. To recommend the amount of expenditure to be incurred on CSR activities

The Corporate Social Responsibility Committee comprises of the following three members and details of the meeting attended by them are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Sanjay Agarwal	Executive, Non-Independent	Chairman	1
Mr. Sajjan Bhajanka	Executive, Non-Independent	Member	1
Mr. Mangilal Jain	Non-Executive	Member	1

Meetings and Attendance:

The Corporate Social Responsibility Committee met once on 17th May, 2018 during the Financial Year 2018-19. All the Members of the Committee attended the meeting.

The CSR Policy of the Company is available on the Company's website at: http://starcement.co.in/wp-content/uploads/Policy-on-Corporate-Social-Responsibility.pdf

There was no instances where recommendations of the Committee not accepted by the Board of Directors.

FINANCE COMMITTEE

The Company has constituted a Finance Committee. The Finance Committee deals within the terms of reference defined by the Board and ensures their expeditious implementation.

The terms of reference of the Committee are as follows:

i. To approve the opening of and modification in operation of bank accounts, including closure thereof.

ii. Borrow money by way of loan for the purpose of financing new projects, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments and take necessary actions connected therewith.

iii. Provide corporate guarantee/performance guarantee from the Company for credit facilities availed by its subsidiaries or by any other entity.

iv. Opening, modification and closure of trading and demat accounts required for securities, derivatives and all other Options.

v. Monitoring of loans and advances granted by the Company as approved by the Board of Directors from time to time.

vi. Approve availing of online banking facilities in all forms including but not limited to viewing rights, transaction rights, application for Letters of Credit, Bank Guarantees, Buyers Credit and carry out all trade related transactions through internet.

vii. Take decisions in connection with any arrangement, document or matter necessary, ancillary, incidental or desirable to give effect to all its powers and authority.

viii. Any other financial issues or other matters, whether out of and incidental to these functions or not, as may be assigned by the Board.

The Finance Committee comprises of the following three members and details of the meeting attended by them are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Sajjan Bhajanka	Executive, Non-Independent	Chairman	7
Mr. Sanjay Agarwal	Executive, Non-Independent	Member	7
Mr. Rajendra Chamaria	Executive, Non-Independent	Member	3

Meetings and Attendance

The Finance Committee meetings were held on 16th April, 2018; 26th July, 2018; 20th August, 2018; 21st September, 2018; 03rd December, 2018; 4th February, 2019 and 22nd March, 2019 during the Financial Year 2018-19 and attendance of members are given herein above.

RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee (RM) Committee as per requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 as amended in 2018 effective from 1st April, 2019. The Committee consists of three members out of which two are Directors and other member is the Chief Executive Officer.

The terms of reference of the Committee are as follows:

i. To assess the Company's risk profile and key areas of risk in particular.

ii. To recommend the Board and adoption of risk assessment and rating procedures.

iii. To articulate the Company's policy for the oversight and management of business risks.

iv. To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.

v. To assess and recommend the Board acceptable levels of risk.

vi. To develop and implement a risk management framework and internal control system.

vii. To review the nature and level of insurance coverage.

viii. To have special investigations into areas of corporate risk and break-downs in internal control.

ix. To review management's response to the Company's auditors' recommendations those are adopted.

x. To report the trends on the Company's risk profile, reports on specific risks and the status of the risk management process.

xi. To ensure cyber security system is adequate to protect the Company's IT system.

As the committee is effective from 1st April, 2019, therefore, during the Financial Year 2018-19, no meeting of the Committee held.

The Risk Management Committee comprises of the following three members as given below:

Name of the Member	Category	Designation
Mr. Sanjay Agarwal	Managing Director	Chairman
Mr. Mangilal Jain	Non-Executive – Independent	Member
Mr. Sanjay Kumar Gupta	Chief Executive Officer	Member

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc., The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

Financial Year	Venue	Date and time
2017-18	'Star Club', Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210	31st July, 2018 at 2:00 P.M.
2016-17	'Star Club', Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210	11th September, 2017 at 02:00 P.M.
2015-16	'Star Club', Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210	22nd August, 2016 at 03:30 P.M.

Details of Special Resolution passed in the last three Annual General Meetings:

AGM	Date	Matter
15th	22.08.2016	Place of keeping register of Members and copies of annual return other than Registered Office of the Company.
16th	11.09.2017	NIL
17th	31.07.2018	1. Re-appointment of Mr. Sajjan Bhajanka as Managing Director 2. Re-appointment of Mr. Sanjay Agarwal as Managing Director 3. Re-appointment of Mr. Rajendra Chamaria as Managing Director.

Details of Special Resolution passed through Postal Ballot:

The Company had sought approval of the shareholders by way of Special Resolution through notice of postal ballot dated February 4, 2019 for Re-appointment of Mr. Mangilal Jain as an Independent Director (Non – Executive) for a second consecutive term of 1 (one) year from 01st April, 2019 upto 31st March, 2020, which was duly passed and the results of which were announced on March 29, 2019. The Company extended e-voting facility through National Securities Depository Limited (NSDL). Md. Shahnawaz (Membership No. ACS 21427 and Certificate of Practice No. 15076) of M Shahnawaz and Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner. The voting pattern on the said resolution is as under:

Resolution: Re-appointment of Mr. Mangilal Jain as an Independent Director (Non – Executive) for a second consecutive term of 1 (one) year from 01st April, 2019 upto 31st March, 2020:

- % of votes cast in favour of the Resolution : 92.57%
- % of votes cast in against the Resolution: 7.43%

Details of Special Resolution proposed to be conducted through Postal Ballot:

None of the businesses proposed to be transacted requires passing of a special resolution through postal ballot.

Procedure for Postal Ballot:

- The notices containing the resolutions and explanatory statement were sent to the shareholders at the addresses registered with the Company alongwith a Postal Ballot Form and a postage prepaid self-addressed envelope containing the address of the Scrutinizer appointed by the Board for carrying out the Postal Ballot process.
- The Postal Ballot Forms received within 30 days of despatch were considered by the Scrutinizer.
- The Scrutinizer submitted his report to the Chairman of the Company, who on the basis of the report announced the results; and
- The Company had engaged the services of National Securities Depositor Limited (NSDL) for providing e-voting facility to its shareholders.

No Extra-Ordinary General meeting of the Shareholders was held during the year.

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 as per requirements of Accounting Standard 18 have been reported in Notes to Accounts annexed to the financial statements. The policy on related party transaction has been placed on the Company's website at http://starcement.co.in/wp-content/uploads/Related-Party-Policy.pdf
- There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- There has been no instance where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required in the relevant financial year.
- 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 Company's policy on Vigil mechanism is placed on the Company's website at http://starcement.co.in/wp-content/uploads/Whistle-Blower-Policy-2.pdf. We hereby affirm that no personnel have been denied access to the audit committee.
- 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 public issue.
- During the year under review no instances of sexual harassment reported.
- The Company's policy on "material subsidiary" is placed on the Company's website at http://starcement.co.in/wp-content/uploads/Policy-on-Material-subsidiary-2.pdf.
- A certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such Statutory Authority forms part of this Annual Report.
- Total consolidated fees paid for all services rendered by the Statutory Auditors to the Company, its subsidiaries and all other network entities where Statutory Auditors is a part during the year under review amounting to ₹29.14 lacs.

- The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:
  a) Non-Executive Chairman's Office: The Company does not have Non – Executive chairperson.
  b) Shareholders' Rights: As the quarterly, half yearly and annual results of the Company along with significant events, if any, are published in the newspapers and also posted on the Company's website, the same are not being sent individually to the shareholders.
  c) Modified Opinion in Audit Report: The Company's financial statement for the year ended 31st March, 2019 does not contain any modified audit opinion.
  d) Separate posts of Chairman and CEO: The positions of Chairman and Chief Executive Officer (CEO) are separate.
  e) Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.
- The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 of the LODR.

CREDIT RATING

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. ICRA Limited, has reaffirmed the Company's short term rating to [ICRA] A1+ (pronounced ICRA A one plus) and upgraded the long term rating at [ICRA]AA- (pronounced as ICRA double A minus) from [ICRA]A+ (pronounced ICRA A plus).

CODE OF CONDUCT

In pursuance of the SEBI Regulations, 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.starcement.co.in. The Directors and Senior Management personnel have affirmed compliance with the provisions of above Code of Conduct. The declaration by the Chief Executive Officer 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 SEBI Regulations, are published in prominent English and Khasi (Regional language) newspapers usually in 'The Economic Times' and 'Hima'. The quarterly financial results, annual results, annual report and official news are posted on the website of the Company - www.starcement.co.in.

The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Annual Report of the Company, the quarterly / half yearly and the annual results of the Company are also placed on the Company's website: www.starcement.co.in and can be downloaded.

All periodical compliance filings like shareholding pattern, corporate governance report, investor presentations, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE's Listing Centre which are web-based applications designed by NSE and BSE respectively for corporates and are displayed on the Company's website.

The Company has designated the following email ID exclusively for investor servicing: investors@starcement.co.in

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report, forms a part of the Directors' Report.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and Time	27th September, 2019 at 02:00 p.m.
Venue	Star Club, Village : Lumshnong, PO : Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210
Dates of Book Closure	19th September, 2019 to 27th September, 2019 (Both days inclusive)

Financial Calendar (for the year 2019-20)

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 results

First Quarter ended 30th June, 2019	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2019	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2019	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2020	Within 60 days from the end of quarter

Listing on Stock Exchanges:

The Shares of the Company are presently listed on the following Stock Exchanges:-

a) National Stock Exchange of India Limited (NSE)
   Exchange Plaza, Bandra –Kurla Complex, Bandra (E)
   Mumbai- 400 051
   Stock Code - STARCEMENT

b) BSE Ltd. (BSE)
   Phiroze Jeejeebhoy Towers,
   Dalal Street, Fort,
   Mumbai – 400 001
   Stock Code - 540575

The Company has paid listing fees to NSE and BSE for the year 2019 – 20.

Annual Custody/Issuer fee for the year 2018-19 has been paid by the Company to NSDL and CDSL. Bills for the year 2019-20 are yet to be received from both NSDL and CDSL.

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 INE460H01021.

Corporate Identity Number:

L26942ML2001PLC006663

Market Information

Market Price Data: High, Low (based on the closing prices) and volume of shares traded at BSE and NSE, for the financial year 2018-19 are as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
April 2018	134.70	115.50	3,41,241	134.00	115.65	16,18,858
May 2018	137.25	122.55	2,20,452	137.00	122.20	23,01,484
June 2018	136.50	114.95	4,46,235	136.50	114.90	20,59,119
July 2018	126.00	109.25	1,63,020	125.00	109.45	22,05,220
August 2018	118.15	103.50	1,61,737	118.70	103.95	12,03,206
September 2018	120.00	90.00	17,17,808	124.10	80.10	63,97,868
October 2018	113.00	85.00	90,168	115.00	94.50	17,95,719
November 2018	119.10	93.25	54,477	107.80	92.95	7,75,768
December 2018	112.00	95.25	55,022	109.55	94.00	4,96,209
January 2019	105.50	90.10	1,71,391	106.00	89.85	30,35,108
February 2019	100.50	85.00	84,947	101.05	85.00	18,33,022
March 2019	109.90	90.00	8,13,194	109.00	96.00	56,78,367

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
April 2018	35,160.36	6.65	132.25	14.40
May 2018	35,322.38	0.46	134.35	1.59
June 2018	35,423.48	0.29	115.45	(14.07)
July 2018	37,606.58	6.16	114.30	(0.99)
August 2018	38,645.07	2.69	105.90	(7.35)
September 2018	36,227.14	(6.26)	111.45	5.24
October 2018	34,442.05	(4.93)	101.25	(9.15)
November 2018	36,194.30	5.09	97.95	(3.26)
December 2018	36,068.33	(0.35)	103.60	5.77
January 2019	36,256.69	0.52	92.20	(11.00)
February 2019	35,867.44	(1.07)	98.20	6.51
March 2019	38,672.91	7.82	98.75	0.56

Registrars and Share Transfer Agents:

M/s. Maheshwari Datamatics Private Limited
23, R.N. Mukherjee Road,
5th Floor, Kolkata - 700001
Phone: 033 22435029/22482248
Fax - 033 22484787
Email - mdpldc@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 transfers are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

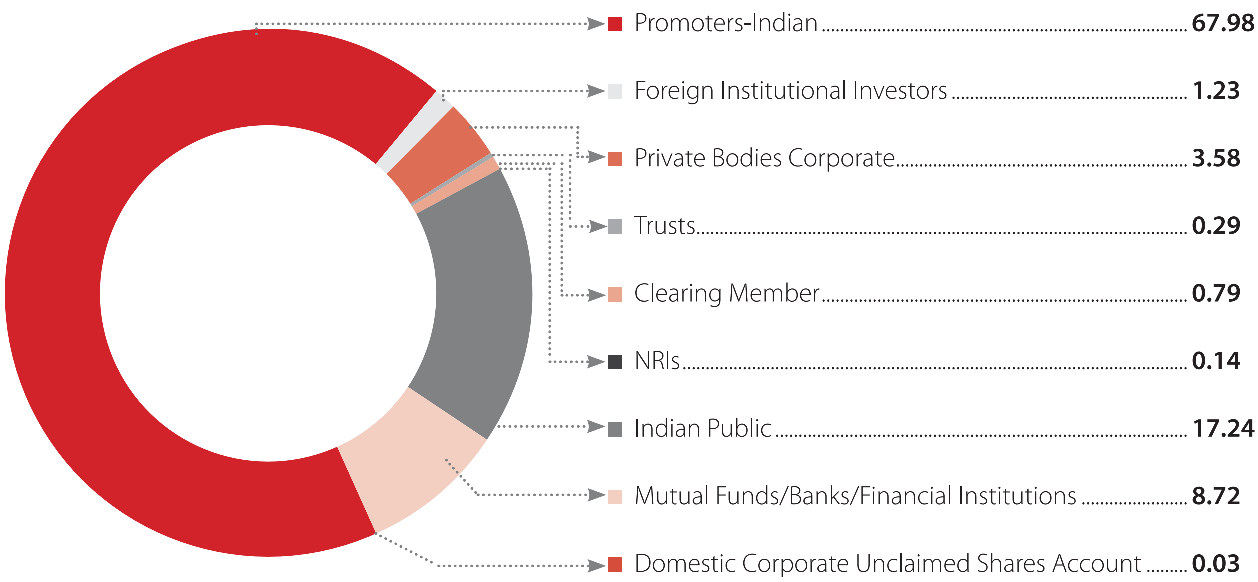
Transfer of Shares in dematerialized form is duly processed by NSDL/CDSL in electronic form through the respective Depository participants. Dematerialisation is required to be done with a period of 15 days from the date of lodgment of dematerilaisation request, complete in all respect, with the Depository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

Distribution of Shareholding of Ordinary Shares as on 31st March, 2019

Shareholding	Total No. of Shareholders	%	No. of Shares	%
1- 500	13,859	78.05	15,78,230	0.38
501-1000	1,451	8.17	11,50,524	0.27
1001-5000	1,767	9.95	38,63,113	0.92
5001-10000	296	1.67	22,79,003	0.54
10001- 20000	133	0.75	20,02,321	0.48
20001 and above	251	1.41	40,83,55,806	97.41
Total	**17,757**	**100**	**41,92,28,997**	**100**

Shareholding Pattern as on 31st March, 2019

Shareholding Pattern (%)



Category	Number of Shareholders*	Number of Shares	% of total Share Capital
Promoter and Promoter Group	43	28,49,92,985	67.98
Foreign Institutional Investors	23	51,45,879	1.23
Bodies Corporate	306	1,50,27,952	3.58
Trusts	8	12,37,162	0.29
Clearing Member	91	33,25,515	0.79
NRIs/ Foreign Nationals	450	5,81,061	0.14
Individual	16328	7,22,70,807	17.24
Mutual Funds/Banks/Financial Institutions/ NBFCs registered with RBI	8	3,65,15,209	8.72
Domestic Corporate Unclaimed Shares Account	1	1,32,427	0.03
TOTAL	**17,258**	**41,92,28,997**	**100.00**

***Note :** In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19.12.2017 shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder has been consolidated on the basis of the PAN and folio number.

Dematerialisation of shares and liquidity

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

41,83,44,772 Ordinary Shares of the Company representing 99.79% of the Company's share capital are dematerialised as on 31st March, 2019.

The Company has never issued any GDR/ADR/ warrants or any convertible instruments.

RECONCILIATION OF SHARE CAPITAL AUDIT:

i. Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

DISCLOSURES WITH RESPECT TO UNCLAIMED SHARES SUSPENSE ACCOUNT

Details as required under Schedule V of the Listing Regulations in respect of unclaimed shares transferred to the demat account "Star Cement Limited –Unclaimed Suspense Account" is as follows:

Particulars	No. of shareholders	No. of shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 01.04.2018	NIL	NIL
Aggregate number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account	60	1,32,427
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account	NIL	NIL
Number of shareholders to whom shares were transferred from Suspense Account during the year	NIL	NIL
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31.03.2019	60	1,32,427
Voting rights in respect of the aforesaid shares held in Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholders/legal heirs		

DISCLOSURE WITH RESPECT TO UNCLAIMED/UNPAID DIVIDEND AMOUNT

Dividend drafts in respect of the Dividend declared for the FY2017-18 have been dispatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the same may please write to the Company or its RTA for further information on this behalf. Shareholders who have not encashed the drafts are requested to do so by getting them revalidated from the Company or its RTA.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodities form a major part of the raw materials required for Company's products and hence, commodity price risk is one of the important market risk for the Company. The Company has mechanism to ensure that the organization is protected from market volatility in terms of price and availability of raw materials and prefers long term arrangement with the suppliers. The Company does not hedge its exposure to commodity price risks.

The Company also does not hedge foreign exchange risks.

Plant Locations:

Lumshnong Plant
Vill: Lumshnong, P.O. Khaliehriat
Dist.: East Jaintia Hills
Meghalaya – 793210

Sonapur Plant
Gopinath Bordoloi Road
Vill: Chamta Pathar
P.O. Sonapur
Kamrup Assam
Pin: 782402

Address for Correspondence:

a) Corporate Office:
The Company Secretary & Compliance Officer
Star Cement Limited, Satyam Tower,
3 Alipore Road, Kolkata-700 027
Phone: 033 22435029
Fax: 033 22484787
Email: investors@starcement.co.in
Website: www.starcement.co.in

b) Registered Office: Village: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210

For and on behalf of the Board of Directors

Place: Kolkata
Date: 7th May, 2019

Sajjan Bhajanka
(Chairman)

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended 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, 2019.

Place: Kolkata
Dated: 7th May, 2019

Sanjay Kumar Gupta
Chief Executive Officer

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,
The Board of Directors
Star Cement Limited

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Star Cement Limited ("the Company"), to the best of our knowledge and belief certify that:

a. We have reviewed the financial statements and the cash flow statement for the Financial year ended 31st March, 2019 and based on 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 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, based on our most recent evaluation, wherever applicable, 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 has been disclosed in the notes to the financial statements; and

   iii) instances of significant fraud of which we have become aware and the 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: 7th May, 2019

Sanjay Kumar Gupta
Chief Executive Officer

Manoj Agarwal
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of the Corporate Governance by Star Cement Limited for the year ended on 31st March, 2019, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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 **D.K. CHHAJER & CO.**
Firm Registration No. 304138E
Chartered Accountants

CA Niraj Kumar Jhunjhunwala
Partner
Membership No. 057170

Place : Kolkata
Date : 7th May, 2019

CERTIFICATE FROM PRACTICING COMPANY SECRETARY

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by **STAR CEMENT LIMITED** having its Registered Office at Vill.: Lumshnong, Khaliehriat, East Jaintia Hills, Meghalaya - 793210 ("the Company"), the information provided by the Company, its officers, agents and authorized representatives and based on the verification of the Ministry of Corporate Affair's website, we hereby report that during the Financial Year ended on March 31, 2019, in our opinion, none of the director on the board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

For MKB & Associates
Company Secretaries

Raj Kumar Banthia
(Partner)
ACS no. 17190
COP no. 18428
FRN: P2010WB042700

Date: 6th May, 2019
Place: Kolkata

Business Responsibility
Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN)	L26942ML2001PLC006663
2	Name of the Company	Star Cement Limited (SCL)
3	Registered office address	Vill: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya-793 210
4	Website	www.starcement.co.in
5	Email ID	investors@starcement.co.in
6	Financial year reported	2018-19
7	Sector(s) that the Company is engaged in (Industrial activity code wise)	**Sl.** / **Product** / **NIC code** 1 / Cement / 23941 2 / Cement clinker / 23941
8	Three key products/ services that the Company manufactures/ provides	Cement Cement Clinker
9	Total number of locations where business activity is undertaken by the Company :	
	(a) Number of International locations	The Company has a subsidiary in Myanmar which is yet to start operation.
	(b) Number of National locations	The Company's registered office is situated in Meghalaya and Corporate Office at Kolkata. It has manufacturing unit at Lumshnong, Meghalaya and Sonapur, Assam. It has Sales and Marketing office at Guwahati, Patna, Siliguri and Project Office at New Delhi.
10	Markets served by the Company Local / State / National /International	Star Cement Limited operates in Eastern part of the country and mainly concentrate its business in North Eastern and Eastern Region of India.

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (as on 31.03.2019)	₹41,92,28,997/-
2	Total Turnover (FY2018-19)	₹1,73,488.92 lacs
3	Total profit after tax (FY2018-19)	₹25,589.11 lacs
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Against the requirement of ₹246.48 lacs, the Company spent ₹295.98 lacs towards CSR which is 1.16%.
5	List of CSR activities in which expenditure has been incurred	The major areas as listed under Schedule-VII of the Companies Act, 2013 where CSR expenditures have been incurred : Education Health care and sanitation Disaster relief Rural development Enhancing vocational skills

SECTION C : OTHER DETAILS OF THE COMPANY

1	Subsidiary Company/Companies	As at 31st March, 2019, SCL has 5 (five) subsidiaries including 1 (one) foreign subsidiary.
2	Participation of Subsidiary Company/ Companies in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)	The subsidiary companies do not participate in the BR initiatives of the parent company. However, wherever applicable, subsidiaries follow CSR activities as per own policy.
3	Participation and percentage of participation of the entity/entities (e.g., suppliers and distributors among others) that the Company does business with, in the BR initiatives of the Company.	The other entities with whom the Company does business e.g., suppliers, distributors etc., don't participate in the BR initiatives of the Company.

SECTION D : BUSINESS RESPONSIBILITY INFORMATION

1	Details of Directors/Directors responsible for BR (a) Details of the Director/Directors responsible for implementation of the BR Policy/policies (b) Details of the BR Head	**Sl.** / **Particulars** / **Details** 1 / DIN / 00246043 2 / Name / Mr. Sajjan Bhajanka 3 / Designation / Chairman & Managing Director 4 / Tel No. / 033-24484170 5 / E-mail ID / investors@starcement.co.in
2	Principle wise (as per NVGs) BR Policy/policies	The National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows: Principle 1: **Ethics, Transparency & Accountability** Principle 2: **Sustainability of products & services across life cycle** Principle 3: **Employee's well being** Principle 4: **Stake holder's engagement** Principle 5: **Human Rights** Principle 6: **Environment** Principle 7: **Responsible Policy Advocacy** Principle 8: **Inclusive Growth & Equitable Development** Principle 9: **Customer value**

DETAILS OF COMPLIANCE

Sl	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes specify (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been framed based on 'National Voluntary Guidelines' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/owner/CEO/appropriate Board of Directors?	The policies have been approved by the Board of Directors and signed by the Managing Director & CEO.								
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Chairman & Managing Director and CEO through the Functional Heads oversee the implementation of the policies across the organisation.								
6	Indicate the link for the policy to be viewed online	http://starcement.co.in/wp-content/uploads/Business-Responsibility-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been informed to internal and external stakeholders and the same is also available on the Company's website at www.starcement.co.in								
8	Does the Company has in house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholder's grievance related to the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by and internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		BR Policy is evaluated internally.								

3	Governance related to Business Responsibility	
	Frequency with which the Board of Directors, Committee of the Board or CEO meet to access the Company's BR performance	The overall BR performance of the Company is reviewed by the BR Head annually and varied aspects of BR performance of each department/unit are assessed by the respective department/unit heads.
	Publishing of Business Responsibility or a Sustainability Report, its frequency and hyperlink	BR report is forming a part of the Annual Report. The report is also available on the Company's web site at : www.starcement.co.in

SECTION E : PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1 - ETHICS, TRANSPERANCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

   The policy generally serves as roadmap to the employees of the Company and its subsidiaries. The Company has adopted own procedures to address any issues pertaining to ethics, bribery and corruption. Whistle blower policy of the Company is in force to effectively address issues from any stakeholders.

2. **How many stakeholders complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company keeps close contact and friendly interacts with the investors, consumers and vendors so that their complaints, if any are amicably sorted out.

Stakeholders Complaints	Received	Resolved	Complaints Resolved in %
Investors complaints	NIL	NA	NA
Consumers complaints	75	75	100%
Vendors complaints	NIL	NA	NA

PRINCIPLE 2 - SUSTAINABILITY OF PRODUCTS & SERVICES ACROSS LIFE CYCLE

1	Three products/ services whose design has incorporated social or environmental concerns, risks and/or opportunities	(a) Cement (b) Clinker
2	Details in respect of resource use (energy, water and raw materials etc.,) (a) Reduction during sourcing/ production/distribution achieved since the previous year throughout the value chain (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year	Company emphasises on research and development of new technology so that usage of natural resources are minimal. It motivates and works closely with suppliers and vendors of supply chain to reduce any hazardous environmental impacts. Initiatives undertaken by the Company for optimal utilisation of energy, water as follows : • Pre-heater down Comer Duct expansion joint replaced to reduce false air and Power/heat consumption. • Pre-heater 5th Cyclone Dip Tube replaced to improve the cyclone efficiency. • Continuous monitoring of false air to reduce specific power and specific fuel consumption. • Total 506 Nos. of street lights including flood lights replaced with LED light fittings resultant saving of 2.79 lacs Kwh Per year. • Interlocks have been provided for gear box & Girth Gear cooling fans to avoid idle running of the fans. • Installation of variable frequency drives (VFD) in water pumps & automation of plant water supply system, resulting in reduction of power consumption of plant water supply system.
3	Procedures in place for sustainable sourcing (including transportation) and percentage of input sourced sustainably.	The Company focus on long term strong relationship with its suppliers. Social, ethical and environmental factors are considered while selecting the suppliers. It focuses on integrating sustainability in the procurement process. Effective system has been embedded to purchase the raw materials and act according to production and sales forecasts to ensure optimum raw materials procurement. Higher capacity of containers are used for transportation to save fuel.
4	Steps taken to procure goods and services from local and small producers including communities surrounding the place of work.	To maintain sustainability in procurement process emphasises given to procure the materials from local areas surrounding the factory and preference given to local and MSME suppliers.
5	Mechanism and percentage of recycling of products and wastes.	We are using 29%-31% fly ash (a bye product) in PPC cement, through hopper feed belt. 100% lub waste are using in Pre-heater (calciner vessel) and others waste are using is kiln. Waste water generated is used in dust suppression, gardening etc. Rain water is preserved and used for domestic purposes.

PRINCIPLE 3 – EMPLOYEES WELL-BEING

The Company believes that employees well being is key to success of the organisation and therefore, it places high echelon to the employees well being and satisfaction. The Company has adopted various measures to ensure safety and health of the employees.

Recreation and recognisation are crucial to motivate the employees and measures adopted are as follows:

(1) Long Term Service Award
(2) Birthday celebration
(3) Recognition to retiring employees
(4) Rewards for outstanding performance
(5) Health check up and eye testing camp
(6) Women's day celebration
(7) Observations of various festive days

Information as per BRR framework :

1	Total number of permanent employees	665
2	Total number of employees hired on temporary/ contractual/ casual basis	414
3	Number of permanent women employees	38
4	Number of permanent employees with disabilities	1
5	Employees association recognised by the management	SCL respects rights of every employees and values their opinion/suggestion at all levels. Employees enjoy freedom to raise their concerns where ever requires and due attention is always given by the management. For the reason employees not shown their interest to form any Association.
6	Percentage of permanent employees who are members of recognised employee association	NIL

7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in last financial year and pending as on the end of the financial year :

No.	Category	No. of complaints filed during financial year	No. of complaints pending on end of financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

The Company has Sexual Harassment Committee where the employees can register their complaints in respect of sexual harassment.

8. Percentage of under mentioned employees who have given safety & skill up-gradation training in the last year :

Permanent employees	73%
Permanent women employees	45%
Casual/Temporary/Contractual employees	36%
Employees with disabilities	100%

PRINCIPLE 4 – STAKEHOLDERS ENGAGEMENT

Company believes that performance of business entity depends on the value created for various stakeholders of the Company at large. The Company puts its endeavours to identify and address the needs and concerns of the stakeholders.

Information as per Business Responsibility framework :

1	Mapping of internal and external stakeholders	The Company has mapped its internal and stakeholders by way of following mechanisms :	
		Investors & Stakeholders	General Meetings, Annual Reports and Investor meet
		Local communities	Frequent visit and close interaction
		Employees	Meetings, intranet, training, survey
		Customers	Customers meet, survey and various contests
		Suppliers & dealers	Site visit, tour, meetings and feed back
		Government & Regulatory authorities	Industry bodies and forums
		Media	Press release, interview and announcement.
2	Identification of disadvantaged, vulnerable & marginalised stakeholders.	The Company with its continuous efforts identifies vulnerable and marginalised communities around manufacturing unit and works towards their betterment by various initiatives. It also identifies disadvantaged, vulnerable and marginalised stakeholders and continuously works for their upliftment.	

3	Special initiatives taken by the Company to engage with disadvantaged, vulnerable and marginalised stakeholders. If so, details in about 50 words.	The Company keeps efforts for the communities residing in proximity of manufacturing unit for improving their standard of living, education, sanitation, skill development through various initiatives as a part of corporate social responsibility (CSR). The Company's vocational training centre imparts various vocational training for economic upliftment of the local people making them self-dependent. The Company does not encourage any kind of discrimination based on caste, religion, sex, social background etc.

PRINCIPLE 5 – HUMAN RIGHTS

The Company is committed to respect and protect human rights and always strives to serve all individuals with honesty and fairness.

Information with reference to BRR framework:

1	Coverage of Company's policy on human rights and extension to the Group/Joint Ventures /Suppliers / NGOs/ Others	The Company wherever possible, takes initiatives to promote awareness of human rights across value chain. The Company encourages all its partners to value human rights and always discourage any violation of human rights.
2	Stakeholders complaints received in past financial year and percentage of complaints resolved satisfactorily by the management.	No complaint received in past financial year relating to human rights violation.

PRINCIPLE 6 – ENVIRONMENT

1	Coverage of the policy related to principle 6 and its extension to the Group/ Joint Ventures/ Suppliers/ Contractors / NGOs/ Others	The policy is applicable to the Company. We aim to apply the principle across the value chain.
2	Company's strategies/ initiatives to address global environmental issues such as climate change global warning etc.	• SCL have installed all associated pollution control equipments (ESP, RABH, Bag filters) as per prescribed standards for the operating unit. • During the operation, the dust collected in the pollution control equipments is recycled back into the process. • We have installed online dust and gaseous monitoring equipments in associated stacks. Emission levels are within the limit and online equipments are connected with SPCB/ CPCB server. • The dust collected from the various pollution control equipments, are being recycled back into the process. • Most of the cases closed roof sheds provided for all Raw materials. • All roads were concretized with provision of auto sprinkler system to control fugitive emission. • SCL are developing green belt area with all local species and ever green sapling.
3	Identification and assessment of potential risk assessment	Identification and assessment of potential risk is a continuous process. Sound monitoring system is in place to identify any potential risks involved in the operations. Any potential risks are addressed at the initial stages. Continuous monitoring and inspection is done on regular basis and necessary corrective actions are taken to mitigate the same.
4	Company's initiative/projects related to clean development mechanism and environmental compliance report filed	• SCL have installed all associated pollution control equipments (ESP, RABH, Bag filters) as per prescribed for the operating unit. • Two road sweeping machines are available to clean the floors and roads around the plant. • Auto sprinkler systems have been provided on road, crusher hopper, coal shed and others vulnerable areas. • All environmental compliance reports are submitting to authority as per prescribed time frame.
5	Company's initiatives on clean technology, energy efficiency, renewable energy etc.	SCL is recycling solid waste, used Lubricants, empty fly ash bags, Jute waste etc. to promote clean technology.
6	Reporting on the emissions/waste generated by the Company as per permissible limits given by CPCB/SPCB	The environmental monitoring reports are regularly submitted to CPCB/SPCB. The Company has been successfully meeting the applicable environmental standards by using efficient control equipment and constant monitoring.
7	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year.	There are no pending or unresolved show cause/ legal notice from CPCB/SPCB as on 31st March, 2019.

PRINCIPLE 7 – RESPONSIBLE POLICY ADVOCACY

1	Membership in any trade and Chamber or association	Bharat Chamber of Commerce Cement Manufacturer's Association
2	Advocacy/lobbying through above associations for the advancement or improvement of public good	SCL actively participate in the aforesaid forums on the issues and matters related to the interest of the stakeholders and continue advocacy the matters for advancement of public good.

PRINCIPLE 8- INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1	Specified programmes /initiatives / projects in pursuit of the policy related to Principle 8	(i) Wellbeing of local communities (ii) Empowering women (iii) Conservation of environment (iv) Promoting education (v) Healthcare programme (vi) Self employment programme
2	Modes through which programmes/ projects undertaken (through in-house team/ own foundation/ external NGO/ Government structures/ any other organisation.	Programmes/ projects are undertaken through own promoted Charitable Trust/ NGO and local community.
3	Impact assessments for initiatives undertaken	Impact assessment is done internally to understand the effect of initiatives undertaken by the Company.
4	Company's direct contribution to community development projects and details of the projects undertaken.	Company's contribution to community development projects carried under CSR initiatives details of which is provided in the Annexure of the Director's Report.
5	Steps taken to ensure that the community development initiatives is successfully adopted by the Community	The Company encourages participation/interaction with local communities adjacent to the plant locations to understand their basic need and feelings. Meetings are conducted with the local communities to understand their need and requirements and take suitable actions as per requirements.

PRINCIPLE 9- CUSTOMER VALUE

1	Percentage of customer complaints/ consumer cases are pending as on the end of financial year	NIL
2	Display of product information on the product label, over and above what is mandated as per laws.	The Company follows all legal requirements for product labelling and product information. The display product information on the product label.
3	Case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last 5 years and pending as on end of financial year.	The Company (SCL) had received a notice from the Director General of Competition Commission of India (CCI) seeking various information on alleged cartalization. SCL filed application before CCI for recall/ review of the order by which CCI registered the case and ordered investigation. As complete information sought by CCI was not received within reasonable time, CCI imposed a penalty of ₹5 lacs upon SCL. Challenging the order of penalty the Company filed Writ Petition and challenging the order of investigation and registration of Case by CCI, the Company also preferred Writ Petition before Guwahati High Court. The Company has received stay order on both the Writ Petitions. CCI has filed Affidavits.
4	Consumer survey/ consumer satisfaction trends carried out by the Company.	The Company believes that consumer satisfaction is key to the success of business. Therefore, the Company connects with consumers through dealers network to understand quality feed back and also through market inspection and survey by own employees. The Company follow systematic process for resolution of all complaints received.

For and on behalf of the Board of Directors

Sajjan Bhajanka
Chairman
(DIN: 00246043)

Place: Kolkata
Date: 7th May, 2019

Dividend Policy

I. PREAMBLE

The shares of Star Cement Limited ('the Company') are listed on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 16th June, 2017. Securities and Exchange Board of India (SEBI) vide its Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated July 08, 2016, inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandating the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalisation calculated on March 31 of every financial year.

In compliance with the said Regulation, the Company decided to frame a Dividend Distribution Policy ('Policy').

II. EFFECTIVE DATE

This Policy would be effective and binding on the Company after the Company falls under top 500 listed companies based on market capitalisation calculated on 31st March of every financial year.

III. OBJECTIVE

The objective of the policy is to specify all relevant factors to the extent applicable to the Company that will be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

The objective of the policy is to share a portion of the profits, whilst also ensuring that sufficient funds are available for growth and smooth running of the Company. This Policy intends to act as a guiding tool to the Board for taking decision whether to distribute or to retain its profits, in the best interest of the stakeholders as well as the Company.

IV. TYPES OF DIVIDEND AND PROCEDURE FOR APPROVAL

The Companies Act provides for two types of Dividend i.e., Interim dividend and Final Dividend. The Board of Directors shall have the absolute power to declare interim dividend during the financial year which is ratified by the members at the next Annual General Meeting, as and when they consider it fit and also have power to recommend final dividend to the shareholders for their declaration in the Annual General Meeting of the Company.

(a) Final Dividend

The Final dividend is declared once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in annual general meeting for their approval. The declaration of Final dividend shall be included in the ordinary business items, if recommended, that are required to be transacted at the Annual General Meeting.

Process for approval of Payment of Final Dividend:

Board shall recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy based on the profits arrived at as per the audited financial statements

Dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.

Payment of dividend to the eligible shareholders shall be made within 30 days from the date of declaration or within such time as may be prescribed under applicable law.

(b) Interim dividend

Interim dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial statements. This may be in order to supplement the annual dividend.

Process for approval of payment of Interim Dividend:

The Board of Directors may declare Interim Dividend at its complete discretion, one or more times in a financial year in line with this Policy based on profits arrived at as per quarterly/half- yearly financial statements or for such period as may be decided.

Payment of dividend to the eligible shareholders shall be made within 30 days from the date of declaration or within such time as may be prescribed under applicable law.

Interim dividend paid during the year shall be confirmed in the annual general meeting, held after the payment of the same.

V. FINANCIAL PARAMETERS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND

The Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, available cash flow, Capex requirements, working capital position and applicable taxes.

In the event of inadequacy or absence of profits in any year, the Company may declare dividend out of surplus subject to the fulfilment of conditions specified under the Companies Act, 2013 and rules made thereunder, including any amendment/modifications thereto.

Payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.

Preference Shareholders shall be entitled and paid dividend at the fixed rate as per the terms of issue. In case of the Cumulative Preference Shares, if the Company is not having distributable profits for any certain financial year or the Company is not able to pay the dividend, then this shall be accumulated and be paid later on. Dividend when declared shall be first paid to the preference shareholders of the Company as per the terms and conditions of their issue.

VI. INTERNAL AND EXTERNAL FACTORS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND

The decision regarding dividend pay-out is a crucial one as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained by the Company for its business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding dividend pay-out is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

The Board shall consider the following factors while deciding the dividend pay-out:

Internal Factors:-

(a) Profits earned during the year

The profits earned during a financial year impacts dividend pay-out decision.

(b) Liquidity requirements of the businesses

Availability of adequate operating cash flow to meet financial obligations and for running day-to-day operations.

(c) Expansion/Modernization of existing businesses

The need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals may impact dividend declaration decision.

(d) Acquisitions of new business

Acquisition of new businesses, increasing expenditure on marketing, advertising and brand building in the long-run will also influence the Board's decision of declaration of dividend.

(e) Cost of borrowings

Cost of funds raised/ to be raised from Banks, lending institutions or through issuance of debt securities vis-à-vis ploughing back of profits also needs to be considered while deciding dividend payment.

(f) Obligations towards creditors and other stakeholders

The Company needs to maintain adequate liquidity to be able to fulfil its obligations towards its creditors and other stake holders. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

(g) Post dividend EPS

Post dividend EPS tends to have substantial impact on market capitalisation and the same also needs to be considered before declaring dividend.

External Factors:-

There are external factors those are determinants for the amount of dividend proposed to be declared. In such conditions, the Board shall exercise its discretion after due consideration of following factors:

(a) Economic conditions

In case of uncertain or recessionary economic and business conditions, whether in the National or International markets, Board will endeavour to retain larger part of profits to have adequate reserves to absorb unforeseen and adverse circumstances.

(b) Capital Markets

In case markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

(c) Taxation and Statutory Restrictions

The Board shall consider the tax regulations together with restrictions imposed by any statute, including the Companies Act, as may be applicable at the time of declaration of dividend. Changes in policies of the Government with respect to dividend may also impact dividend distribution.

VII. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect dividend under the following circumstances:

(a) Whenever the Company undertakes or proposes to undertake a significant expansion project;

(b) Higher working capital requirements for any acquisitions of business/brand/company or joint ventures etc.;

(c) Whenever the Company proposes to utilise surplus cash for buy-back of securities;

(d) In the event of inadequacy of profits or whenever the Company has incurred losses.

VIII. POLICY ABOUT UTILIZATION OF RETAINED EARNINGS

The Company looks forward to deliver maximum to its shareholders by consistently working towards creating a balance between overall Wealth Maximization and Earnings per share. Thus the retained earnings of Company after declaration of dividend (if any), shall be utilized in the manner as considered appropriate by the Board.

IX. PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued one class of equity shares with equal voting rights, therefore, all the members of the Company are entitled to the same dividend per share.

X. REVIEW AND AMENDMENT

This Policy is subject to review by the Board as and when required.

Independent Auditors' Report

To
The Members of
Star Cement Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Star Cement Limited ("the Company"),which comprise the Balance Sheet as at 31stMarch 2019, the Statement of Profit and Loss(including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and the financial performance and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	*Evaluation of Capital advances* Advance Against Land (Unsecured, considered good) amounting to ₹14.66 cr. has been paid to certain individual locals in Meghalaya as advance against land over the years but the land registration has not yet been completed. Refer Note 9to the Standalone Financial Statements	As stated by the management the said land is in the possession of the Company, but yet the land is not in the name of the Company as the registration process is time taking in the State of Meghalaya. We have verified the agreement for sale for which registration are pending.
2	*Recoverability of indirect tax receivables ₹14.65 cr.* Non-current assets in respect of Excise duty recoverable which are pending adjudication Refer Note 41to the Standalone Financial Statements	We have relied upon legal opinion taken to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Actwith respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards(Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss, the SOCE and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014;

(e) On the basis of the written representations received from the directors as on 31st March,2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch,2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

(g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements ;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **D.K. Chhajer& Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 7th May, 2019

Annexure A to Independent Auditor's Report

i. In respect of the Company's fixed assets:

(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company are physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. 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 and no material discrepancies were observed.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. So the provision of clause 3(iii) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loan and investments made.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. 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 sub-section Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, goods and service tax, cess and other material statutory dues in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable except cement clinker cess amounting to ₹111.71/- lacs.

(b) According to the information and explanation given to us, the following dues of excise duty and entry tax have not been deposited by the Company on account of dispute :

Name of the statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	370.45	Apr-09 to March -12	Commissioner, Central Excise & Service Tax, Shillong
The Central Excise Act, 1944	Excise Duty	51.42	2009-10 & 2013-14	CESTAT
The Central Excise Act, 1944	Excise Duty	9.50	Jan-05 to Sep-05	CESTAT
The Central Excise Act, 1944	Excise Duty	8.99	Oct-05 to Jul-06	CESTAT
The Central Excise Act, 1944	Excise Duty	1.48	Jan-05 to Oct-06	CESTAT

liability has been provided for.

viii. The Company has not defaulted in repayment of loans or borrowings from financial institutions or banks. The Company has not issued any debentures.

ix. The Company has not raised any money by way of initial public offer/further public offer/debt instruments/ term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. The Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment/private placements of shares/ fully/partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with directors or person connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of clause 3(xvi) are not applicable to the Company.

For **D.K. Chhajer& Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 7th May, 2019

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Star Cement Limited

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

We have audited the internal financial controls over financial reporting of Star Cement Limited ("the Company") as at 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D.K. Chhajer& Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 7th May, 2019

Standalone Balance Sheet as at 31 March 2019

(₹ in Lacs)

Particulars	Notes	31-Mar-19	31-Mar-18
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	25,608.29	27,350.78
(b) Capital work-in-progress		6,051.60	2,639.69
(c) Intangible assets	3.1	18.39	18.91
(d) Investment in subsidiaries	4	23,744.65	23,744.65
(e) Financial assets			
(i) Investments	5	150.38	139.29
(ii) Loans	6	178.31	142.81
(f) Deferred tax assets (net)	7	16,296.26	13,557.18
(g) Non current tax assets (net)	8	62.94	62.05
(h) Other non-current assets	9	5,187.69	2,830.73
Total non-current assets		**77,298.51**	**70,486.09**
Current assets			
(a) Inventories	10	8,004.79	12,226.59
(b) Financial assets			
(i) Trade receivables	11	12,794.09	12,710.24
(ii) Cash and cash equivalents	12	7,777.14	641.63
(iii) Other Bank balances (other than (ii) above)	13	11,639.97	114.88
(iv) Loans	14	70.83	44.07
(v) Other financial assets	15	39.01	38.50
(c) Other current assets	16	36,892.37	72,367.07
Total current assets		**77,218.20**	**98,142.98**
Total assets		**1,54,516.71**	**1,68,629.07**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	4,192.29	4,192.29
(b) Other equity	18	1,00,936.43	79,648.64
Total equity		**1,05,128.72**	**83,840.93**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	15,141.35	28,143.38
(ii) Other financial liabilities	20	9,693.88	8,945.72
(b) Employee benefit obligations	21	137.17	100.04
Total non-current liabilities		**24,972.40**	**37,189.14**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	522.65	10,111.69
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		9,450.30	15,842.97
(iii) Other financial liabilities	23	8,205.92	14,144.09
(b) Employee benefit obligation	24	271.16	239.18
(c) Other current liabilities	25	5,176.23	6,535.40
(d) Current tax liabilities (net)	26	789.33	725.67
Total current liabilities		**24,415.59**	**47,599.00**
Total liabilities		**49,387.99**	**84,788.14**
Total equity and liabilities		**1,54,516.71**	**1,68,629.07**
Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Standalone Statement of Profit and Loss for the year ended 31 March, 2019

(₹ in Lacs)

Particulars	Notes	31-Mar-19	31-Mar-18
INCOME			
Revenue from operations	27	1,69,537.76	1,48,374.70
Other income	28	3,951.16	384.55
Total income		**1,73,488.92**	**1,48,759.25**
EXPENSES			
Cost of materials consumed	29	58,367.37	47,832.72
Purchase of traded goods		10,097.50	10,336.80
(Increase)/decrease in inventories	30	1,119.64	316.27
Excise duty		-	1,993.10
Employee benefit expenses	31	7,272.00	6,375.15
Finance costs	32	2,087.86	4,343.37
Depreciation and amortisation expenses	33	4,648.77	5,745.45
Other expenses	34	61,859.01	49,032.44
Total expenses		**1,45,452.15**	**1,25,975.30**
Profit before tax		**28,036.77**	**22,783.95**
Tax expenses			
- Current tax	36	5,187.74	4,877.74
- Deferred tax		(2,740.11)	(3,171.44)
Total tax expenses		**2,447.63**	**1,706.30**
Profit for the year		**25,589.14**	**21,077.65**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	37	2.96	(20.25)
Deferred tax on above		(1.03)	7.07
Other comprehensive income for the year (net of tax)		**1.93**	**(13.18)**
Total comprehensive income for the year		**25,591.07**	**21,064.47**
Earnings per equity share (face value of ₹1 each)			
Basic earning per share (in ₹)	35	6.10	5.03
Diluted earning per share (in ₹)		6.10	5.03
Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Standalone Statement of Changes in Equity for the year ended 31 March, 2019

A. Equity share capital

(₹ in Lacs)

Particulars	Amount
As at 1 April, 2017	4,192.14
Changes in equity share capital	0.15
As at 31 March, 2018	**4,192.29**
Changes in equity share capital	-
As at 31 March, 2019	**4,192.29**

B. Other equity

(₹ in Lacs)

Particulars	Share capital-pending allotment	Reserve and surplus			Total other equity
		Capital reserve	General reserve	Retained Earnings	
Balance as at 1 April, 2017	0.15	643.53	3,187.83	54,752.81	58,584.32
Profit for the year	-	-	-	21,077.65	21,077.65
Other comprehensive income /(loss) (net of tax)	-	-	-	(13.18)	(13.18)
Total comprehensive income for the year	**-**	**-**	**-**	**21,064.47**	**21,064.47**
Issue of equity shares	(0.15)	-	-	-	(0.15)
Balance as at 31 March, 2018	**-**	**643.53**	**3,187.83**	**75,817.28**	**79,648.64**
Profit for the year	-	-	-	25,589.14	25,589.14
Payment of Final Dividend for the year 2017-18	-	-	-	(4,192.29)	(4,192.29)
Tax on Final Dividend for the year 2017-18	-	-	-	(110.99)	(110.99)
Other comprehensive income /(loss) (net of tax)	-	-	-	1.93	1.93
Total comprehensive income for the year	**-**	**-**	**-**	**21,287.79**	**21,287.79**
Balance as at 31 March, 2019	**-**	**643.53**	**3,187.83**	**97,105.07**	**1,00,936.43**

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Standalone Cash Flow Statement for the year ended 31 March, 2019

(₹ in Lacs)

	Particulars	31-Mar-19	31-Mar-18
A	**Cash flow from operating activities**		
	Net Profit/(Loss) before Tax	28,036.77	22,783.95
	Adjustments for :		
	Depreciation and amortisation-(refer note 33)	4,648.77	5,745.45
	(Profit)/ Loss on Sale of Property, Plant and Equipment	(11.39)	-
	Interest and Dividend Income (refer note 28)	(3,903.86)	(144.59)
	Finance Costs (refer note 32)	2,087.86	4,343.37
	Allowance for Bad and Doubtful Debts	0.29	19.89
	Operating Profit before working Capital changes	**30,858.44**	**32,748.07**
	Adjustments for :		
	(Increase)/Decrease in Trade receivables	(84.13)	(1,850.89)
	(Increase)/Decrease in Inventories	4,221.82	(6,023.42)
	(Increase)/Decrease in Loans	(62.26)	1,358.14
	(Increase)/Decrease in Other assets	33,116.32	(8,391.99)
	Increase /(Decrease) in trade and other payables	(6,392.67)	7,799.79
	Increase /(Decrease) in Other Liabilities and Provisions	(7,026.22)	3,261.55
	Cash Generated from Operations	54,631.29	28,901.25
	Income Tax Paid	(4,575.00)	(4,250.00)
	Net Cash flow from Operating Activities	**50,056.29**	**24,651.25**
B	**Cash flow from Investing Activities**		
	(Purchase)/sale of Property, Plant and Equipment (including CWIP)	(6,306.27)	(2,211.64)
	Fixed Deposits/Margin Money Given/(Repaid)	(11,525.09)	262.30
	(Purchase)/ sale of Investments	(11.08)	-
	Interest Received	3,903.86	145.58
	Net Cash used in Investing Activities	**(13,938.58)**	**(1,803.76)**
C	**Cash Flow from Financing Activities**		
	Payment of Dividend (including Dividend Distribution Tax)	(4,303.28)	-
	Interest paid	(2,087.86)	(4,337.38)
	Proceeds from /(Repayment of) Long Term Borrowings / Liabilities	(13,002.03)	(8,517.95)
	Proceeds from /(Repayment of) Short Term Borrowings	(9,589.03)	(10,232.46)
	Net Cash used in Financing Activities	**(28,982.20)**	**(23,087.79)**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**7,135.51**	**(240.30)**
	Cash and Cash Equivalents (refe note 12)		
	Opening Balance	**641.63**	**881.93**
	Closing Balance	**7,777.14**	**641.63**

Note:

Significant non-cash movement in borrowings during the year include new finance leases of ₹ Nil. (31 March 2018: ₹34.80 Lacs)

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Notes to standalone financial statements for the year ended 31 March, 2019

Corporate Information

Star Cement Limited (formerly Cement Manufacturing Company Limited) ("the Company") is a public limited company domiciled in India and incorporated on 2nd November, 2001 as per the provisions of the Companies Act. The Company is engaged in the manufacturing and selling of Cement Clinker & Cement. The manufacturing units are located at Lumshnong, Meghalaya and Guwahati, Assam. The Company is selling its product across north eastern and eastern states of India.

1. Significant Accounting Policies

1.1 Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and Companies (Indian Accounting Standards) Amendment Rules,2016 and other relevant provisions of the Act.

The Company has adopted all the applicable Ind AS standards effective 1st April, 2017 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- defined benefit plans – plan assets measured at fair value
- certain financial assets that are measured at fair value

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

1.2 Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.3 Foreign Currency Transactions and Balances

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is Star Cement Limited's functional and presentation currency.

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 foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The Company has adopted the provisions of para 46A of AS-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 property, plant and equipment are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Notes to standalone financial statements for the year ended 31 March, 2019

1.4 Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of any recoverable amount, wherever applicable) less accumulated depreciation, amortization and impairment losses if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to working condition for its intended use. Railway sidings the ownership of which vest with the Railway authorities are depreciated over five years.

Capital Work In Progress

Capital work in progress is carried at cost and includes any directly attributable cost incurred during construction period.

Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing costs, prior to commencement of commercial production/completion of project are capitalised.

Depreciation

Depreciation on Property, plant and equipment is provided on Written Down Value (WDV) method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C' thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. 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.

1.5 Intangible Asset

An intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure are written off over a period of three years.

1.6 Research and Development Expenditure

Revenue expenditure is charged to the Statement of Profit and Loss and capital expenditure is added to the cost of property, plant and equipment in the year in which they are incurred.

1.7 Lease

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

1.8 Government Grants and Subsidies

Government grants and subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants in the nature of recoupment/ reimbursement of any particular item of expenses are recognized in the Statement of Profit and Loss as deduction from related item of expenditure. Grants related to assets which are recognized in the Balance Sheet as deferred income, are recognized to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

1.9 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized 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.

Notes to standalone financial statements for the year ended 31 March, 2019

1.10 Inventories

Raw materials, stores and spares are valued at lower of cost and net realisable 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, traded goods and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity.

Cost of inventories (excluding finished good and WIP) is computed on weighted average basis is computed on weighted average 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.

1.11 Business combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

1.12 Investment in Subsidiaries

The Company's investments in its subsidiaries are carried at cost.

1.13 Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

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

Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Notes to standalone financial statements for the year ended 31 March, 2019

Derecognition of financial assets

A financial asset is derecognised only when

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

Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

1.14 Trade receivables

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

1.15 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.16 Financial liabilities

Initial recognition and measurement

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

1.17 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.18 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.

1.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the

Notes to standalone financial statements for the year ended 31 March, 2019

liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.20 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

1.21 Tax Expenses

Tax expense comprises current tax and deferred tax. Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

The deferred tax in respect of temporary 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.

1.22 (A) Revenue Recognition

Sales are recognised when control of the products has transferred. The domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export / bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence/ loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue for current year is exclusive of goods and service tax and net of discounts, sales returns and foreign exchange gain/(loss). Revenue for previous year is inclusive of excise duty but net of sales tax/value added tax/goods and service tax, discounts and sales returns as applicable.

Unfulfilled performance obligations

Notes to standalone financial statements for the year ended 31 March, 2019

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of providing cost of such benefits. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence. To the extent these benefits are not settled/disbursed till the end of a reporting period these are recorded.

A contract liability is recognised until the benefit is provided.

(B) Other Income

Interest income is recognised using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

1.23 Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(i) Defined Contribution Plan

Employees benefits in the form of provident fund, ESIC and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and transferred to retained earnings.

(iii) Other Long-term benefits

Long-term compensated absences are provided for on the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

1.24 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.25 Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are also disclosed by way of notes to the accounts.

1.26 Segment reporting

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

1.27 Dividends

Dividends paid (including dividend distribution tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders. The corresponding amount is recognised directly in equity.

Notes to standalone financial statements for the year ended 31 March, 2019

2. Recent Accounting Developments: Standards issued but not yet effective

(a) Ind AS 116 – "Leases"

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The Statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

Presently, the Company is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements. The Company intends to apply simplified transition approach and will not restate comparative information in the financial statements for the year ending 31 March 2020 to show the impact of adopting Ind AS 116.

b) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'

This appendix was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019.The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

(i) how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or

(ii) together as a group, depending on which approach better predicts the resolution of the uncertainty;

(iii) that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;

(iv) that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;

(v) that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and

(vi) that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements. The Company intends to apply this appendix retrospectively, with the cumulative effect of initially applying the appendix recognised at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

Notes to standalone financial statements for the year ended 31 March, 2019

3 Property, plant and equipment

(₹ in Lacs)

Particulars	Land & Site Development	Factory Building	Non Factory Building	Plant & Machinery	Railway Sidding	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross Carrying Value											
At 1 April, 2017	4,710.27	4,612.27	2,543.55	19,833.61	-	293.85	99.48	140.37	799.61	159.27	33,192.28
Additions	281.17	125.88	616.11	2,822.12	-	34.55	16.97	24.45	272.65	11.07	4,204.99
Disposals/deductions/ adjustments	-	1.91	-	-		1.14	0.73	0.35	24.47	-	28.61
At 31 March, 2018	**4,991.45**	**4,736.24**	**3,159.66**	**22,655.74**	**-**	**327.26**	**115.72**	**164.47**	**1,047.79**	**170.34**	**37,368.66**
Additions	325.85	20.67	31.24	229.90	1,557.00	27.27	34.01	51.93	688.96	28.83	2,995.67
Disposals/deductions/ adjustments	-	-	-	296.82	-	1.04	0.16	2.81	220.71	8.66	530.21
At 31 March, 2019	**5,317.29**	**4,756.91**	**3,190.90**	**22,588.82**	**1,557.00**	**353.48**	**149.57**	**213.59**	**1,516.04**	**190.51**	**39,834.12**
Accumulated Deprecation											
At 1 April, 2017	-	393.52	354.92	3,500.83	-	64.57	35.62	60.88	201.97	41.41	4,653.72
Charge for the year	-	399.13	252.92	4,387.15	-	55.91	25.19	40.79	174.38	31.36	5,366.83
Disposals/deductions/ adjustments	-	-	-	-		0.10	0.28	0.15	2.14	-	2.68
At 31 March, 2018	-	**792.65**	**607.84**	**7,887.99**	**-**	**120.38**	**60.53**	**101.51**	**374.20**	**72.78**	**10,017.88**
Charge for the year	-	374.31	202.31	3,669.89	0.77	50.91	27.26	28.81	263.28	26.92	4,644.46
Disposals/deductions/ adjustments	-	-	-	226.29	-	0.99	-	2.69	199.08	7.46	436.51
At 31 March, 2019	-	**1,166.96**	**810.16**	**11,331.58**	**0.77**	**170.29**	**87.79**	**127.64**	**438.40**	**92.24**	**14,225.83**
Net Carrying Value											
At 31 March, 2018	4,991.45	3,943.59	2,551.82	14,767.75	-	206.88	55.19	62.95	673.59	97.57	27,350.78
At 31 March, 2019	**5,317.29**	**3,589.96**	**2,380.74**	**11,257.24**	**1,556.23**	**183.20**	**61.78**	**85.95**	**1,077.64**	**98.28**	**25,608.29**

3.1 Intangible assets

Particulars	Intangible Assets
Gross Carrying Value	
At 1 April, 2017	24.80
Additions	17.14
Disposals/deductions/adjustments	-
At 31 March, 2018	**41.94**
Additions	11.62
Disposals/deductions/adjustments	-
At 31 March, 2019	**53.56**
Accumulated Deprecation	
At 1 April, 2017	12.31
Additions	10.72
Disposals/deductions/adjustments	-
At 31 March, 2018	**23.03**
Charge for the year	12.14
Disposals/deductions/adjustments	-
At 31 March, 2019	**35.17**
Net Carrying Value	
At 31 March, 2018	18.91
At 31 March, 2019	**18.39**

a. During the year Company has sold/ discarded Property, Plant and Equipment amounting to ₹530.21 Lacs (31 March 2018 - ₹26.70 Lacs).

b. Depreciation for the year includes ₹7.83 Lacs (31 March 2018 -₹ Nil) capitalized as Pre-operative expenses.

c. During the year ending 31 March 2019 foreign exchange (gain)/loss of ₹13.60 Lacs (31 March 2018 - ₹1.91 Lacs) is added to factory building in accordance with para 46A of AS-11 (Previous GAAP)/ and Ind AS 101.

Notes to standalone financial statements for the year ended 31 March, 2019

4. Investment in subsidiaries

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Investment in Subsidiaries - Unquoted		
Megha Technical & Engineers Private Limited	2,734.64	2,734.64
2,73,46,400 (2,73,46,400 as at 31 March 2018,) Equity Shares of ₹10/- each fully paid up		
Star Century Global Cement Private Limited	20.03	20.03
300 (300 as at 31 March 2018) Equity Share of $ 100 each fully paid up		
Star Cement Meghalaya Limited	17,414.67	17,414.67
2,60,88,656 (2,60,88,656 as at 31 March 2018,) Equity Shares of ₹10 each fully paid up		
Meghalaya Power Limited	3,568.31	3,568.31
87,36,620 (87,36,620 as at 31 March 2018) Equity Share of ₹10 each fully paid up		
NE Hills Hydro Limited	7.00	7.00
70,000 (70,000 as at 31 March 2018) Equity Share of ₹10 each fully paid up		
	23,744.65	**23,744.65**

5. Investments - non-current

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Investment at FVTPL		
Investment in Unquoted Equity Instruments		
Adonis Vyapaar Private Limited	36.23	33.32
3,55,509 (3,55,509 as at 31 March 2018,) Equity Share of ₹10 each fully paid up		
Apanapan Viniyog Private Limited	37.01	33.93
3,55,509 (3,55,509 as at 31 March 2018,) Equity Share of ₹10 each fully paid up		
Ara Suppliers Private Limited	38.36	34.94
3,55,509 (3,55,509 as at 31 March 2018,) Equity Share of ₹10 each fully paid up		
Arham Sales Private Limited	37.79	33.94
3,55,509 (3,55,509 as at 31 March 2018,) Equity Share of ₹10 each fully paid up		
Investment in Quoted Equity Instruments		
Reliance Power Limited	0.99	3.16
8,743 (8,743 as at 31 March 2018) Equity Shares of ₹10/- each fully paid up		
	150.38	**139.29**
Aggregate Market value of Quoted investment	0.99	3.16
Aggregate amount of unquoted investments	149.39	136.13
	150.38	**139.29**

6. Loans

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
Security deposits	178.31	142.81
	178.31	**142.81**

7. Deferred tax assets (net)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Deferred tax liability		
Borrowing	-	11.66
	-	**11.66**
Deferred tax assets		
Gratuity and leave encashment	94.67	82.46
Trade receivable	5.44	9.65
Property, plant and equipment	693.31	495.53
MATcredit entitlement	15,502.84	12,981.20
	16,296.26	**13,568.84**
Deferred tax assets (net)	**16,296.26**	**13,557.18**

Notes to standalone financial statements for the year ended 31 March, 2019

8. Non current tax assets (net)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Advance income tax (net of provision for taxation of ₹3,028.62 Lacs for 31 March 2019 and ₹1,238.67 Lacs for 31 March,2018)	62.94	62.05
	62.94	**62.05**

9. Other non-current assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Deposit with statutory authorities		
Unsecured, considered good	75.03	75.46
Capital advances		
Unsecured, considered good	5,112.66	2,755.27
	5,187.69	**2,830.73**

10. Inventories

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Raw materials (including in transit as at 31 March 2019 - ₹308.40 Lacs and 31 March 2018 - ₹257.53 Lacs)	2,323.50	4,601.11
Work - in - progress	24.70	37.37
Finished goods (including in transit as at 31 March 2019 - ₹355.81 Lacs and 31 March 2018 - ₹505.55 Lacs)	955.99	2,062.96
Stock in trade (including in transit as at 31 March 2019 - ₹101.13 Lacs and 31 March 2018 - ₹ Nil)	125.66	76.10
Fuels, packing materials, etc.	2,647.49	3,613.61
Stores & spares parts	1,927.45	1,835.44
	8,004.79	**12,226.59**

11. Trade receivables

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Secured Considered Good	5,447.36	4,546.69
Unsecured, considered good	7,346.73	8,163.55
Considered doubtful	65.71	65.42
Less: Allowance for doubtful debts	(65.71)	(65.42)
	12,794.09	**12,710.24**

12. Cash and cash equivalents

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Cash in hand	76.07	70.13
Stamp paper in hand	0.20	0.20
Cheques in hand	91.88	160.08
Balance with Banks		
- In current accounts/cash credit accounts	444.59	411.22
- In Fixed Deposit accounts including interest with original maturity of upto 3 months	7,164.40	-
	7,777.14	**641.63**

Notes to standalone financial statements for the year ended 31 March, 2019

13. Other - Bank balances (other than Note 12 above)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unpaid dividend account [Refer note 13.1 below]	1.65	1.65
In Fixed Deposit accounts including interest with original maturity of more than 3 months and upto 12 months	11,509.50	-
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months [Refer note 13.1 below]	128.82	113.23
	11,639.97	**114.88**

13.1 The bank balance disclosed above represents margin money against bank gurantee and unpaid dividend account are subject to regulatory restrictions and are therefore not available for general use by the Company.

14. Loans

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
Security deposits	70.83	44.07
	70.83	**44.07**

15. Other current financial assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
Advances recoverable from an associate	39.01	38.50
	39.01	**38.50**

16. Other current assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
-Advances to suppliers	4,243.62	1,646.57
-Advances to employees	93.73	78.71
-Balances with statutory/government authorities	9,611.31	9,151.81
-Subsidies /incentives receivable from central/state governments	21,037.80	58,360.38
-Advances for services & expenses	1,751.72	2,926.15
-Prepaid expenses	154.19	203.45
Unsecured, considered doubtful		
-Doubtful advances	7.09	3.93
Less: Provision for bad & doubtful advances	(7.09)	(3.93)
	36,892.37	**72,367.07**

17. Equity share capital

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Authorized capital	8,300.00	8,300.00
83,00,00,000 (83,00,00,000 as at 31 March 2018) Equity Shares of ₹1/- each fully paid)		
Issued, subscribed & fully paid -up shares	4,192.29	4,192.29
41,92,28,997 (41,92,28,997 as at 31 March 2018,) Equity Shares of ₹1/- each fully paid)	**4,192.29**	**4,192.29**

a Terms/Rights attached to equity shares

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 the 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.

Notes to standalone financial statements for the year ended 31 March, 2019

b Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	No. of Shares	No. of Shares
At the beginning of the year	41,92,28,997	41,92,13,920
Issued during the year	-	15,077
Outstanding at the end of the year	**41,92,28,997**	**41,92,28,997**

c Details of shareholders holding more than 5% of equity share capital

Name of the shareholders	No. of Shares % of holding	No. of Shares % of holding
Sajjan Bhajanka	4,73,16,047	4,69,08,547
	11.29%	11.19%
Prem Bhajanka	3,82,22,553	3,78,15,053
	9.12%	9.02%
Rajendra Chamaria	-	2,17,87,055
	-	5.20%
SBI Equity Hybrid Fund	2,42,34,751	-
	5.78%	-

17.1 As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership.

18. Other Equity

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Capital reserve		
Opening Balance	643.53	643.53
Addition/(deduction) during the year	-	-
	643.53	**643.53**
General reserve		
Opening Balance	3,187.83	3,187.83
Addition/(deduction) during the year	-	-
	3,187.83	**3,187.83**
Retained earnings		
Opening Balance	75,817.28	54,752.81
Profit /(loss) for the year	25,589.14	21,077.65
Less: Appropriations		
Payment of Final Dividend for the year 2017-18	(4,192.29)	-
Tax on Final Dividend for the year 2017-18	(110.99)	-
Other comprehensive income		
Remeasurement of post-employment benefit obligations (net of tax)	1.93	(13.18)
	97,105.07	**75,817.28**
Total Other equity	**1,00,936.43**	**79,648.64**

Nature and purpose of reserves

Capital Reserve

During amalgamation with Star Ferro and Cement Limited, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to standalone financial statements for the year ended 31 March, 2019

19. Borrowings

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Term loans (secured)		
Rupee loans from banks [Refer note (a) below]	-	9,591.86
Rupee loans from a financial institution [Refer note (b) below]	-	1,875.01
Foreign currency loan from a bank [Refer note (a) below]	-	401.26
Loans from related party (unsecured)		
- From a subsidiary	15,112.46	13,860.75
- From directors	-	6,766.61
Other loans (secured)		
-Hire purchase finance from banks [Refer note (d) below]	80.76	178.47
	15,193.22	**32,673.96**
Less: Current maturities of long term borrowings	(51.87)	(4,530.58)
	15,141.35	**28,143.38**

Notes-

(a) Rupee term loan of ₹ Nil (31 March 2018: ₹3,780.38 lacs) from a bank was repayable in 16 equal quarterly instalments commencing from June 2018 and ending on March 2022. This loan has been fully repaid in FY2018-19. The Loan was secured by pari passu first charge on Property,plant and equipment of the Company's cement plant at Lumshnong, Meghalaya and second pari passu charge on the current assets of the Company's cement plant at Lumshnong, Meghalaya.

Rupee term loan of ₹ Nil (31 March 2018 : ₹5,811.48 lacs) from a Bank was repayable in further 5 equal half yearly instalments ending on June 2020.This loan has been fully repaid in FY2018-19. The loan was secured by pari passu first charge on the Property,plant and equipment of the Company's cement plant at Lumshnong, Meghalaya and second pari passu charge over the current assets of the Company's cement plant at Lumshnong, Meghalaya.

Foreign Currency loan of ₹ Nil (31 March 2018: ₹401.26 lacs) was repayable in 7 quarterly instalments ending on December 2019.This loan has been fully repaid in FY2018-19.The loan was secured by pari passu first charge on Property,plant and equipment and pari passu second charge on current assets of the Company's cement grinding unit at Guwahati, Assam.The term loans was secured by personal guarantees of some of the directors of the Company.

(b) Rupee term loan of ₹ Nil (31 March 2018: ₹1,875.01 lacs) from a financial Institution was repayable in equal 10 quarterly instalment ending on September 2020.This loan has been fully repaid in FY2018-19.

(c) Term loan from a related party(subsidiary company) is long term in nature i.e. payable in 5 years.The loan from directors has been fully repaid in FY2018-19.

(d) Hire purchase finance is secured by hypothecation of respective vehicles and is repayable within three years having varying date of payment.

(e) The Company does not have any continuing defaults in repayment of loans and interest as at reporting period.

20. Other financial liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Security deposit	9,693.88	8,945.72
	9,693.88	**8,945.72**

21. Employee benefit obligations

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Provision for employee benefits		
- Gratuity	137.17	100.04
	137.17	**100.04**

Notes to standalone financial statements for the year ended 31 March, 2019

22. Borrowings

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Secured		
Working capital facilities from banks [Refer note (a) below]		
- Cash credit	522.65	8,111.69
Unsecured		
Short term loan [Refer note (b) below]		
- From banks	-	2,000.00
	522.65	**10,111.69**

Notes-

(a) Working Capital facilities of ₹117.84Lacs (31March 2018 : ₹5,106.87 Lacs) from banks are secured by pari passu first charge on current assets and second pari passu charge on Property, plant and equipment of the Company's cement grinding unit at Guwahati, Assam.

Working capital facilities of ₹404.81Lacs (31March 2018 : ₹3,004.82 Lacs) from banks are secured by pari passu first charge on current assets and pari passu second charge on Property, plant and equipment of the Company's cement plant at Lumshnong, Meghalaya.

These working capital facilities have been guaranteed by some of the Directors of the Company.

(b) Short term loan of ₹ Nil (31March 2018 : ₹2,000 lacs). The loan has been fully repaid in April 2018.

23. Other financial liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Current maturities of long term borrowings	51.87	4,530.58
Interest accrued but not due on borrowings	0.61	1.27
Unclaimed dividend	1.65	1.65
Other payables		
-Creditors for capital goods	443.23	16.60
-Salary and bonus to employees	296.28	200.93
-Retention money	152.77	173.42
-Other liabilities	7,259.51	9,219.64
	8,205.92	**14,144.09**

23.1 Amount to be transferred to the Investor Education and Protection Fund shall be determined on the respective due date.

24. Employee benefit obligation

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Provision for employee benefits		
-Leave encashment	216.57	194.63
-Gratuity	54.59	44.55
	271.16	**239.18**

25. Other current liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Other payables		
Statutory liabilities	4,056.17	5,160.95
Advances from customer	1,120.06	1,374.45
	5,176.23	**6,535.40**

26. Current tax liabilities (net)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Provision for taxation (net of advance income tax as at 31 March 2019 ₹10,478.37 Lacs, ₹7,063.97 lacs as at 31 March 2018)	789.33	725.67
	789.33	**725.67**

Notes to standalone financial statements for the year ended 31 March, 2019

27. Revenue from operations

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Sale of products		
Domestic	1,69,074.88	1,47,711.25
Export	71.38	395.66
	1,69,146.26	**1,48,106.91**
Other operating income		
Shortage recovery of cement & clinker	1.65	177.69
Others	389.85	90.10
	1,69,537.76	**1,48,374.70**

28. Other income

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Interest income on:		
Bank deposits	188.13	77.86
Others	63.32	67.72
Fair Value of Equity Instrument	11.08	(0.99)
Dividend Income	3,652.41	-
Miscellaneous income	36.22	239.96
	3,951.16	**384.55**

29. Cost of materials consumed

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Inventory at the beginning of the year	4,601.11	799.82
Add: Purchases	56,089.76	51,634.01
	60,690.87	**52,433.83**
Less : Inventory at the end of the year	2,323.50	4,601.11
	58,367.37	47,832.72

30. (Increase)/decrease in inventories

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Work in progress		
Opening stock	37.37	22.66
Closing stock	24.70	37.37
	12.67	(14.71)
Finished goods		
Opening stock	2,062.96	2,393.94
Closing stock	955.99	2,062.96
	1,106.97	330.98
	1,119.64	**316.27**

31. Employee benefit expenses

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Salaries & wages	6,798.02	5,881.02
Contribution to provident fund and other funds	217.71	208.80
Welfare expenses	256.27	285.33
	7,272.00	**6,375.15**

Notes to standalone financial statements for the year ended 31 March, 2019

32. Finance costs

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Interest expense		
-On loans measured at amortised cost	1,917.12	4,232.71
Other finance costs	170.74	110.66
	2,087.86	**4,343.37**

32.1 The capitalisation rate used to determine the borrowing costs of ₹57.05 Lacs capitalised during the year ended 31 March, 2019 is the weighted average interest rate applicable to the entity's specified borrowings i.e 8.81%.

33. Depreciation and amortisation expenses

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Depreciation on Property,plant and equipment	4,644.46	5,734.82
Amortisation of Intangible Assets	12.14	10.72
	4,656.60	**5,745.54**
Less: Transferred to Capital Work in Progress	7.83	0.09
	4,648.77	**5,745.45**

33.1 Depreciation is net off increase/decrease of ₹ Nil for the year ended 31 March, 2019 (increase of ₹367.98 Lacs for the year ended 31 March, 2018) on account of amortisation of Government Grant.

34. Other expenses

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Consumption of stores & spares	648.69	543.97
Packing materials	4,777.78	3,898.65
Power & fuel	13,539.27	10,781.07
Repairs & maintenance		
- Building	117.38	117.47
- Plant & machinery	708.90	369.94
- Others	229.88	160.65
Heavy vehicle / equipment running expenses	356.88	245.62
Travelling and conveyance	626.04	639.80
Insurance	104.43	151.65
Rent, rates & taxes	184.53	681.19
Research & development expenses	26.54	34.43
Charity & donation	674.52	450.37
Miscellaneous expenses [Refer Note 44(e)]	2,257.37	1,752.64
CSR expenses [Refer Note 44(d)]	295.98	222.97
Advertisement & publicity	1,944.33	2,055.61
Outward Freight Charges	33,125.17	24,994.98
Sales promotion expenses	882.63	540.68
Commission & incentives	1,358.69	1,390.75
	61,859.01	**49,032.44**

35. Earnings per share

(a) Basic earnings per share

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Basic earnings per share attributable to the equity holders of the Company (in ₹)	6.10	5.03

(b) Diluted earnings per share

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Diluted earnings per share attributable to the equity holders of the Company (in ₹)	6.10	5.03

Notes to standalone financial statements for the year ended 31 March, 2019

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basic earnings per share	25,589.14	21,077.65
Diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	25,589.14	21,077.65

(d) Weighted average number of equity shares used as the denominator

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	41,92,28,997	41,92,28,997
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	41,92,28,997	41,92,28,997

36. Tax expenses

(₹ in Lacs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
(a) Current tax		
Current tax on profits for the year	5,187.74	4,877.74
Total current tax expense	**5,187.74**	**4,877.74**
(b) Deferred tax		
Deferred tax	(2,740.11)	(3,171.44)
Total deferred income tax expense/(benefit)	**(2,740.11)**	**(3,171.44)**
Tax expenses	**2,447.63**	**1,706.30**

36.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lacs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Profit before tax	28,036.77	22,783.95
Tax at the Indian tax rate of 34.944% (31 March 2018 - 34.608%)	**9,797.17**	**7,885.07**
Item not deductible/ taxable under tax	387.13	(88.07)
Effect of allowances/ tax holidays for tax purpose	(6,241.89)	(6,091.68)
Effect of tax on exempt income	(1,276.30)	-
Others	(218.48)	-
Impact of change in tax rate during the year	-	0.98
Tax expenses	**2,447.63**	**1,706.30**

36.2 The Tax Rate used for the year 2018-19 and 2017-18 reconcilation above is the Corporate tax rate of 34.944% (30%+ surcharge @12% + education cess @4%) & 34.608% (30%+ surcharge @12% + education cess @3%) payable on taxable profits under the Income Tax Act, 1961.

37. Employees benefit obligations

(a) Leave encashment

Under leave encashment scheme, the Company allows its employees to encash accumulated leave over and above thirty days at any time during the year. Hence the entire amount of the provision is presented under current. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Leave obligations not expected to be settled within the next 12 months	102.55	165.50

Notes to standalone financial statements for the year ended 31 March, 2019

(b) Post-employment obligations

i) Gratuity

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 than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance Company.

The amounts recognised in the Balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Lacs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2017	305.04	(190.95)	114.10
Current service cost	49.63	-	49.63
Interest expense/(income)	21.71	(14.80)	6.91
Total amount recognised in profit or loss	**71.34**	**(14.80)**	**56.54**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	1.40	1.40
Actuarial (gain)/loss from change in financial assumptions	(5.54)	-	(5.54)
Actuarial (gain)/loss from unexpected experience	24.39	-	24.39
Total amount recognised in other comprehensive income	**18.85**	**1.40**	**20.25**
Employer contributions/ premium paid	-	(46.30)	(46.30)
Benefit paid	(49.85)	49.85	-
31 March 2018	**345.38**	**(200.79)**	**144.59**

(₹ in Lacs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	345.38	(200.79)	144.59
Current service cost	52.62	-	52.62
Interest expense/(income)	25.73	(15.46)	10.27
Total amount recognised in profit or loss	**78.35**	**(15.46)**	**62.89**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	4.88	(3.43)	1.45
Actuarial (gain)/loss from change in financial assumptions	8.33	-	8.33
Actuarial (gain)/loss from unexpected experience	(12.74)	-	(12.74)
Total amount recognised in other comprehensive income	**0.47**	**(3.43)**	**(2.96)**
Employer contributions/ premium paid	-	(12.76)	(12.76)
Benefit paid	(22.46)	22.46	-
31 March 2019	**401.74**	**(209.98)**	**191.76**

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2019	31 March 2018
Discount rate	7.75%	7.75%
Expected return on plan asset	7.75%	7.75%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table

Notes to standalone financial statements for the year ended 31 March, 2019

(iii) Sensitivity analysis

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

Particulars	Impact on defined benefit obligation			
	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(96.33)	245.87	(317.12)	378.10
Salary growth rate (-/+ 1%)	118.93	13.88	375.10	(317.98)
Withdrawal rate (-/+ 1%)	107.11	(222.50)	349.07	(341.09)

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

The methods and types of assumptions used in preparing the sensitvity analysis did not change compared to the prior period.

(iv) The major categories of plan assets

The defined benefit plans are funded with Insurance Company of India. The Company does not have any liberty to manage the funds provided to insurance company. Thus the composition of each major category of plan assets has not been disclosed.

(v) Risk exposure

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

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

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

Salary growth risk:

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

(vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2020 are ₹67.26 Lacs.

The weighted average duration of the defined benefit obligation is 5.79-6.77 years (31 March 2018: 4.94-6.15 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lacs)

Particulars	Less than a year	Between 2- 5 years	Over 5 years
31 March 2019	54.59	32.65	181.65
31 March 2018	18.00	120.23	127.49

Notes to standalone financial statements for the year ended 31 March, 2019

38. Capital management

(a) Risk management

The Company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The amount mentioned under total equity in balance sheet is considered as Capital.

(b) Dividends paid and proposed

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
(i) Equity shares		
Final dividend for the year ended 31 March, 2018 of ₹1 per share (31 March, 2017 – Nil)	4,192.29	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹1.00 per fully paid equity share (31 March 2017 – ₹ Nil).This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	4,192.29

39. Assets pledged as security

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

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Current		
Financial assets		
First charge		
Trade receivables	12,794.09	12,710.24
Inventories	8,004.79	12,226.59
Cash and cash equivalents	7,777.14	641.63
Bank balances	11,639.97	114.88
Other financial assets	109.84	82.57
Other current assets	36,892.37	72,367.07
Total current assets	**77,218.20**	**98,142.98**
Non Current		
First charge		
Property, plant and equipment(including Capital work-in-progress)	31,659.89	29,990.47
Total non-currents assets	**31,659.89**	**29,990.47**
Total assets pledged as security	**1,08,878.09**	**1,28,133.45**

Notes to standalone financial statements for the year ended 31 March, 2019

40. Financial instruments by category

(₹ in Lacs)

Particulars	31-Mar-19			31-Mar-18		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investment in equity instruments	150.38	-	-	139.29	-	-
Security deposits	-	-	249.14	-	-	186.88
Trade receivables	-	-	12,794.08	-	-	12,710.24
Cash and cash equivalent	-	-	7,777.14	-	-	641.63
Balance with banks	-	-	11,639.97	-	-	114.88
Recoverable from related parties	-	-	39.01	-	-	38.50
	150.38	**-**	**32,499.35**	**139.29**	**-**	**13,692.13**
Financial liabilities						
Borrowing	-	-	15,715.88	-	-	42,785.65
Security deposit	-	-	9,693.88	-	-	8,945.72
Trade payable	-	-	9,450.30	-	-	15,842.97
Creditors for capital goods	-	-	443.23	-	-	16.60
Salary and bonus to employees	-	-	296.28	-	-	200.93
Retention money	-	-	152.77	-	-	173.42
Other liabilities including Unlcaimed dividend and Interest accrued but not due on borrowings	-	-	7,261.78	-	-	9,222.56
	-	**-**	**43,014.12**	**-**	**-**	**77,187.85**

(i) Fair value hierarchy

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

• the fair value of all assets and liabilities

• the fair value of the financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Lacs)

Particulars	31-Mar-19			31-Mar-18		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments	0.99	-	149.38	3.16	-	136.13
Total financial assets	**0.99**	**-**	**149.38**	**3.16**	**-**	**136.13**

Notes to standalone financial statements for the year ended 31 March, 2019

(iv) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	31-Mar-19		31-Mar-18	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security Deposits and margin money	178.31	178.31	142.81	142.81
Total financial assets	**178.31**	**178.31**	**142.81**	**142.81**
Financial liabilities				
Borrowings	80.76	81.22	178.47	181.43
Security deposits	9,693.88	9,693.88	8,945.72	8,945.72
Total financial liabilities	**9,774.64**	**9,775.10**	**9,124.19**	**9,127.15**

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

41. Contingent liability & commitments

(₹ in Lacs)

Sl. No	Particulars	31-Mar-19	31-Mar-18
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,499.11	-
2	Claims against the Company not acknowledge as debts – excise VAT/income tax matters/royalty etc.	498.38	504.13
3	Duty saved under EPCG scheme	46.65	46.65
4	Letters of credit issued by bank	1,992.16	58.26
5	Solvent surety furnished to excise department against differential excise duty refund	1,472.73	1,318.08

Note: Based on legal opinion / decisions in similar cases, the Management believes that the Company has a fair chance of favorable decisions in cases mentioned here-in-above and hence no provision is considered necessary.

(a) Against Company's claim in respect of its cement plant at Lumshnong 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 disputed amount against furnishing of solvent surety. Based on the said judgment of the Hon'ble High Court in favour of the Company and legal opinion obtained by the Company, the differential excise duty refund of ₹ Nil (31 March 2018- 1.62 Lacs) has been recognised in the books of accounts.

(b) Against Company's claim in respect of its cement plant at Guwahati for refund of differential excise duty, Hon'ble High Court at Guwahati vide its order dated 1st December, 2016, in the matter of Raj Coke industries & others versus the Union of India has directed the Excise Department to release 50% of the disputed amount against furnishing of solvent surety. Based on the said judgment of the Hon'ble High Court and legal opinion obtained by the Company, the differential excise duty refund of Nil (31 March 2018 - Nil,) have been recognized as revenue in the books of accounts.

Notes to standalone financial statements for the year ended 31 March, 2019

42. Financial risk management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis	Diversification of customer base
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (INR).	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
Market risk – interest rate	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions
Market risk – price risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. Further the Company receives security deposit from its customers which mitigates the credit risk. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

(₹ in Lacs)

Particulars	Not past due	Less than 6 Months	More than 6 Months and upto 1 years	More than 1 years	Expected credit losses	Net carrying amount of trade receivables
As on 31 March, 2019	9,070.97	2,116.39	606.71	1,065.73	(65.71)	12,794.09
As on 31 March, 2018	7,921.04	3,573.33	725.48	555.80	(65.42)	12,710.24

ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. Investments of surplus funds are made on ly with approved counterparties in accordance with the Company's policy. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Loans are given to body corporate are as per the Company policy and the receipt of repayment are reviewed on regular basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial Assets are considered to be of good quality and there is no significant credit risk.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as at 31 March 2019 and 31 March 2018 is the carrying amounts as illustrated in Note 40.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Notes to standalone financial statements for the year ended 31 March, 2019

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis.

(i) Financing arrangements

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

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Expiring within one year (bank overdraft and other facilities)	10,477.35	11,861.35
	10,477.35	**11,861.35**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

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

(₹ in Lacs)

Contractual maturities of financial liabilities - 31 March, 2019*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	574.52	27.83	15,113.52	-	15,715.87
Interest on borrowing	49.95	1.32	1,307.06	-	1,358.33
Trade payables	9,450.30	-	-	-	9,450.30
Other payables	8,153.45	-	-	-	8,153.45
Total financial liabilities	**18,228.22**	**29.15**	**16,420.58**	**-**	**34,677.95**

(₹ in Lacs)

Contractual maturities of financial liabilities - 31 March, 2018*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	14,642.27	27,228.92	948.03	-	42,819.22
Interest on borrowing	2,603.58	4,062.08	50.96	-	6,716.62
Trade payables	15,842.97	-	-	-	15,842.97
Other payables	9,612.24	-	-	-	9,612.24
Total financial liabilities	**42,701.06**	**31,291.00**	**998.99**	**-**	**74,991.05**

*Security deposit received from customer has not been included in the above maturity profile as the repayment of the same cannot be reasonably estimated.

(C) Market risk

(i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company deals with an international customer and is therefore exposed to foreign exchange risk (primarily with respect to USD) arising from this foreign currency transactions. In view of low proportion of export/import, as compared to the overall operations, the exposure of the Company to foreign exchange risk is also not considered to be material.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

Notes to standalone financial statements for the year ended 31 March, 2019

Foreign currency risk exposure

The Company's exposure to foreign currency (USD) risk at the end of the reporting period expressed in INR are as follows:-

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Financial assets	-	-
Financial liabilities	-	401.26
Net exposure to foreign currency risk	**-**	**(401.26)**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax	
	31-Mar-19	31-Mar-18
Sensitivity		
INR appreciates by 10% (2018: 10%)*	-	40.13
INR depreciates by 10% (2018: 10%)*	-	(40.13)

* Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2019 and 31 March 2018, the Company's borrowings at variable rate were denominated in INR and USD.

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

(a) Interest rate risk exposure

On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Variable rate borrowings	15,635.11	40,640.73
Fixed rate borrowings	80.76	2,178.48
Total borrowings	**15,715.87**	**42,819.21**

(b) Sensitivity

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

Particulars	Impact on profit before tax	
	31-Mar-19	31-Mar-18
Interest expense rates – increase by 50 basis points (2018: 50 bps)*	(78.18)	(203.20)
Interest expense rates – decrease by 50 basis points (2018: 50 bps)*	78.18	203.20

* Holding all other variables constant

Notes to standalone financial statements for the year ended 31 March, 2019

(iii) Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company's exposure to equity securities price risk arises from investments held by the Company in equity securities and classified in the Balance Sheet as at fair value through profit and loss. The Company has investment in qouted and unqouted equity securities. Investment is done in accordance with the limits set by the Company. The Company's Board of Directors reviews and approves all investment decisions.

Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Company's equity.

Particulars	Impact on profit before tax	
	31-Mar-19	31-Mar-18
Increase by 5% (2018: 5%)*	7.52	6.96
Decrease by 5% (2018: 5%)*	(7.52)	(6.96)

* Holding all other variables constant

43. Related party disclosures

A	Names of the related parties	Nature of relationship
	Megha Technical & Engineers Private Limited (MTEPL)	Subsidiary Company
	Star Cement Meghalaya Limited (SCML)	Subsidiary Company
	Meghalaya Power Limited (MPL)	Subsidiary Company
	NE Hills Hydro Limited (NEHL)	Subsidiary Company
	Star Century Global Cement Private Limited (SCGCPL)	Subsidiary Company
	Others related parties	
	I. Enterprises influenced by KMP	
	Century Plyboards (India) Limited (CPIL)	Enterprises influenced by KMP
	Shyam Century Ferrous Limited (SCFL)	Enterprises influenced by KMP
	Profound Cement Work LTD (PCWL) (Formerly known as Star India Cement Limited)	Enterprises influenced by KMP
	Nefa Udyog (NU)	Enterprises influenced by KMP
	II. Key Management Personnel	
	Mr. Sajjan Bhajanka	Chairman & Managing Director
	Mr. Rajendra Chamaria	Vice Chairman & Managing Director
	Mr. Sanjay Agarwal	Managing Director
	Mr. Prem Kumar Bhajanka	Director
	Mr. Sanjay Kr. Gupta	Chief Executive Officer
	Mr. Dilip Kumar Agarwal	Chief Financial Officer (Upto 13.11.17)
	Mr. Manoj Agarwal	Company Secretary (Upto 02.08.17), Chief Financial Officer(w.e.f 14.11.17)
	Mr. Debabrata Thakurta	Company Secretary (w.e.f 03.08.17)
	III. Relatives of Key Management Personnel	
	Mr. Rahul Chamaria	Son of Mr. Rajendra Chamaria, Vice Chairman & Managing Director
	Mr. Sachin Chamaria	Son of Mr. Rajendra Chamaria. Vice Chairman & Managing Director

Notes to standalone financial statements for the year ended 31 March, 2019

Details of transactions between the Company and related parties and the status of outstanding balance :

(₹ in Lacs)

B

Types of Transactions	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their relatives	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1. Purchase Transactions						
SCFL	-	-	18.47	48.50	-	-
MPL	5,690.83	4,027.29	-	-	-	-
MTEPL	7.78	-	-	-	-	-
SCML	53,406.61	40,236.23	-	-	-	-
2. Sale Transactions						
MTEPL	5.17	4.94	-	-	-	-
SCML	4,832.24	86.82	-	-	-	-
MPL	229.58	9.24	-	-	-	-
CPIL	-	-	34.09	21.36	-	-
3. Services Rendered						
MTEPL	-	0.77	-	-	-	-
4. Service Received						
SCML	36.88	82.54	-	-	-	-
NU	-	-	4.06	-	-	-
5. Loan Taken						
MTEPL	1550.00	425.00	-	-	-	-
6. Loan & advances repaid						
MTEPL	257.00	490.00	-	-	-	-
Mr. Prem kumar Bhajanka	-	-	-	-	2100.00	-
Mr. Sanjay Agarwal	-	-			2500.00	-
Mr. Sajjan Bhajanka	-	-			1700.00	-
7. Interest Paid						
MTEPL	1,233.16	1,034.53	-	-	-	-
Mr. Prem Kumar Bhajanka	-	-	-	-	19.17	172.80
Mr. Sajjan Bhajanka	-	-	-	-	15.52	139.91
Mr.Sanjay Agarwal	-	-	-	-	22.82	205.75
8. Remuneration Paid						
Mr. Sajjan Bhajanka	-	-	-	-	198.00	60.00
Mr.Rajendra Chamaria	-	-	-	-	237.00	66.00
Mr.Sanjay Agarwal	-	-	-	-	198.00	60.00
Mr. Sanjay Kumar Gupta	-	-	-	-	137.09	114.90
Mr.Rahul Chamaria	-	-	-	-	50.00	30.00
Mr. Sachin Chamaria	-	-	-	-	50.00	30.00
Mr. Dilip Kumar Agarwal	-	-	-	-	-	46.41
Mr. Manoj Agarwal	-	-	-	-	64.77	42.83
Mr. Debabrata Thakurta	-	-	-	-	23.05	13.34
9. Balance Outstanding						
(a) Creditors						
MPL	555.19	453.63	-	-	-	-
SCML	2,484.09	6933.21	-	-	-	-
(b) Advance :(Given)						
PCWL	-	-	35.00	35.00	-	-
NE Hills Hydro	0.51	-	-	-	-	-
SCGCPL	3.50	3.50	-	-	-	-
(d) Loans :(Taken)						
MTEPL	15,112.46	13,860.75	-	-	-	-
Mr. Prem Kumar Bhajanka	-	-	-	-	-	2,255.52
Mr. Sanjay Agarwal	-	-	-	-	-	2,685.18
Mr. Sajjan Bhajanka	-	-	-	-	-	1,825.91
(e) Guarantees Obtained						
Mr. Sajjan Bhajanka	-	-	-	-	16,800.00	29,976.27
Mr. Rajendra Chamaria	-	-	-	-	16,800.00	28,101.26
Mr. Sanjay Agarwal	-	-	-	-	16,800.00	29,976.27
Mr. Prem Kumar Bhajanka	-	-	-	-	16,800.00	28,101.26
(g) Investments						
MTEPL	2,734.64	2,734.64	-	-	-	-
SCML	17,414.67	17,414.67	-	-	-	-
MPL	3,568.31	3,568.31	-	-	-	-
NE Hills Hydro	7.00	7.00	-	-	-	-
SCGCPL	20.03	20.03	-	-	-	-

Notes to standalone financial statements for the year ended 31 March, 2019

Key management personnel compensation

(c)

Particulars	31-Mar-19	31-Mar-18
Short-term employee benefits	857.91	403.48
Post-employment benefits *	-	-
Long-term employee benefits*	-	-
Total compensation	**857.91**	**403.48**

* Post employment benefits and long term employee benefits are determined on the basis of actuarial valuation for the Company as a whole and hence segregation is not available.

44. Other notes

(a) Based on the information/documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year (including retention money against performance)		
(ii) Interest due on above	-	-
Total of (i) & (ii)	-	-
(i) Amount of interest paid by the Company to the suppliers in terms of Section 16 of the Act.	0.20	0.01
(ii) Amount paid to the suppliers beyond the respective appointed date.	36.10	0.16
(iii) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
(iv) Amount of interest accrued and remaining unpaid at the end of accounting year.	-	-
(v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of this Act.	-	-

(b) The Company has exercised the option in accordance to paragraph 46A of the Accounting Standard 11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the Company has 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 useful 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 31 March,2019 is ₹48.24 Lacs (31 March 2018: ₹80.40 Lacs).

(c) Segment information

(i) Cement is the only identified operating segment of the Company.There is no separate reportable segment as required by Ind AS 108 'Operating Segments'. There are no revenues from transactions with a single customers amounting to 10 per cent or more of the Company's revenues during the current and previous year.

(ii) Geographical information

The entire revenue of the Company has been generated by way of domestic & export sales.

(₹ in Lacs)

Sl. No	Geographical Location	31-Mar-19	31-Mar-18
(i)	India	1,69,466.38	1,47,979.04
(ii)	Nepal	30.81	295.18
(iii)	Bhutan	40.57	100.48
	Total	**1,69,537.76**	**1,48,374.70**

Notes to standalone financial statements for the year ended 31 March, 2019

(d) As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting, education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects.

Gross amount required to be spent by the Company during the year is ₹246.48 Lacs, (2017-18: ₹124.48 Lacs)

Amount spent during the year on:

(₹ in Lacs)

Particulars	2018-19	2017-18
Education	212.50	140.86
Preventive healthcare and Sanitation	32.55	21.30
Livelihood & skill Building	11.03	-
Flood Relief	18.04	22.41
Rural Development Programs	21.86	38.40
	295.98	**222.97**

(e) Payment to Auditor

Particulars	2018-19	2017-18
As Auditor		
-Statutory Audit Fees	11.00	9.00
Limitted Audit Review Fees	6.00	6.00
In Other Capacity		
Certification Fees and other services	0.24	3.60
	17.24	**18.60**

45. Previous year's figures have been regrouped and/or rearranged wherever necessary, to confirm to current year Classification.

46. The financial statements are approved by the audit committee at its meeting held on 7th May, 2019 and by the Board of Directors on the same date.

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Independent Auditors' Report

To
The Members of
Star Cement Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Star Cement Limited (" hereinafter referred to as the Holding Company"), and its subsidiary companies (the Holding Company and its subsidiaries collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31stMarch, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31stMarch, 2019, the consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	*Evaluation of Capital advances* Advance Against Land (Unsecured, considered good) amounting to ₹14.66 cr. has been paid to certain individual locals in Meghalaya as advance against land over the years but the land registration has not yet been completed. Refer Note 9 to the Consolidated Financial Statements	As stated by the management the said land is in the possession of the Company, but yet the land is not in the name of the Company as the registration process is time taking in the State of Meghalaya. We have verified the agreement for sale for which registration are pending.
2	*Recoverability of indirect tax receivables ₹-33.27cr* Non-current assets in respect of Excise duty recoverable which are pending adjudication. Refer Note 43(i)to the Consolidated Financial Statements	We have relied upon legal opinion taken to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We communicated with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31stMarch, 2019, taken on record by the Board of Directors of Holding Company and its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies incorporated in India during the year ended 31st March, 2019.

For **D.K. Chhajer& Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 7th May, 2019

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Star Cement Limited

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of Star Cement Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, except NE Hills Hydro Limited, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiaries, which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiaries, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our report under Section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to one subsidiary incorporated in India, is based on the corresponding report of the auditor of such subsidiary company incorporated in India.

For **D.K. Chhajer& Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 7th May, 2019

Consolidated Balance Sheet as at 31 March 2019

(₹ in Lacs)

Particulars	Notes	31-Mar-19	31-Mar-18
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	72,212.49	78,452.76
(b) Capital work-in-progress		7,430.78	3,573.89
(c) Intangible assets	3.1	19.62	20.74
(d) Financial assets			
(i) Investments	4	172.76	144.13
(ii) Loans	5	182.06	147.81
(iii) Other financial assets	6	201.69	28.43
(e) Deferred tax assets (net)	7	27,103.54	23,291.94
(f) Non-current tax assets (net)	8	385.21	559.25
(g) Other non-current assets	9	7,131.94	4,726.61
Total non-current assets		**1,14,840.09**	**1,10,945.56**
Current assets			
(a) Inventories	10	27,719.25	29,460.34
(b) Financial assets			
(i) Trade receivables	11	14,376.31	14,646.94
(ii) Cash and cash equivalents	12	9,491.36	1,863.61
(iii) Bank balances (other than (ii) above)	13	11,639.97	114.88
(iv) Loans	14	2,072.68	553.48
(v) Other financial assets	15	35.00	35.00
(c) Other current assets	16	49,510.81	92,951.18
Total current assets		**1,14,845.38**	**1,39,625.43**
Total assets		**2,29,685.47**	**2,50,570.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	4,192.29	4,192.29
(b) Other equity	18	1,68,173.85	1,43,442.85
Equity attributable to owners of Star Cement Limited		**1,72,366.14**	**1,47,635.14**
Non controlling interest		6,830.35	6,211.35
Total equity		**1,79,196.49**	**1,53,846.49**
LIABILITES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	175.76	19,879.77
(ii) Other financial liabilities	20	9,745.36	9,007.80
(b) Employee benefit obligations	21	277.80	201.73
(c) Other non current liabilities	22	1,485.45	1,805.95
Total non-current liabilities		**11,684.37**	**30,895.25**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	4,957.03	13,291.89
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		0.41	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		12,540.77	18,894.41
(iii) Other financial liabilities	24	13,069.67	22,661.86
(b) Employee benefit obligation	25	371.28	334.01
(c) Other current liabilities	26	7,015.66	9,599.09
(d) Current tax liabilities (net)	27	849.79	1,047.99
Total current liabilities		**38,804.61**	**65,829.25**
Total liabilities		**50,488.98**	**96,724.50**
Total equity and liabilities		**2,29,685.47**	**2,50,570.99**
Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Consolidated Statement of Profit and Loss for the year ended 31 March, 2019

(₹ in Lacs)

Particulars	Notes	31-Mar-19	31-Mar-18
INCOME			
Revenue from operations	28	1,83,104.20	1,62,910.69
Other income	29	547.43	438.52
Total income		**1,83,651.63**	**1,63,349.21**
EXPENSES			
Cost of materials consumed	30	34,985.86	21,244.97
Purchase of traded goods		7,620.50	8,244.14
(Increase)/ decrease in inventories	31	1,068.13	756.85
Excise duty		-	1,457.76
Employee benefit expenses	32	11,641.16	10,735.89
Finance costs	33	1,437.99	5,245.73
Depreciation and amortisation expenses	34	10,564.48	12,068.65
Other expenses	35	82,872.09	68,335.86
Total expenses		**1,50,190.21**	**1,28,089.85**
Profit before tax		**33,461.42**	**35,259.36**
Tax expenses			
-Current tax	36	(6,825.41)	(7,326.93)
-Deferred tax		3,860.98	5,685.62
Total tax expense		**(2,964.43)**	**(1,641.31)**
Profit for the year		**30,496.99**	**33,618.05**
Share of non controlling interest		619.29	552.43
Profit for the year (after non controlling interest)		**29,877.70**	**33,065.62**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of post-employment benefit obligations		(4.56)	(43.02)
Changes in fair value of FVOCI equity instruments		17.55	0.12
Deferred tax relating to these items		1.37	14.61
Other comprehensive income for the year, (net of tax)		**14.36**	**(28.29)**
Share of non controlling interest		(0.29)	(0.86)
Other comprehensive income for the year, net of tax (after non controlling interest)		**14.65**	**(27.43)**
Share of non controlling interest		619.00	551.56
Total comprehensive income for the year		**30,511.35**	**33,589.76**
Total comprehensive income for the year (after non controlling interest)		**29,892.35**	**33,038.20**
Earnings Per equity share (face value of ₹1each)			
Basic earning per share (in ₹)	37	7.13	7.89
Diluted earning per share (in ₹)		7.13	7.89
Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Consolidated Statement of Changes in Equity for the year ended 31 March, 2019

A. Equity share capital

(₹ in Lacs)

Particulars	Amount
As at 1 April, 2017	4,192.14
Changes in equity share capital	0.15
As at 31 March, 2018	**4,192.29**
Changes in equity share capital	-
As at 31 March, 2019	**4,192.29**

B. Other equity

(₹ in Lacs)

Particulars	Share capital-pending allotment	Reserve and surplus			Other reserve	Equity attributable to owners of Star Cement Limited	Non controlling interest	Total
		Capital reserve	General reserve	Retained Earnings	FVOCI-equity investments			
Balance as at 1 April, 2017	0.15	655.17	3,187.83	1,06,555.99	5.67	1,10,404.81	5,659.78	1,16,064.59
Profit for the year (a)	-	-	-	33,065.62	-	33,065.62	552.43	33,618.05
Other comprehensive income /(loss) (net of tax) (b)	-	-	-	(27.55)	0.12	(27.43)	(0.86)	(28.29)
Total comprehensive income for the year (a + b)	**-**	**-**	**-**	**33,038.07**	**0.12**	**33,038.19**	**551.57**	**33,589.76**
Issue of equity shares	(0.15)	-	-	-	-	(0.15)	-	(0.15)
Balance as at 1 April, 2018	**-**	**655.17**	**3,187.83**	**1,39,594.06**	**5.79**	**1,43,442.85**	**6,211.35**	**1,49,654.20**
Profit for the year (a)	-	-	-	29,877.70		29,877.70	619.29	30,496.99
Other comprehensive income /(loss) (net of tax) (b)	-	-	-	(2.90)	17.55	14.65	(0.29)	14.36
Total comprehensive income for the year (a + b)	**-**	**-**	**-**	**29,874.80**	**17.55**	**29,892.35**	**619.00**	**30,511.35**
Payment of Final Dividend for the year 2017-18	-	-	-	(4,192.29)	-	(4,192.29)	-	(4,192.29)
Tax on Final Dividend for the year 2017-18	-	-	-	(969.06)	-	(969.06)	-	(969.06)
	-	**-**	**-**	**24,713.45**	**17.55**	**24,731.00**	**619.00**	**25,350.00**
Balance as at 31 March, 2019	**-**	**655.17**	**3,187.83**	**1,64,307.51**	**23.34**	**1,68,173.85**	**6,830.35**	**1,75,004.20**

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Consolidated Cash Flow Statement for the year ended 31 March, 2019

(₹ in Lacs)

	Particulars	31-Mar-19	31-Mar-18
A	**Cash flow from operating activities**		
	Net Profit/(Loss) before tax	33,461.42	35,259.36
	Adjustments for :		
	Depreciation and amortisation-(refer note 34)	10,564.48	12,068.65
	Unrealised Foreign Exchange Gain /(Loss)- on export receivable	(3.15)	-
	(Profit)/ Loss on Sale of Property Plant and Equipment	(16.44)	(12.31)
	Interest Income -(refer note 29)	(465.43)	(438.52)
	Finance Costs- (refer note 33)	1,437.99	5,245.73
	Others		0.75
	Allowance for Bad and Doubtful Debts	(8.65)	31.73
	Operating Profit before working Capital changes	**44,970.22**	**52,155.39**
	Adjustments for :		
	(Increase)/Decrease in Trade receivables	282.44	(900.82)
	(Increase)/Decrease in Inventories	1,741.09	(13,337.88)
	(Increase)/Decrease in Loans	(1,553.44)	(5,716.67)
	(Increase)/Decrease in Other assets	41,035.82	8,940.92
	Increase/(Decrease) in trade and other payables	(6,353.23)	(1,456.04)
	Increase/(Decrease) in Other Liabilities and Provisions	(12,702.65)	9,016.96
	Cash Generated from Operations	67,420.25	48,701.86
	Income Tax Paid	(5,920.00)	(6,640.00)
	Net Cashflow from Operating Activities	**61,500.25**	**42,061.86**
B	**Cash flow from Investing Activities**		
	(Purchase)/sale of Property, plant and Equipment (including CWIP)	(8,042.19)	(3,238.19)
	Fixed Deposits/Margin Money Given/(Repaid)	(11,525.09)	264.58
	(Purchase)/ sale of Investments	(11.10)	-
	Interest received	465.43	439.52
	Net Cash used in Investing Activities	**(19,112.95)**	**(2,534.09)**
C	**Cash Flow from Financing Activities**		
	Interest paid	(1,437.99)	(5,222.27)
	Proceeds from /(Repayment of) Long Term Borrowings / Liabilities	(19,704.00)	(17,296.82)
	Proceeds from /(Repayment of) Short Term Borrowings	(8,456.21)	(16,773.28)
	Dividend Paid	(4,192.29)	-
	Corporate Dividend Tax Paid	(969.06)	-
	Net Cash used in Financing Activities	**(34,759.55)**	**(39,292.37)**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**7,627.75**	**235.40**
	Cash and Cash Equivalents- (refe note 12)		
	Opening Balance	**1,863.61**	**1,628.21**
	Closing Balance	**9,491.36**	**1,863.61**

Note:

Significant non-cash movement in borrowings and Property, plant and equipment during the year include new finance leases of ₹121.34 Lacs(31March 2018 ₹532.79 lacs)

The accompanying notes are an integral part of the financial statements.

As per our report of the even date

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

Notes to consolidated financial statements for the year ended 31 March, 2019

1. Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated Balance Sheet respectively.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method, after initially being recognised at cost.

Equity method

Under the equity method, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee. Dividends from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy.

2. Significant Accounting Policies

2.1 Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015]] and Companies (Indian Accounting Standards) Amendment Rules,2016 and other relevant provisions of the Act.

The Group has adopted all the applicable Ind AS standards effective 1st April, 2017 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP

The accounting policies are consistently followed by the Group and changes in accounting policy are separately disclosed.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- defined benefit plans – plan assets measured at fair value
- certain financial assets that are measured at fair value

Notes to consolidated financial statements for the year ended 31 March, 2019

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

2.2 Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Foreign Currency Transactions and Balances

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Star Cement Limited's functional and presentation currency.

Transactions in foreign currencies entered into by the Group are accounted at the exchange rate prevailing on the date of the transactions. Exchange differences arising on settlement /restatement of short–term foreign currency monetary assets and liabilities of the Group are recognized as income or expenses in the Statement of Profit and Loss. All foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The Group has adopted the provisions of para 46A of AS-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 property, plant and equipment are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

2.4 Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of any wherever applicable) less accumulated depreciation, amortization and impairment losses if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to working condition for its intended use. Railway sidings the ownership of which vest with the Railway authorities are depreciated over five years.

Capital Work In Progress

Capital work in progress is carried at cost and includes any directly attributable cost incurred during construction period.

Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing costs, prior to commencement of commercial production/completion of project are capitalised.

Depreciation

Depreciation on Property, plant and equipment is provided on Written Down Value method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing deprecation specified in Part 'C' thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. 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.

Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized 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.

Notes to consolidated financial statements for the year ended 31 March, 2019

2.5 Intangible Asset

An intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure are written off over a period of three years.

2.6 Research and Development Expenditure

Revenue expenditure is charged to the Statement of Profit and Loss and capital expenditure is added to the cost of property, plant and equipment in the year in which they are incurred.

2.7 Lease

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

2.8 Government Grants and Subsidies

Government grants / subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants in the nature of recoupment/ reimbursement of any particular item of expenses are recognized in the Statement of Profit and Loss as deduction from related item of expenditure. Grants related to assets which are recognized in the Balance Sheet as deferred income, are recognized to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

2.9 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, traded goods and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity.

Cost of inventories (excluding finished good and WIP) is computed on weighted average 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.

2.10 Business combinations

Business combinations are accounted for using the acquisition method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

2.11 Investments and other financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

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

Notes to consolidated financial statements for the year ended 31 March, 2019

Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest revenue from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However where the Group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Impairment of financial assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition of financial assets

A financial asset is derecognised only when

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

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

2.12 Trade receivables

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

2.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Financial liabilities

Initial recognition and measurement

The Group recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Notes to consolidated financial statements for the year ended 31 March, 2019

Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

2.15 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.16 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.

2.17 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.18 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

2.19 Tax Expenses

Tax expense comprises current tax and deferred tax. Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Notes to consolidated financial statements for the year ended 31 March, 2019

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

The deferred tax in respect of temporary 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.

2.20 (A) Revenue Recognition

Sales are recognised when control of the products has transferred. The domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export / bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence/ loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue for current year is exclusive of goods and service tax and net of discounts, sales returns and foreign exchange gain/(loss). Revenue for previous year is inclusive of excise duty but net of sales tax/value added tax/goods and service tax, discounts and sales returns as applicable.

Unfulfilled performance obligations

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of providing cost of such benefits. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence. To the extent these benefits are not settled/disbursed till the end of a reporting period these are recorded.

(B) Other Income

Interest income is recognised using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

2.21 Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(i) Defined Contribution Plan

Employees benefits in the form of provident fund, ESIC and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due.

Notes to consolidated financial statements for the year ended 31 March, 2019

(ii) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and transferred to retained earnings.

(iii) Other Long-term benefits

Long-term compensated absences are provided for on the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

2.22 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.23 Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are also disclosed by way of notes to the accounts.

2.24 Segment reporting

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

2.25 Dividends

Dividends paid (including dividend distribution tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders. The corresponding amount is recognised directly in equity.

2.26 Recent Accounting Developments: Standards issued but not yet effective

(a) Ind AS 116 – "Leases"

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The Statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

Presently, the Company is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements. The Company intends to apply simplified transition approach and will not restate comparative information in the financial statements for the year ending 31 March 2020 to show the impact of adopting Ind AS 116.

Notes to consolidated financial statements for the year ended 31 March, 2019

b) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'

This appendix was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019.The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

(i) how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or

(ii) together as a group, depending on which approach better predicts the resolution of the uncertainty;

(iii) that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;

(iv) that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;

(v) that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and

(vi) that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements. The Company intends to apply this appendix retrospectively, with the cumulative effect of initially applying the appendix recognised at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

Notes to consolidated financial statements for the year ended 31 March, 2019

3 Property, plant and equipment

(₹ in Lacs)

Particulars	Land & Site Development	Factory Building	Non Factory Building	Plant & Machinery	Railway Sidding	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross Carrying Value											
At 1 April, 2017	8,711.39	13,936.53	5,462.80	69,457.99	-	368.41	119.89	190.24	1,822.73	333.88	1,00,403.87
Additions	329.89	134.34	707.84	3,057.21	-	37.44	24.36	27.16	882.39	17.29	5,217.92
Disposals/deductions/ adjustments	-	1.91	-	33.41	-	1.14	0.73	0.35	69.92	-	107.47
At 31 March,2018	**9,041.29**	**14,068.96**	**6,170.65**	**72,481.78**	**-**	**404.72**	**143.52**	**217.04**	**2,635.20**	**351.17**	**1,05,514.32**
Additions	505.77	204.17	108.38	1,647.25	1,557.00	29.00	41.50	55.45	721.49	40.58	4,910.59
Disposals/deductions/ adjustments	-	-	-	601.58	-	7.93	0.29	2.81	250.37	12.05	875.03
At 31 March,2019	**9,547.05**	**14,273.13**	**6,279.02**	**73,527.46**	**1,557.00**	**425.79**	**184.72**	**269.68**	**3,106.32**	**379.70**	**1,09,549.88**
Accumulated Depreciation											
At 1 April, 2017	-	1,281.14	809.98	11,202.25	-	83.99	41.90	83.15	505.33	88.94	14,096.69
Charge for the year	-	1,203.49	569.72	10,560.07	-	71.11	31.67	53.74	442.45	67.48	12,999.72
Disposals/deductions/ adjustments	-	-	-	4.69		0.10	0.28	0.15	29.63	-	34.85
At 31 March,2018	-	**2,484.63**	**1,379.69**	**21,757.63**	**-**	**155.00**	**73.29**	**136.73**	**918.16**	**156.42**	**27,061.56**
Charge for the year	-	1,118.49	445.88	8,644.81	0.77	61.37	32.85	35.13	581.98	53.24	10,974.52
Disposals/deductions/ adjustments	-	-	-	455.34	-	5.14	0.09	2.69	225.00	10.43	698.69
At 31 March,2019	-	**3,603.12**	**1,825.57**	**29,947.11**	**0.77**	**211.22**	**106.05**	**169.17**	**1,275.13**	**199.23**	**37,337.39**
Net Carrying Value											
At 31 March, 2018	9,041.29	11,584.33	4,790.95	50,724.14	-	249.72	70.23	80.31	1,717.05	194.75	78,452.76
At 31 March,2019	**9,547.05**	**10,670.01**	**4,453.45**	**43,580.35**	**1,556.23**	**214.57**	**78.67**	**100.51**	**1,831.18**	**180.47**	**72,212.49**

3.1 Intangible assets

Particulars	Intangible Assets
Gross Carrying Value	
At 1 April, 2017	29.86
Additions	17.91
Disposals/deductions/adjustments	-
At 31 March,2018	**47.77**
Additions	11.62
Disposals/deductions/adjustments	-
At 31 March,2019	**59.39**
Accumulated Amortisation	
At 1 April, 2017	14.17
Charge for the year	12.85
Disposals/deductions/adjustments	-
At 31 March,2018	**27.02**
Charge for the year	12.75
Disposals/deductions/adjustments	-
At 31 March,2019	**39.77**
Net Carrying Value	
At 31 March, 2018	20.74
At 31 March,2019	**19.62**

a. During the year Company has sold/ discarded of Property, plant & equipment amounting to ₹875.02 lacs (31 March 2018 - ₹80.88 lacs)

b. Depreciation for the year includes ₹7.83 Lacs (31 March 2018 - ₹ Nil) capitalized as Pre-operative expenses.

c. During the year ending 31 March 2019 foreign exchange gain/(loss) of ₹(408.43) lacs (31 March 2018 - ₹(25.69 lacs) is adjusted to Property, Plant & Equipment in accordance with para 46A of AS-11(Previous GAAP) and Ind AS 101.

Notes to consolidated financial statements for the year ended 31 March, 2019

4. Investments - non-current

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Investment at FVOCI (Unquoted Equity Instruments)		
Ribhoi Engineering Company Private Limited		
27,000 (27,000 as at 31 March 2018) Equity Share of ₹10/- each fully paid up)	26.04	8.50
Investment at FVTPL		
Unquoted Equity Instruments		
Adonis Vyapaar Pvt. Ltd.	35.32	32.42
3,55,509 (3,55,509 as at 31 March 2018,) Equity Shares of ₹10/- each fully paid up		
Apanapan Viniyog Pvt. Ltd.	36.11	33.03
3,55,509 (3,55,509 as at 31 March 2018,) Equity Shares of ₹10/- each fully paid up		
Ara Suppliers Pvt Ltd	37.40	33.98
3,55,509 (3,55,509 as at 31 March 2018) Equity Shares of ₹10/- each fully paid up		
Arham Sales Pvt. Ltd.	36.90	33.04
3,55,509 (3,55,509 as at 31 March 2018) Equity Shares of ₹10/- each fully paid up		
Quoted Equity Instruments		
Reliance Power Limited	0.99	3.16
8,743 (8,743 as at 31 March 2018) Equity Shares of ₹10/- each fully paid up.		
	172.76	**144.13**
Aggregate Market value of Quoted investment	0.99	3.16
Aggregate amount of Unquoted investments	171.77	140.97
	172.76	**144.13**

5. Loans

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
Security deposits	182.06	147.81
	182.06	**147.81**

6. Other financial assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Balance with banks held as margin money deposits with original maturity of more than 12 months	201.69	28.43
	201.69	**28.43**

6.1 The bank balance disclosed above represents margin money against bank gurantee.

Notes to consolidated financial statements for the year ended 31 March, 2019

7. Deferred tax assets (net)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Deferred tax liabilities		
-Borrowings	0.73	15.47
-Property, plant and equipment	1,002.18	951.24
Gross deferred tax liabilities	**1,002.91**	**966.71**
Deferred tax assets		
- MAT credit entitlement	27,725.77	23,780.22
- Gratuity & leave encashment	127.67	97.26
-Adjustments on Consolidation	247.58	371.52
Fair valuation of equity shares	(0.00)	
-Trade receivable	5.43	9.65
Property, plant and equipment	-	
Gross deferred tax assets	**28,106.45**	**24,258.65**
Deferred tax assets (net)	**27,103.54**	**23,291.94**

8. Non current tax assets (net)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Advance income tax (net of provision for taxation of ₹7,659.46 Lacs, ₹6,574.74 Lacs as on 31 March,2018)	385.21	559.25
	385.21	**559.25**

9. Other non-current assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Capital advances		
Unsecured, considered good	7,014.56	4,608.68
Unsecured, considered good		
Deposits with statutory authority	116.96	117.51
Unsecured, considered good		
Unammortised Expenses	0.42	0.42
	7,131.94	**4,726.61**

10. Inventories

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Raw materials [including in transit-₹1,089.05 Lacs, 31 March 2018: ₹257.53 Lacs]	3,456.28	5,360.69
Work - in - progress	185.82	167.15
Finished goods [including in transit-₹376.68 Lacs 31 March 2018: ₹505.55 Lacs] and Power inventory (with MeSCL) ₹1,724.28 Lacs (31 March 2018: ₹1,977.17 Lacs)	3,828.81	5,277.37
Stock in Trade (including in transit as at 31 March 2019 - ₹101.13 Lacs and 31 March 2018 - ₹ Nil)	125.66	76.10
Fuels, packing materials, etc.	16,784.38	15,161.66
Stores & Spares parts	3,338.30	3,417.37
	27,719.25	**29,460.34**

11. Trade receivables

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Secured, Considered good	5,550.40	4,570.21
Unsecured, Considered good	8,825.91	10,076.73
Unsecured, Considered doubtful	146.98	155.64
Less: Allowance for doubtful debts	(146.98)	(155.64)
	14,376.31	**14,646.94**

Notes to consolidated financial statements for the year ended 31 March, 2019

12. Cash and cash equivalents

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Cash in hand	107.66	101.36
Stamp paper in hand	0.20	0.20
Cheques In hand	469.44	528.60
Balance with Banks		
- In current accounts/cash credit accounts	808.63	1,233.45
- In fixed depsoit account including interest with original maturity of upto 3 months	8,105.43	-
	9,491.36	**1,863.61**

13. Bank balances (other than Note 12 above)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unpaid dividend account [Refer note 13.1 below)	1.65	1.65
In Fixed Deposit accounts including interets with original maturity of more than 3 months and upto 12 months	11,509.50	-
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months [Refer note 13.1 below)	128.82	113.23
	11,639.97	**114.88**

13.1 The bank balance disclosed above represents margin money against bank guarantee and unpaid dividend account are subject to regulatory restrictions and are therefore not available for general use by the Company.

14. Loans

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, Considered Good		
Other	1,607.75	-
Security deposits	464.93	553.48
	2,072.68	**553.48**

15. Other financial assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
Advances to a related party	35.00	35.00
	35.00	**35.00**

16. Other current assets

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Unsecured, considered good		
-Advances to suppliers	5,126.96	1,839.08
-Unamortized expenses	0.35	0.33
-Advances for services & expenses	1,769.20	3,602.88
-Prepaid expenses	317.60	376.83
-Subsidies /incentives receivable from central/state governments	25,756.96	74,129.67
-Balances with statutory/government authorities	16,342.68	12,860.60
-Advances to employees	119.95	90.09
-Income tax refund receivable	77.11	51.70
Unsecured, considered doubtful		
Advances to employees/suppliers	18.46	15.30
Less: Allowance for doubtful advances	(18.46)	(15.30)
	49,510.81	**92,951.18**

Notes to consolidated financial statements for the year ended 31 March, 2019

17. Equity share capital

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Authorised Capital	**8300.00**	**8300.00**
83,00,00,000 (83,00,00,000 as at 31 March 2018) Equity Shares of ₹1/- each fully paid)		
Issued, Subscribed & fully Paid -up shares	4192.29	4192.29
41,92,28,997 (41,92,28,997 as at 31 March 2018) Equity Shares of ₹1/- each fully paid)	**4192.29**	**4192.29**

a Terms/Rights attached to equity shares

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

b Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	No. of Shares	No. of Shares
At the beginning of the year	41,92,28,997	41,92,13,920
Issued during the year	-	15,077
Outstanding at the end of the year	**41,92,28,997**	**41,92,28,997**

c Details of Shareholders holding more than 5% of Equity Share capital

Name of the shareholders	No. of Shares % of holding	No. of Shares % of holding
Sajjan Bhajanka	4,73,16,047	4,69,08,547
	11.29%	11.19%
Prem Bhajanka	3,82,22,553	3,78,15,053
	9.12%	9.02%
SBI Equity Hybrid Fund	2,42,34,751	-
	5.78%	-
Rajendra Chamaria	-	2,17,87,055
	-	5.20%

17.1 As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership.

Notes to consolidated financial statements for the year ended 31 March, 2019

18. Other Equity

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Capital reserves		
Opening balance	655.17	655.17
Addition/(Deduction) during the year	-	-
	655.17	655.17
General reserve		
Opening balance	3,187.83	3,187.83
Addition/(Deduction) during the year	-	-
	3,187.83	3,187.83
Retained earnings		
Opening balance	1,39,594.06	1,06,555.99
Profit/(loss) for the year	29,877.70	33,065.62
	1,69,471.76	1,39,621.61
Less : Appropriation		
Payment of Final Dividend for the year 2017-18	4,192.29	-
Tax on Final Dividend for the year 2017-18	969.06	-
	1,64,310.41	1,39,621.61
Items of other comprehensive income directly recognised in retained earnings		
Remeasurement net of post-employment benefit obligations (net of tax)	(2.90)	(27.55)
	1,64,307.51	1,39,594.06
Equity Instruments through Other Comprehensive Income		
Opening balance	5.79	5.67
Change in fair value of FVOCI equity instruments	17.55	0.12
	23.34	**5.79**
Total Other equity	**1,68,173.85**	**1,43,442.85**

Nature and purpose of reserves

Capital Reserve

During amalgamation with Star Ferro and Cement Limited, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act,1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to consolidated financial statements for the year ended 31 March, 2019

19. Borrowings

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Term loans (secured)		
-Rupee Loans from banks	-	12,737.22
-Rupee Loan from a financial institution	-	1,875.01
- Foreign Currency loan from banks	2,031.14	7,045.49
Loans from a related party (unsecured)		
- From directors	-	7,629.84
Other loans (secured)		
-Hire Purchase Finance from a Body Corporate	-	178.48
-Hire purchase finance from banks	393.54	483.76
	2,424.68	29,949.80
Less: Current maturities of long term borrowings	(2,248.92)	(10,070.03)
	175.76	**19,879.77**

Notes-

a Rupee term loan of ₹ Nil (31 March 2018: ₹3,780.38 lacs) from a bank was repayable in 16 equal quarterly instalments commencing from June 2018 and ending on March 2022. This loan has been fully repaid in FY2018-19. The Loan was secured by pari passu first charge on Property, plant and equipment of the Company's cement plant at Lumshnong, Meghalaya and second pari passu charge on the current assets of the Company's cement plant at Lumshnong, Meghalaya.

Rupee term loan of ₹ Nil (31 March 2018 :₹5811.48 lacs) from a Bank was repayable in 5 equal half yearly instalments ending on June 2020.This loan has been fully repaid in FY2018-19. The loan was secured by pari passu first charge on the Property,plant and equipment of the Company's cement plant at Lumshnong, Meghalaya and second pari passu charge over the current assets of the Company's cement plant at Lumshnong, Meghalaya.

Foreign Currency loan of ₹ Nil (31 March 2018: ₹401.26 lacs) was repayable in 7 quarterly instalments ending on December 2019.This loan has been fully repaid in FY2018-19.The loan was secured by pari passu first charge on Property,plant and equipment and pari passu second charge on current assets of the Company's cement grinding unit at Guwahati, Assam.The term loans were also secured by personal guarantees of some of the directors of the Company.

b Rupee term loan of ₹ Nil (31 March 2018: ₹1875.01 lacs) from a financial Institution was repayable in equal 10 quarterly instalment ending on September 2020.This loan has been fully repaid in FY2018-19.

c Rupee Term Loans ₹ Nil (31 March 2018: ₹3,145.36 lacs) from Banks were repayable in 7 unequal quarterly instalments from June,2018 and ending on December,2019.This loan has been fully repaid in FY2018-19.Foreign Currency Loans Nil (31 March 2018: ₹2,214.57 lacs) from Banks were repayable in further 7 unequal quarterly instalments from June,2018 and ending on December,2019.This loan has been fully repaid in FY2018-19.The loans were secured by pari passu first charge on Property,plant and equipment and pari passu second charge on current assets of the Company's cement clinker plant at Lumshnong, Meghalaya.

d Foreign currency loan as at 31 March, 2019: ₹2,031.14 Lacs, (31 March 2018: ₹4,429.66 lacs) from a bank is repayable in further 3 quarterly installments ending on December 2019. The loans were secured by pari passu first charge on Property,plant and equipment and pari passu second charge on current assets of the Company's subsidiary power plant at Lumshnong, Meghalaya.Further, the loan has been guaranteed by some of the Directors of the Company.

e Terms loan from directors of the Company have been repaid by the Company in the FY2018-19

f Hire purchase finance is secured by hypothecation of respective vehicles/equipments of the Company and its subsidiaries and is repayable within three years having varying date of payment.

g The Company does not have any continuing defaults in repayment of loans and interest as at reporting period.

20. Other financial liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Security deposit	9,745.36	9,007.80
	9,745.36	**9,007.80**

Notes to consolidated financial statements for the year ended 31 March, 2019

21. Employee benefit obligations

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Non Current Liabilities		
Provision for employee benefits		
- Gratuity	277.80	201.73
	277.80	**201.73**

22. Other non current liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Deferred government grant	1,485.45	1,805.95
	1,485.45	**1,805.95**

23. Borrowings

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Working capital facilities from banks (Secured)		
- Cash credit	4,957.03	11,291.89
	4,957.03	**11,291.89**
Short term loan (unsecured)		
- From banks	-	2,000.00
	4,957.03	**13,291.89**

a Working Capital facilities of ₹117.84 Lacs (31 March 2018 :₹5,106.87 Lacs) from banks are secured by pari passu first charge on current assets and second pari passu charge on Property, plant and equipment of the Company's cement grinding unit at Guwahati, Assam. These working capital facilities have been guaranteed by some of the Directors of the Company.

b Working capital facilities of ₹404.81 Lacs (31 March 2018 : ₹3,004.82 Lacs) from banks are secured by pari passu first charge on current assets and pari passu second charge on Property, plant and equipment of the Company's cement plant at Lumshnong, Meghalaya.These working capital facilities have been guaranteed by some of the Directors of the Company.

c Working capital facilities from banks of ₹2,084.18 Lacs(31s March 2018 : ₹1,602.50 Lacs) are secured by pari passu first charge on current assets and pari passu second charge on Property, plant and equipment of the Company's subsidiary clinker unit at Lumshnong, Meghalaya.

d Working capital facilities from Banks of ₹2,350.19 Lacs (31 March 2018 : ₹1,577.71 Lacs) are secured by Pari Passu first charge on current assets and pari passu second charge on Property, plant and equipment of the Company's subsidiary power plants at Lumshnong, Meghalaya. Further the Working Capital facilities from Banks have been guaranteed by some of the Directors of the Company.

e Short term loan of ₹ Nil (31 March 2018 : ₹2,000 lacs). The loan has been fully repaid in April 2018.

24. Other financial liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Current maturities of long-term borrowings	2,248.92	10,070.03
Interest accrued but not due on borrowings	3.78	13.16
Retention money	196.49	221.49
Security deposit	12.63	14.91
Creditors for capital goods	443.22	16.60
Unclaimed dividend	1.65	1.65
Other liabilities	9,761.71	12,033.86
Salary and bonus to employees	401.27	290.16
	13,069.67	**22,661.86**

24.1 Amount to be transferred to the Investor Education and Protection Fund shall be determined on the respective due date.

Notes to consolidated financial statements for the year ended 31 March, 2019

25. Employee benefit obligation

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Provision for employee benefits		
-Leave encashment	301.58	272.89
-Gratuity	69.70	61.12
	371.28	**334.01**

26. Other current liabilities

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Statutory Liabilities	5,404.81	7,454.75
Advances from customer	1,288.85	1,728.30
Other liabilities	1.61	1.20
Curent Portion of Deferred government grant	320.39	414.84
	7,015.66	**9,599.09**

27. Current tax liabilities (net)

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Provision for taxation (net of advance tax of ₹15,576.63 Lacs and ₹9,718.97 Lacs for 31 March 2018)	849.79	1,047.99
	849.79	**1,047.99**

28. Revenue from operations

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Sale of products		
Domestic	1,77,228.53	1,55,817.13
Export	5,332.44	6,277.81
	1,82,560.97	**1,62,094.94**
Other operating income		
Shortage recovery of cement & clinker	1.65	186.04
Others	541.58	629.71
	1,83,104.20	**1,62,910.69**

29. Other income

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Interest income from financial instrument measured at amortised cost		
-Bank deposits	252.99	77.97
-others	212.44	87.81
Other gains/(loss)		
-Fair value of equity instrument	11.08	(1.01)
-Miscellaneous income	70.92	273.75
	547.43	**438.52**

Notes to consolidated financial statements for the year ended 31 March, 2019

30. Cost of materials consumed

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Inventory at the beginning of the year	5,722.46	2,863.54
Add: Purchases	32,719.68	24,103.89
	38,442.14	26,967.43
Less :Inventory at the end of the year	3,456.28	5,722.46
	34,985.86	**21,244.97**

31. (Increase)/decrease in inventories

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Work in progress		
Opening stock	167.15	182.60
Closing stock	185.82	167.15
	18.67	(15.45)
Finished goods		
Opening stock	4,915.60	5,657.00
Closing stock	3,828.81	4,915.60
	(1,086.80)	(741.40)
	1,068.13	**756.85**

32. Employee benefit expenses

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Salaries & wages	10,966.50	10,022.04
Contribution to provident fund and other funds	309.95	308.39
Welfare expenses	364.71	405.46
	11,641.16	**10,735.89**

33. Finance costs

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Interest expense		
-On loans measured at amortised cost	1,188.19	5,068.85
Other finance costs	249.80	176.88
	1,437.99	**5,245.73**

33.1 The capitalisation rate used to determine the borrowing costs of ₹57.05 Lacs capitalised during the year ended 31 March, 2019 is the weighted average interest rate applicable to the entity's specified borrowings i.e 8.81%.

34. Depreciation and amortisation expenses

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Depreciation on Property,plant and equipment	10,559.56	12,055.89
Amortisation of Intangible Assets	12.75	12.85
	10,572.31	**12,068.74**
Less: Transferred to Capital work in Progress	7.83	0.09
	10,564.48	**12,068.65**

34.1 Depreciation is net off amortisation of Government Grant of ₹414.84 Lacs as at 31 March,2019 and ₹943.84 Lacs as at 31 March,2018.

Notes to consolidated financial statements for the year ended 31 March, 2019

35. Other expenses

(₹ in Lacs)

	31-Mar-19	31-Mar-18
Consumption of Stores & Spares	1,012.72	862.76
Packing Materials	4,791.76	3,962.38
Power & Fuel	25,872.73	21,604.47
Repairs & Maintenance		
- Building	268.54	268.30
- Plant & Machinery	2,484.09	1,410.08
- Others	296.66	243.52
Heavy Vehicle / Equipment Running Expenses	1,130.96	996.06
Travelling and Conveyance	757.63	787.57
Insurance	186.59	295.41
Rent, Rates & Taxes	786.27	1,002.46
Research & Development Expenses	42.94	46.36
Charity & Donation	1,051.60	779.82
Miscellaneous Expenses	2,994.33	2,417.25
CSR Expenses [Refer Note 43(iii)]	613.70	545.38
Advertisement & Publicity	1,980.13	2,076.10
Outward Freight Charges	36,294.91	28,975.15
Sales Promotion Expenses	919.19	591.81
Commission & Incentives	1,387.34	1,470.98
	82,872.09	**68,335.86**

36. Income tax expense

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
(a) Current tax		
Current tax on profits for the year	6,825.41	7,326.93
Total current tax expense	**6,825.41**	**7,326.93**
(b) Deferred tax		
Deferred tax benefit	(3,860.98)	(5,685.62)
Total deferred income tax expense/(benefit)	(3,860.98)	(5,685.62)
Tax expenses	**2,964.43**	**1,641.31**

36.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Profit before income tax expense	33,461.42	35,259.36
Tax at the Indian tax rate of 34.944% (31 March 2018 - 34.608%)	**11,692.76**	**12,202.56**
Item not deductible / taxable under tax	8.91	(612.67)
Effect of allowances/ tax holidays for tax purpose	(8,769.62)	(9,633.08)
Impact of change in tax rate during the year	-	(13.64)
Difference in tax rates of subsidiaries	(128.44)	(5.06)
Others	148.71	(296.81)
Effect of tax on exempt income	12.11	-
Tax expenses	**2,964.43**	**1,641.31**

36.2 The Tax Rate used for the year 2018-19 and 2017-18 reconcilation above is the Corporate tax rate of 34.944% (30%+ surcharge @12% + education cess @4%) & 34.608% (30%+ surcharge @12% + education cess @3%) payable on taxable profits under the Income Tax Act, 1961.

Notes to consolidated financial statements for the year ended 31 March, 2019

37. Earnings per share

(a) Basic earnings per share

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Basic earnings per share attributable to the Equity Shareholders (in ₹)	7.13	7.89

(b) Diluted earnings per share

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Diluted earnings per share attributable to the Equity Shareholders (in ₹)	7.13	7.89

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Profit attributable to equity holders used in calculating basic earnings per share	29,877.70	33,065.62
Profit attributable to equity holders used in calculating diluted earnings per share	29,877.70	33,065.62

(d) Weighted average number of equity shares used as the denominator

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	41,92,28,997	41,92,28,997
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	41,92,28,997	41,92,28,997

38. Disclosure as per Ind AS 19, 'Employees Benefit' as regards defined benefit scheme (Gratuity)

(a) Leave encashment

Under leave encashment scheme, the Group allows its employees to encash accumulated leave over and above thirty days at any time during the year. Hence the entire amount of the provision is presented under current. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Leave obligations not expected to be settled within the next 12 months	181.90	237.18

(b) Post-employment obligations

i) Gratuity

The Group 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 than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with the insurance companies.

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Lacs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2017	483.59	(279.51)	204.09
Current service cost	73.69	-	73.69
Interest expense/(income)	34.17	(21.66)	12.51
Total amount recognised in profit or loss	**107.86**	**(21.66)**	**86.20**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.41	0.41
Actuarial (gain)/loss from change in financial assumptions	(9.87)	-	(9.87)
Actuarial (gain)/loss from unexpected experience	52.47	-	52.47
Total amount recognised in other comprehensive income	**42.61**	**0.41**	**43.02**
Employer contributions/ premium paid	-	(70.46)	(70.46)
Benefit paid	(85.30)	85.30	-
31 March 2018	**548.77**	**(285.91)**	**262.86**

Notes to consolidated financial statements for the year ended 31 March, 2019

(₹ in Lacs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	548.77	(285.91)	262.86
Current service cost	79.02	-	79.02
Interest expense/(income)	40.84	(22.01)	18.83
Total amount recognised in profit or loss	**119.86**	**(22.01)**	**97.85**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	4.88	(2.15)	2.73
Actuarial (gain)/loss from change in financial assumptions	9.77	-	9.77
Actuarial (gain)/loss from unexpected experience	(7.95)	-	(7.95)
Total amount recognised in other comprehensive income	**6.70**	**(2.15)**	**4.55**
Employer contributions/ premium paid	-	(17.76)	(17.76)
Benefit paid	(36.63)	36.63	-
Disposal/ Transfer of Asset	**-**	**-**	**-**
31-Mar-19	**638.70**	**(291.20)**	**347.50**

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31-Mar-19	31-Mar-18
Discount rate	7.75%	7.75%
Expected return on plan asset	7.75%	7.75%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table

(ii) Sensitivity analysis

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

Particulars	Impact on defined benefit obligation			
	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(313.97)	505.24	(504.00)	600.65
Salary growth rate (-/+ 1%)	223.54	(74.21)	597.29	(504.97)
Withdrawal rate (-/+ 1%)	203.97	(317.17)	555.08	(541.51)

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

The methods and types of assumptions used in preparing the sensitvity analysis did not change compared to the prior period.

(iv) The major categories of plan assets

The defined benefit plans are funded with insurance companies of India. The Group does not have any liberty to manage the funds provided to insurance companies.

(v) Risk exposure

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

Investment risk:

The defined benefit plans are funded with insurance companies of India. The Group does not have any liberty to manage the funds provided to insurance companies.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Notes to consolidated financial statements for the year ended 31 March, 2019

Life expectancy:

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

Salary growth risk:

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

(vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2020 are INR 105.01 lacs.

The weighted average duration of the defined benefit obligation is 5.64 years (31 March 2018: 5.14 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lacs)

Particulars	Less than a year	Between 2- 5 years	Over 5 years
31 March 2019	69.69	73.02	290.14
31 March 2018	30.53	194.40	214.27

39. Capital management

(a) Risk management

The Company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The amount mentioned under total equity in balance sheet is considered as Capital.

(b) Dividends paid and proposed

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
(i) Equity shares		
Final dividend for the year ended 31 March, 2018 of ₹1 per share (31 March, 2017 – Nil)	4,192.29	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Nil per fully paid equity share (31 March 2018 – ₹1.00).This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	4,192.29

Notes to consolidated financial statements for the year ended 31 March, 2019

40. Assets pledged as security

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

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Current		
Financial assets		
First charge		
Trade receivables	14,376.31	14,646.94
Inventories	27,719.25	29,460.34
Cash and cash equivalents	9,491.36	1,863.61
Bank balances	11,639.97	114.88
Other financial assets	2,107.68	588.48
Other current assets	49,510.81	92,951.18
Total current assets	**1,14,845.38**	**1,39,625.43**
Non Current		
First charge		
Property, plant and equipment(including Capital work-in-progress)	79,643.26	82,026.65
Total non-currents assets	**79,643.26**	**82,026.65**
Total assets pledged as security	**1,94,488.64**	**2,21,652.08**

41. Financial instruments by category

(₹ in Lacs)

Particulars	31-Mar-19			31-Mar-18		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments	146.72	26.04	-	135.63	8.50	-
Security deposits	-	-	646.99	-	-	701.29
Balance with banks held as margin money deposits with original maturity of more than 12 months	-	-	201.69	-	-	28.43
Advances recoverable from a related party	-	-	35.00	-	-	35.00
Trade receivables	-	-	14,376.31	-	-	14,646.94
Cash and cash equivalents	-	-	9,491.36	-	-	1,863.61
Other bank balances	-	-	11,639.97	-	-	114.88
Loan	-	-	1,607.75	-	-	-
	146.72	**26.04**	**37,999.07**	**135.63**	**8.50**	**17,390.15**
Financial liabilities						
Borrowings	-	-	7,381.70	-	-	43,241.69
Security deposit	-	-	9,757.99	-	-	9,022.71
Trade payables	-	-	12,541.18	-	-	18,894.41
Interest accrued but not due on borrowings	-	-	3.78	-	-	13.16
Retention money	-	-	196.49	-	-	221.49
Creditors for capital goods	-	-	443.22	-	-	16.60
Unclaimed dividend	-	-	1.65	-	-	1.65
Other liabilities	-	-	9,761.71	-	-	12,033.86
Salary and bonus to employees	-	-	401.27	-	-	290.16
	-	**-**	**40,488.99**	**-**	**-**	**83,735.73**

Notes to consolidated financial statements for the year ended 31 March, 2019

(i) Fair value hierarchy

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Lacs)

Particulars	31-Mar-19			31-Mar-18		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments	0.99	-	171.77	3.16	-	140.97
Total financial assets	**0.99**	**-**	**171.77**	**3.16**	**-**	**140.97**

(iv) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	31-Mar-19		31-Mar-18	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits and margin money	383.74	383.74	176.24	176.24
Total financial assets	**383.74**	**383.74**	**176.24**	**176.24**
Financial liabilities				
Borrowings	393.54	396.71	662.24	676.90
Security deposits	9,745.36	9,745.36	9,007.80	9,007.80
Total financial liabilities	**10,138.90**	**10,142.07**	**9,670.04**	**9,684.70**

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

Notes to consolidated financial statements for the year ended 31 March, 2019

42. Financial risk management

The Group's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e.foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis	Diversification of customer base
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (₹).	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
Market risk – interest rate	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions
Market risk – price risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. Further the Group receives security deposit from its customers which mitigates the credit risk. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

(₹ in Lacs)

Particulars	Not past due	Less than 6 Months	More than 6 Months and upto 1 years	More than 1 years	Expected credit losses	Net carrying amount of trade receivables
As on 31 March, 2019	10,182.62	2,415.54	751.19	1,173.95	(146.99)	14,376.31
As on 31 March, 2018	9,498.62	3,857.40	865.09	581.47	(155.64)	14,646.94

ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Group's finance department. Investments of surplus funds are made only with approved counterparties in accordance with the Group's policy. Counterparty credit limits are reviewed by the Companies' Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Loans are given to body corporate are as per the Group policy and the receipt of repayment are reviewed on regular basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial Assets are considered to be of good quality and there is no significant credit risk.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as at 31 March 2019 and 31 March 2018 is the carrying amounts as illustrated in Note 41.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the

Notes to consolidated financial statements for the year ended 31 March, 2019

Group maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis.

(i) Financing arrangements

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

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
- Expiring within one year (bank overdraft and other facilities)	16,342.97	22,481.15
	16,342.97	**22,481.15**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

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

(₹ in Lacs)

Contractual maturities of financial liabilities - 31 March, 2019*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	7,208.44	174.70	1.06	-	7,384.20
Interest on borrowing	543.97	6.75	0.01	-	550.73
Trade payables	12,541.18	-	-	-	12,541.18
Other payables	10,816.97	-	-	-	10,816.97
Total financial liabilities	**31,110.56**	**181.45**	**1.07**	**-**	**31,293.08**

(₹ in Lacs)

Contractual maturities of financial liabilities - 31 March, 2018*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	23,361.91	18,978.15	948.03	-	43,288.09
Interest on borrowing	2,063.00	2,089.22	50.96	-	4,203.18
Trade payables	18,894.41	-	-	-	18,894.41
Other payables	12,578.67	-	-	-	12,578.67
Total financial liabilities	**56,897.99**	**21,067.37**	**998.99**	**-**	**78,964.35**

*Security deposits liability has not been included in the above maturity profile as the repayment of the same cannot be estimated.

(C) Market risk

(i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group deals with an international customer and is therefore exposed to foreign exchange risk (primarily with respect to USD) arising from this foreign currency transactions. In view of low proportion of export/import, as compared to the overall operations, the exposure of the Group to foreign exchange risk is also not considered to be material.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

Notes to consolidated financial statements for the year ended 31 March, 2019

Foreign currency risk exposure

The Group's exposure to foreign currency (USD) risk at the end of the reporting period expressed in INR are as follows:-

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Financial assets	842.56	1,280.08
Financial liabilities	(2,033.64)	(7,057.04)
Net exposure to foreign currency risk	**(1,191.08)**	**(5,776.96)**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax	
	31-Mar-19	31-Mar-18
Sensitivity		
INR appreciates by 10% (2018: 10%)	119.11	577.70
INR depreciates by 10% (2018: 10%)	(119.11)	(577.70)

* Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2019 and 31 March 2018, the Company's borrowings at variable rate were denominated in INR and USD.

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

(a) Interest rate risk exposure

On Financial Liabilities:

The exposure of the Group's financial liabilities to interest rate risk is as follows:

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Variable rate borrowings	6,990.66	40,625.85
Fixed rate borrowings	393.54	2,662.24
Total borrowings	**7,384.20**	**43,288.09**

(b) Sensitivity

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

(₹ in Lacs)

Particulars	Impact on profit before tax	
	31-Mar-19	31-Mar-18
Interest expense rates – increase by 50 basis points (2018: 50 bps)	(34.95)	(203.13)
Interest expense rates – decrease by 50 basis points (2018: 50 bps)	34.95	203.13

* Holding all other variables constant

Notes to consolidated financial statements for the year ended 31 March, 2019

(iii) Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Group's exposure to equity securities price risk arises from investments held by the Company in equity securities and classified in the Balance Sheet as at fair value through profit or loss and other comprehensive income. The Group has investment in qouted and unqouted equity securities. Investment is done in accordance with the limits set by the Group. The Company's Board of Directors reviews and approves all investment decisions.

Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Group's equity;

Particulars	Impact on total comprehensive income	
	31-Mar-19	31-Mar-18
Increase by 5% (2018: 5%)	8.64	7.21
Decrease by 5% (2018: 5%)	(8.64)	(7.21)

* Holding all other variables constant

43 -(i) - Contingent liability & commitments

(₹ in Lacs)

Sl. No	Particulars	31-Mar-19	31-Mar-18
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,499.11	-
2	Claims against the Company not acknowledge as debts – excise VAT/income tax matters/royalty etc.	1,160.94	1,176.14
3	Duty saved under EPCG scheme	639.01	1,042.98
4	Letters of credit issued by bank	1,992.16	58.26
5	Solvent surety furnished to excise department against differential excise duty refund	3,327.17	3,172.52

Note: Based on legal opinion / decisions in similar cases, the Management believes that the Group has a fair chance of favorable decisions in cases mentioned here-in-above and hence no provision is considered necessary.

(a) Against Company's claim in respect of its cement plant at Lumshnong 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 disputed amount against furnishing of solvent surety. Based on the said judgment of the Hon'ble High Court in favour of the Company and legal opinion obtained by the Company, the differential excise duty refund of ₹ Nil (31 March 2018- 1.62 Lacs) has been recognised in the books of accounts.

(b) Against Company's claim in respect of its cement plant at Guwahati for refund of differential excise duty, Hon'ble High Court at Guwahati vide its order dated 1st December, 2016, in the matter of Raj Coke industries & others versus the Union of India has directed the Excise Department to release 50% of the disputed amount against furnishing of solvent surety. Based on the said judgment of the Hon'ble High Court and legal opinion obtained by the Company, the differential excise duty refund of ₹ Nil (31 March 2018 - ₹146.78 Lacs) have been recognized as revenue in the books of accounts.

Note : 43 -(ii) - Borrowing cost of foreign loan

The Company and its subsidiaries Star Cement Meghalaya Limited and Meghalaya Power Limited have exercised the option under in paragraph 46A of the Accounting Standard 11 (AS-11) - "The Effects of Changes in Foreign Exchange Rates". Accordingly, the Company and its subsidiaries Star Cement Meghalaya Limited and Meghalaya Power Limited has 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 useful life of such assets. The depreciated portion of net foreign exchange (gain)/loss on such long term foreign currency monetary items for the period ended on 31 March, 2019 of the Company and its subsidiaries is ₹429.38 Lacs, (31 March 2018 : ₹566.78 Lacs).

Notes to consolidated financial statements for the year ended 31 March, 2019

Note : 43 -(iii) - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects. A CSR Committee has been formed by Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Gross amount required to be spent by the Group during the year is ₹476.96 lacs (2017-18 : ₹324.36 lacs)

Amount spent during the year on:

(₹ in Lacs)

Sl. No	Particulars	2018-19	2017-18
1	Education	431.55	436.33
2	Preventive healthcare and Sanitation	49.49	21.30
3	Rural Development Programs	69.92	62.86
4	Flood Relief	18.04	22.41
5	Livelihood & skill Building	44.69	2.47
		613.69	**545.38**

44. Related party disclosures

A	Names of the related parties	Nature of relationship
	I. Enterprises influenced by KMP	
	Century Plyboards (India) Limited (CPIL)	Enterprises influenced by KMP
	Profound Cement Work Ltd (PCWL) (Formerly known as Star India Cement Limited)	Enterprises influenced by KMP
	Nefa Udyog (NU)	Enterprises influenced by KMP
	Shyam Century Ferrous Limited (SCFL)	Enterprises influenced by KMP
	II. Key Management Personnel	
	Mr. Sajjan Bhajanka	Chairman & Managing Director
	Mr. Rajendra Chamaria	Vice Chairman & Managing Director
	Mr. Sanjay Agarwal	Managing Director
	Mr. Prem Kumar Bhajanka	Director of the Company and Managing Director in Subsidiary
	Mr. Pankaj Kejriwal	Managing Director in Subsidiary
	Mr. Sanjay Kr. Gupta	Chief Executive Officer
	Mr. Dilip Kumar Agarwal	Chief Financial Officer (Upto 13.11.17)
	Mr. Manoj Agarwal	Company Secretary (Upto 03.08.17), Chief Financial Officer (w.e.f 14.11.17)
	Mr. Debabrata Thakurta	Company Secretary of the Company (w.e.f 03.08.17) and in Subsidiary
	Mr. Amit Kumar Singh	CFO in Subsidiary
	Mr. Bishal Kumar Agarwal	CFO in Subsidiary
	Mr. Vivek Lahoti	CFO in Subsidiary
	Mr.Biswajit Singh	Company Secretary in Subsidiary (w.e.f 01.08.18)
	Mr. Mohit Mahana	Company Secretary in Subsidiary
	III. Relatives of Key Management Personnel	
	Mr. Rahul Chamaria	Son of Mr. Rajendra Chamaria, Vice Chairman & Managing Director
	Mr. Sachin Chamaria	Son of Mr. Rajendra Chamaria. Vice Chairman & Managing Director
	Mrs. Renu Chamaria	Wife of Mr. Rajendra Chamaria, Vice Chairman & Managing Director

Notes to consolidated financial statements for the year ended 31 March, 2019

Details of transactions between the Company and related parties and the status of outstanding balance:

(₹ in Lacs)

B

Types of Transactions	Enterprises influenced by KMP		Key Management Personnel and their relatives	
	2018-19	2017-18	2018-19	2017-18
1. Purchase Transactions				
SCFL	18.47	48.50	-	-
CPIL	1.61	-		
2. Sale Transactions				
CPIL	34.09	21.36	-	-
SCFL	1,598.14	1,409.91	-	-
3. Servcies Received				
NU	4.56	-	-	-
4. Loan & Advances Taken				
Mr. Sanjay Agarwal	-	-	-	-
Mr. Sajjan Bhajanka	-	-	-	-
5. Loan & advances repaid				
Mr. Prem kumar Bhajanka	-	-	2,100.00	-
Mr. Sanjay Agarwal			2,500.00	-
Mr. Sajjan Bhajanka			2,500.00	-
6. Interest Paid				
Mr. Prem Kumar Bhajanka	-	-	19.17	172.80
Mr. Sajjan Bhajanka	-	-	23.77	210.17
Mr.Sanjay Agarwal	-	-	22.82	205.75
7. Remuneration Paid				
Mr. Sajjan Bhajanka	-	-	198.00	60.00
Mr.Rajendra Chamaria	-	-	237.00	66.00
Mr.Sanjay Agarwal	-	-	198.00	60.00
Mr. Sanjay Kumar Gupta	-	-	137.09	114.90
Mr.Rahul Chamaria	-	-	50.00	30.00
Mr. Sachin Chamaria	-	-	50.00	30.00
Mr. Dilip Kumar Agarwal	-	-	-	46.41
Mr. Manoj Agarwal	-	-	64.77	42.83
Mr. Debabrata Thakurta	-	-	23.05	13.34
Mr. Prem Kumar Bhajanka	-	-	198.00	60.00
Mrs. Renu Chamaria	-	-	33.08	30.00
Mr. Amit Kumar Singh	-	-	8.09	1.08
Mr. Rahul Srivastava	-	-	-	1.36
Mr.Vishal Agarwal	-	-	-	8.44
Mr. Bishal Kumar Agarwal	-	-	11.58	1.58
Mr. Biswajit Singh	-	-	3.27	-
Mr. Pankaj Kejriwal	-	-	48.30	40.20
Mr. Vivek Lahoti	-	-	35.51	33.40
Mr. Mohit Mahana	-	-	9.41	6.88
8. Balance Outstanding				
(a) Share Capital / Securities Premium				
SCFL	3,373.50	3,373.50	-	-
(b) Creditors				
SCFL	-	61.19	-	-
(c) Debtors				
CPIL	-	-	-	-
SCFL	-	383.64	-	-
(d) Advance : (Given)				
PCWL	35.00	35.00	-	-
(e) Loans : (Taken)				
Mr. Prem Kumar Bhajanka	-	-	-	2,255.52
Mr. Sanjay Agarwal	-	-	-	2,685.18
Mr. Sajjan Bhajanka	-	-	-	2,689.14
(f) Guarantees Obtained				
Mr. Sajjan Bhajanka	-	-	21,983.63	37,567.48
Mr. Rajendra Chamaria	-	-	16,800.00	28,101.26
Mr. Sanjay Agarwal	-	-	16,800.00	29,976.27
Mr. Prem Kumar Bhajanka	-	-	20,633.63	34,342.47

Notes to consolidated financial statements for the year ended 31 March, 2019

Key management personnel compensation

(₹ in Lacs)

(c)

Particulars	31-Mar-19	31-Mar-18
Short-term employee benefits	1,205.15	556.42
Post-employment benefits *	-	-
Long-term employee benefits*	-	-
Total compensation	**1,205.15**	**556.42**

* Post employment benefits and long term employee benefits are determined on the basis of actuarial valuation for the Company as a whole and hence segregation is not available.

45. Segment Report

(₹ in Lacs)

SL. No.	Particulars	2018-19				2017-18			
		Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
A	**Revenue (Gross)**								
	External Sales	2,121.88	1,80,982.32	-	1,83,104.20	1,430.70	1,61,479.99	-	1,62,910.69
	Inter Segment Sales	11,451.81	47,044.99	-	58,496.80	9,558.40	39,438.05	-	48,996.45
	Elimination	(11,451.81)	(47,044.99)	-	(58,496.80)	(9,558.40)	(39,438.05)	-	(48,996.45)
	Total Revenue (Gross)	2,121.88	1,80,982.32	-	**1,83,104.20**	1,430.70	1,61,479.99	-	1,62,910.69
B	**Results**								
	Segment Result	2,226.71	32,169.72	-	34,396.43	1,974.08	38,129.77	-	40,103.85
	Unallocated Income/ (Expenses) (Net)	-	-	502.99	502.99	-	-	401.29	401.29
	Interest & Finance Charges (Net)	-	-	(1,437.99)	(1,437.99)	-	-	(5,245.73)	(5,245.73)
	Operating Profit	-	-		**33,461.43**	-	-	-	35,259.36
	Tax Expenses	-	-		2,964.44	-	-	-	1,641.32
	Net Profit (before non controlling interest)	-	-	-	**30,496.99**	-	-	-	33,618.05
	Other Information								
C	**Total Assets**								
	Segment Assets	25,217.84	1,76,924.01		2,02,141.85	26,517.68	2,04,664.12	-	2,31,181.80
	Unallocated Corporate/ Other Assets	-	-	27,543.61	27,543.61	-	-	19,389.19	19,389.19
D	**Total Liabilities**								
	Segment Liabilities	6,525.26	43,047.97	-	49,573.23	10,735.86	85,954.87	-	96,690.73
	Unallocated Corporate/ Other Liabilities	-	-	915.73	915.73	-	-	33.78	33.78
E	Capital Expenditure	367.87	5,092.21	-	5,460.08	139.18	3,076.54	-	3,215.72
F	Depreciation	1,558.33	9,006.15	-	10,564.48	1,724.64	10,344.02	-	12,068.65

Note: Segment information

(a) Business Segments: The business segments have been identified on the basis of the products of the Group. Operating segment of the Company in consistent with reporting made to Chief Operating Decision Maker (CODM) i.e. Board of Directors. Accordingly, the Group has identified follwing business segments.

Cement	Cement and Cement Clinker
Power	Power

(b) Geographical Segments : The entire revenue of the Group has been generated by way of domestic & export sales.

(₹ in Lacs)

Sl No.	Geographical Location	2018-19	2017-18
(i)	India	1,77,771.76	1,56,632.88
(ii)	Nepal	5,139.08	4,558.24
(iii)	Bhutan	193.36	1,719.57
	Total	**1,83,104.20**	**1,62,910.69**

(c) There are no revenue from transactions with a single external customer amounting to 10 per cent of an Group's revenue during the current and previous year.

Notes to consolidated financial statements for the year ended 31 March, 2019

46. Additional Information pursuant to Schedule III of the Companies Act, 2013

Sl No	Name of the Company	Net Assets (total assets minus total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
		2018-19		2018-19		2018-19		2018-19	
		As % of consolidated net assets	(₹ in Lacs)	As % of consolidated profit or loss	(₹ in Lacs)	As % of consolidated OCI	(₹ in Lacs)	As % of consolidated TCI	(₹ in Lacs)
	Parent								
	Star Cement Limited	55.09%	98,717.45	71.93%	21,936.73	13.43%	1.93	71.90%	21,938.66
	Indian Subsidiaries								
1	Megha Technical & Engineers Private Limited	12.31%	22,066.68	1.37%	417.67	-12.69%	(1.82)	1.36%	415.84
2	Star Cement Meghalaya Limited	25.95%	46,502.73	22.54%	6,873.87	-18.83%	(2.70)	22.52%	6,871.17
3	Meghalaya Power Limited	2.82%	5,057.09	2.13%	649.86	-2.12%	(0.30)	2.13%	649.56
4	NE Hills Hydro Limited	0.01%	22.19	0.00%	(0.43)	122.23%	17.55	0.06%	17.12
	Foreign Subsidiary								
1	Star Century Gloabal Cement Private Limited	-	-	-	-	-	-	-	-
	Non-Controlling Interest	3.81%	6,830.35	2.03%	619.29	-2.02%	(0.29)	2.03%	619.00
	TOTAL	**100%**	**1,79,196.49**	**100%**	**30,496.99**	**100%**	**14.36**	**100%**	**30,511.35**

47. Interests in other entities

(a) Subsidiaries

The group's subsidiaries as at 31 March 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal actvities
		31-Mar-19 %	31-Mar-18 %	31-Mar-19 %	31-Mar-18 %	
Megha Technical & Engineers Private Limited	India	100%	100%	0%	0%	Manufacture of cement
Star Cement Meghalaya Limited	India	100%	100%	0%	0%	Manufacture of clinker
Meghalaya Power Limited	India	51%	51%	49%	49%	Generation of power
NE Hills Hydro Limited	India	100%	100%	0%	0%	Generation of power
Star Century Global Cement Private Limited	Myanmar	100%	100%	0%	0%	Export of Clinker

Notes to consolidated financial statements for the year ended 31 March, 2019

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for the subsidiary that has non-controlling interests that is material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

(₹ in Lacs)

Summarised balance sheet	31-Mar-19	31-Mar-18
Current assets	6,809.95	6,129.32
Current liabilities	6,442.19	7,899.17
Net current assets	**367.76**	**(1,769.85)**
Non-current assets	19,485.29	20,676.55
Non-current liabilities	5,846.01	6,168.23
Net non-current assets	**13,639.28**	**14,508.33**
Net assets	**14,007.04**	**12,738.48**
Accumulated NCI	**6,830.35**	**6,211.35**

(₹ in Lacs)

Summarised statement of profit and loss	31-Mar-19	31-Mar-18
Revenue	13,566.93	11,494.56
Profit for the year	1,269.16	1,132.12
Other comprehensive income	(0.60)	(1.77)
Total comprehensive income	**1,268.56**	**1,130.36**
Profit allocated to NCI	**619.29**	**552.43**

(₹ in Lacs)

Summarised statement of profit and loss	31-Mar-19	31-Mar-18
Cash flows from operating activities	1,126.49	5,472.57
Cash flows from/(used in) investing activities	(368.01)	(122.38)
Cash flows (used in) financing activities	(763.47)	(5,267.86)
Net increase/ (decrease) in cash and cash equivalents	**(4.99)**	**82.33**

48. Previous year's figures have been regrouped and/or rearranged wherever necessary, to confirm to current year classification.

49. The financial statements are approved by the audit committee at its meeting held on 7th May,2019 and by the Board of Directors on the same date.

50. Notes to the Consolidated Financial Statements comprised of information relevant for the Group.

For and on behalf of Board of Directors

Sanjay Kumar Gupta
Chief Executive Officer

For D. K Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 7 May, 2019

STAR CEMENT LIMITED

CIN: L26942ML2001PLC006663
Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210
Corporate Office: Satyam Towers, Unit No. 9B, 1st Floor, 3 Alipore Road, Kolkata – 700027
Tel: 03655 – 278215/16/18, Fax: 03655-278217, Email: investors@starcement.co.in
Website: www.starcement.co.in

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **EIGHTEENTH ANNUAL GENERAL MEETING** of the Members of **Star Cement Limited** will be held on Friday, 27th September, 2019 at 02:00 P.M. at "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2019 and the Reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Pankaj Kejriwal (DIN: 00383635), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment of Mr. Pramod Kumar Shah as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Pramod Kumar Shah (DIN: 00343256) who holds office of Independent Director up to 31st March, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Pramod Kumar Shah's candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of three consecutive years commencing from 1st April, 2020 upto 31st March, 2023;

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. Revision in remuneration of Mr. Rajendra Chamaria, Managing Director of the Company

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

"RESOLVED THAT in partial modification to the resolution passed by the Shareholders of the Company at the Annual General Meeting held on 31st July, 2018 and in pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board obtained at the meeting held on 07th May, 2019 and pursuant to the provisions of Sections 197 and 198 read with Schedule V 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 thereof for the time being in force), the consent of the members be and is hereby accorded to pay revised remuneration to Mr. Rajendra Chamaria (DIN: 00246171), Managing Director of the Company w.e.f. 1st April, 2019 for remaining period of his present term of appointment as set out in the explanatory statement and supplementary agreement entered into by the Company and Mr. Rajendra Chamaria and as available for the inspection of the members;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise and/or modify the remuneration and other benefits payable to Mr. Rajendra Chamaria in such manner as may be agreed to between the Board and Mr. Rajendra Chamaria, within the limits hereby sanctioned and within the overall ceiling of managerial remuneration provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time;

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits, Managing Director of the Company be paid remuneration within the overall applicable limit as set out in the provisions of Schedule V to the Companies Act, 2013;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company or the Company Secretary be and are hereby authorized to take such steps and actions and to file forms and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards."

5. Ratification of Remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2020

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies and confirms the remuneration of ₹65,000 (Rupees Sixty Five Thousand only) plus applicable taxes and re-imbursement of out of pocket expenses incurred, if any to be paid to M/s. Sanjib Das & Associates, Cost Accountants (Firm Registration No. 100751), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2020;

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 to give effect to this resolution."

6. Approval for Material Related Party Transactions

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹900 crores in a Financial Year entered or to be entered into by the Company with Star Cement Meghalaya Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2019-20;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

7. Approval for Material Related Party Transactions

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹150 crores in a Financial Year entered or to be entered into by the Company with Meghalaya Power Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2019-20;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/

ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

8. Approval for Material Related Party Transactions

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹100 crores in a Financial Year entered or to be entered into by the Company with Megha Technical and Engineers Private Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2019-20;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

9. Approval for Material Related Party Transactions

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹50 crores in a Financial Year entered or to be entered into by the Company with Shyam Century Ferrous Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2019-20;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

Registered Office:
Vill: Lumshnong, P.O.: Khaliehriat
Dist.: East Jaintia Hills
Meghalaya - 793210

Date: 31st July, 2019
Place: Kolkata

By Order of the Board
For **Star Cement Limited**

Debabrata Thakurta
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting 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 POLL ON HIS/HER BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013 read with Rules made thereunder, 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 appointing the 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 Notice. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

3. Corporate Members intending to send their authorized representatives to attend and vote at the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.

4. Details as required in sub-regulation (3) of Regulation 36 of the SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Director seeking appointment/ re-appointment/ any change in terms at the Annual General Meeting, forms an integral part of the Notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

5. Pursuant to Regulation 12 of SEBI (LODR) payment of dividend will be made only by electronic mode directly into the bank account of members and no dividend warrants or demand drafts will be issued without bank particulars. Please submit bank details along with an original cancelled cheque or Xerox copy of the cheque to our Registrars in case you hold shares in physical form and to your Depository Participants in case shares held in demat. This will facilitate to make payment of dividend as per aforesaid Regulation as and when declared. Members holding shares in the physical form are requested to notify changes in address, email id, bank mandate and bank particulars, if any, under their signatures to M/s. Maheshwari Datamatics Pvt. Ltd., 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers. Members holding shares in electronic form may update such information with their respective Depository Participants.

6. Pursuant to Section 124 of the Companies Act, 2013, the unpaid dividends that are due to transfer to the Investor Education and Protection Fund(IEPF) are as follows:

Financial Year	Date of Declaration	Tentative Date for transfer to IEPF
2013-14 (Interim) *	11.03.2014	20.04.2021
2015-16 (Interim) *	09.06.2015	18.07.2022
2017-18 (Final)	31.07.2018	06.09.2025

* Dividends were declared by erstwhile Star Ferro and Cement Limited, since mergerd with the Company vide order of the Honorable National Company Law Tribunal (NCLT), Guwahati Bench dated 07.02.2017.

Members who have not encashed their dividend warrants/ drafts pertaining to the aforesaid years may approach the Company/its Registrar, for obtaining payments thereof atleast 30 days before they are due for transfer to the said fund.

7. 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 Participant(s). 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 at the following address:-

Maheshwari Datamatics Private Limited
23 R. N. Mukherjee Road, 5th 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.

8. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in prescribed Form SH-13 with the RTA. Nomination form can be downloaded from the Company's website: www.starcement.co.in under the section 'Investors'. In respect of shares held in Electronic/Demat form, members may please contact their respective Depository Participants.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) to the Company/ RTA for registration of transfer of shares, for securities market transactions and off-market/ private transactions involving transfer of shares in physical form. In this connection, the Transferees of Company's shares are requested to submit a copy of their PAN card along with the Transfer Deed. Members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or RTA.

10. In terms of SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 01st April, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form. With regard to the same, the Company's Registrar and Share Transfer Agent has already sent three reminder letters to the shareholders during the Financial year 2018-19, for updating their PAN and Bank Account details and for dematerializing their physical holdings of securities. A guidance note on procedure for dematerialization of shares held in physical form is also placed on the website of the Company under 'Investors' section. Three reminder letters were also sent to the shareholders to claim their unclaimed shares, if any.

11. 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.

12. All documents meant for inspection and referred to in the Notice and accompanying Annual Report are open for inspection at the Registered Office as well as Corporate Office of the Company between 11:00 A.M to 1:00 P.M on all working days till the date of the Annual General Meeting (AGM) and will be also available for inspection at the Meeting.

13. Members may note that in terms of Notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, no further ratification of appointment of Auditors would be required by the members at the every interim Annual General Meeting. Hence, said item has not been included in the notice convening the Annual General Meeting.

14. 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 attendance slip along with the copy of the Annual Report at the Annual General Meeting.

15. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 19th September, 2019 to Friday, 27th September, 2019 (both days inclusive).**

16. Members may also note that the Notice of the AGM and the Annual Report will also be available on the Company's website, www.starcement.co.in for their download.

17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

18. In compliance with the provision of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all the Members to enable them to cast their vote electronically in respect of business to be transacted at the Meeting, for which the Company has engaged the services of National Securities Depository Limited (NSDL). The Members holding shares either in physical form or in dematerialized form, desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

19. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held in physical form so as to receive all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

20. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members who have not cast their votes by remote e-voting as on **Cut-off date i.e. Friday, 20th September, 2019** shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who cast their votes by remote e-voting prior to the meeting, may attend the meeting but will not be entitled to cast their vote again.

21. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, 20th September, 2019** are entitled to vote on the Resolutions set forth in this Notice and a person who is not a Member as on cut-off date should treat this notice for information purpose only. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). Members who have acquired shares after the dispatch of the Notice of Annual General Meeting and before the cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

22. The remote e-voting period will commence at **9.00 a.m. on Monday, 23rd September, 2019** and will end at **5.00 p.m. on Thursday, 26th September, 2019.** The Company has appointed Mr. Sourav Kedia, Practicing Company Secretary (Membership no. ACS 40951 and Certificate of Practice no. 15259), 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.

23. The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report, not later than 48 hours of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.starcement.co.in and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL i.e. www.nsdl.co.in immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.

24. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Friday, 27th September 2019.

25. The Route map of the venue of Annual General Meeting i.e. "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210 is annexed at the end of this Notice.

26. PROCEDURE FOR REMOTE E-VOTING

The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for remote e-voting are as under:

A. The process and manner for remote e-voting are as under:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12************** then your user ID is 12**************).

c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the Company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, your 'initial password' will be communicated to you on the physical copy of the attendance sheet being sent with physical copy of the notice of the AGM. Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-voting Event Number)	USER ID	PASSWORD
-	-	-

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

ii) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

iii) Select the 'EVEN' (E-Voting Event Number) of Star Cement Limited.

iv) Now you are ready for e-voting as 'Cast Vote' page opens.

v) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.

vi) Upon confirmation, the message 'Vote cast successfully' will be displayed.

vii) Once you have voted on the resolution, you will not be allowed to modify your vote.

viii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer by an e-mail at souravkedia@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) for members and 'e-voting user manual' available in the downloads section of NSDL's e-voting website www.evoting.nsdl.com

C. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.

D. The voting rights shall be as per the number of equity share held by the Member(s) as on **Friday, 20th September, 2019**. Members are eligible to cast vote electronically only if they are holding shares as on that date.

E. The Companies (Management and Administration) Rules, 2014, as amended provides that the electronic voting period shall remain open for atleast three days and shall close at 5.00 p.m. on the date preceding the date of the AGM. Accordingly, the voting period shall commence at 9.00 a.m. on Monday, 23rd September, 2019 and will end at 5.00 p.m. on Thursday, 26th September, 2019.

F. The results shall be declared within 48 hours from the conclusion of the AGM. The results along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of NSDL and such results will also be forwarded to the Stock Exchanges where the Company's shares are listed.

Registered Office:
Vill: Lumshnong, P.O.: Khaliehriat
Dist.: East Jaintia Hills
Meghalaya - 793210

By Order of the Board
For **Star Cement Limited**

Date: 31st July, 2019
Place: Kolkata

Debabrata Thakurta
Company Secretary

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

Item No.3

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 13th November, 2017 appointed Mr. Pramod Kumar Shah as an Additional Director (Category – Independent) of the Company with effect from 13th November, 2017 for a term upto 31st March, 2020, whose appointment was approved by the Shareholders of the Company at the Annual General Meeting held on 31st July, 2018. His office as Independent Director of the Company comes to an end on 31st March, 2020 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Companies Act, 2013).

The Board, based on the performance evaluation of Mr. Pramod Kumar Shah and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Pramod Kumar Shah as an Independent Director on the Board of the Company would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Mr. Pramod Kumar Shah as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive year on the Board of the Company effective from 1st April, 2020 upto 31st March, 2023. Mr. Pramod Kumar Shah meets the criteria of independence as provided in Section 149(6) of the Act read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Further, as per Section 149(11) provides that an independent director may hold office for up to two consecutive terms provided that re-appointment shall be done on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

Accordingly, the Board of Directors on recommendation of Nomination and Remuneration Committee, in their meeting held on May 07, 2019 has re-appointed Mr. Pramod Kumar Shah as an Independent Director of the Company. However, such re-appointment is subject to approval of the shareholders by way of a special resolution.

Details of Mr. Pramod Kumar Shah whose re-appointment as Independent Director is proposed at Item No. 3 is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Company has received from Mr. Pramod Kumar Shah (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Notice under Section 160(1) of the Companies Act, 2013 along with requisite deposit has been received from a Member, signifying his intention to propose the re-appointment of Mr. Pramod Kumar Shah as Director of the Company.

Copy of the draft appointment letter of Mr. Pramod Kumar Shah as an Independent Director of the Company setting out the terms and conditions of appointment are available for inspection by the members at the Registered Office as well as Corporate Office of the Company on all working days between 11:00 A.M. to 1:00 P.M. till the date of the Annual General Meeting (AGM).

The Board, based on the recommendation of Nomination and Remuneration Committee and considering benefits of the expertise of Mr. Pramod Kumar Shah, has recommended the resolution for approval of shareholders by way of special resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Pramod Kumar Shah for his re-appointment, are concerned or interested, financially or otherwise, in Resolutions set out at item no. 3.

Item No. 4

Mr. Rajendra Chamaria (DIN: 00246171), as per recommendation of the Nomination & Remuneration Committee was re-appointed as Managing Director of the Company by the Board at its Meeting held on 06th February, 2018 for a further period of 3 (three) Years i.e. from 01st April, 2018 to 31st March, 2021 with revised remuneration. The same was subsequently approved by the members at the Annual General Meeting held on 31st July, 2018.

Further, considering the contribution of Mr. Rajendra Chamaria (DIN: 00246171) and the progress made by the Company under his leadership and guidance and as per recommendation of the Nomination & Remuneration Committee, the Board at its Meeting held on 07th May, 2019 approved the revision in remuneration of Mr. Rajendra Chamaria (DIN: 00246171) for the remaining tenure of his present term of appointment from 01st April, 2019.

The remuneration payable to Mr. Rajendra Chamaria is ₹25,35,000/- per month. Mr. Rajendra Chamaria shall not be entitled to stock options, sitting fees for attending meetings of Board or its Committees.

The supplementary agreement entered with Mr. Rajendra Chamaria shall be available for inspection to the members at the Registered Office of the Company on all weekdays during office hours upto the date of the meeting.

General Information as required under Schedule V to the Companies Act, 2013 forms part of the notice.

Except Mr. Rajendra Chamaria, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the resolution set out at Item No. 4.

The Board of Directors recommends the Special Resolution set out at Item No. 4 for your approval as a Special Resolution.

Item No. 5

The Board of Directors on the recommendation of Audit Committee has approved the appointment of M/s. Sanjib Das & Associates, Cost Accountants (Firm Registration No. 100751) as the Cost Auditor of the Company to conduct the Cost Audit of the Company for the Financial Year 2019-20 at a remuneration of ₹65,000/- plus applicable taxes and re-imbursement of out of pocket expenses incurred in connection with cost audit, if any.

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

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

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

Item No. 6

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Star Cement Meghalaya Limited, subsidiary company, may qualify to be a Material Related Party transaction under Listing Regulations, approval of the members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

Name of the Related Party	Star Cement Meghalaya Limited
Nature of relationship	Subsidiary of the Company
Name of the Director or KMP who is related, if any	Mr. Sajjan Bhajanka, Mr. Sanjay Agrawal, Mr. Rajendra Chamaria, Mr. Prem Kumar Bhajanka, Mr. Pankaj Kejriwal, Mr. Mangilal Jain and Mr. Santanu Ray may deemed to be related by virtue of being common Directors.
Estimated Transaction Value	₹900 crores for each Financial Year
Nature, material terms and particulars of the contract or arrangement	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Any other information	NIL

Except Mr. Sajjan Bhajanka, Mr. Sanjay Agrawal, Mr. Rajendra Chamaria, Mr. Prem Kumar Bhajanka, Mr. Pankaj Kejriwal, Mr. Mangilal Jain and Mr. Santanu Ray none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the shareholders.

Item No. 7

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Meghalaya Power Limited, subsidiary company, may qualify to be a Material Related Party transaction under Listing Regulations, approval of the members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

Name of the Related Party	Meghalaya Power Limited
Nature of relationship	Subsidiary of the Company
Name of the Director or KMP who is related, if any	Mr. Sajjan Bhajanka, Mr. Prem Kumar Bhajanka, Mr. Pramod Kumar Shah and Mr. Mangilal Jain may deemed to be related by virtue of being common Directors and Mr. Debabrata Thakurta may deemed to be related by virtue of being common Key Managerial Personnel.
Estimated Transaction Value	₹150 crores for each Financial Year
Nature, material terms and particulars of the contract or arrangement	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Any other information	NIL

Except Mr. Sajjan Bhajanka, Mr. Prem Kumar Bhajanka, Mr. Pramod Kumar Shah and Mr. Mangilal Jain, Directors of the Company and Mr. Debabrata Thakurta, Key Managerial Personnel of the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the shareholders.

Item No. 8

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Megha Technical and Engineers Private Limited, subsidiary company, may qualify to be a Material Related Party transaction under Listing Regulations, approval of the members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

Name of the Related Party	Megha Technical and Engineers Private Limited
Nature of relationship	Wholly Owned Subsidiary of the Company
Name of the Director or KMP who is related, if any	Mr. Pankaj Kejriwal, Mr. Santanu Ray and Mr. Mangilal Jain may deemed to be related by virtue of being common Directors.
Estimated Transaction Value	₹100 crores for each Financial Year
Nature, material terms and particulars of the contract or arrangement	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Any other information	NIL

Except Mr. Pankaj Kejriwal, Mr. Santanu Ray and Mr. Mangilal Jain none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

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

Item No. 9

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Shyam Century Ferrous Limited, Enterprise influenced by Key Managerial Personnel (KMP), may qualify to be a Material Related Party transaction under Listing Regulations, approval of the members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

Name of the Related Party	Shyam Century Ferrous Limited
Nature of relationship	Enterprise influenced by KMP
Name of the Director or KMP who is related, if any	Mr. Sajjan Bhajanka, Mrs. Plistina Dkhar, Mr. Santanu Ray and Mr. Mangilal Jain may deemed to be related by virtue of being common Directors.
Estimated Transaction Value	₹50 crores for each Financial Year
Nature, material terms and particulars of the contract or arrangement	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Any other information	NIL

Except Mr. Sajjan Bhajanka, Mrs. Plistina Dkhar, Mr. Santanu Ray and Mr. Mangilal Jain none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the shareholders.

By Order of the Board
For **Star Cement Limited**

Date: 31st July, 2019
Place: Kolkata

Debabrata Thakurta
Company Secretary

Statement pursuant to provisions of Schedule V of the Companies Act, 2013 with respect to Item No. 4 of the Notice.

I. General Information

Sl. No.	Particulars	Remarks		
1.	Nature of industry	Cement		
2.	Date or expected date of commencement of commercial production	21st December, 2004		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4.	Financial performance based on given indicators	**For the Financial Year** (₹ in Lacs)		
		2018-19	**2017-18**	**2016-17**
	Revenues	1,73,488.92	1,48,759.25	1,34,558.25
	Net Profit/ (Loss) before Tax	28,036.77	22,783.95	8,609.07
	Net Profit/ (Loss) after Tax	25,589.14	21,077.65	8,002.44
	Dividend %	NIL	100%	NIL
5.	Foreign investments or collaborations if any	Nil		

* Note: Financial Performance for FY2018-19, FY2017-18 and FY2016-17 are stated as per IND AS.

II. Information about the Appointee

Sl. No.	Particulars	Mr. Rajendra Chamaria
1.	Background details	Mr. Rajendra Chamaria, Managing Director of the Company is a Commerce Graduate. He became the Director of the Company in 2004 and re-appointed as the Managing Director in 2018. He has more than 35 years of experience and has an excellent grasp on all statutory laws related to an industry.
2.	Past remuneration	Remuneration paid during Financial Year 2018-19: ₹237 lacs
3.	Job profile and his suitability as Director	Mr. Rajendra Chamaria is the Managing Director of the Company. He possesses multiple skill sets to head various departments such as Finance, Production, Legal, Statutory Compliances and Business Operations.
4.	Remuneration proposed	₹304.20 lacs per annum
5.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the reverent details would be w.r.t. the country of his origin)	The salary proposed to be paid to Mr. Rajendra Chamaria is in line with current industry standards and is fully justifiable.
6.	Pecuniary relationship with the Company and managerial personnel, if any	Mr. Rajendra Chamaria is Promoter and Managing Director of the Company. Apart from the above, he does not have any pecuniary relationship with the Company or any of its managerial personnel.

III. Other Information

Sl. No.	Particulars	Mr. Rajendra Chamaria
1.	Reasons of loss or inadequate profits	NA. The Company is passing Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 read with Schedule V as a matter of abundant precaution.
2.	Steps taken during the year for improvement	The Company believes that it is well positioned to capture significant growth opportunities and profitability because of its following principal competitive strengths: 1. Expansion of capacity 2. Strong Human Resources 3. State-of-the-art technology and infrastructure 4. Strong Management Team
3.	Expected increase in productivity and profits in measurable terms	The Company has taken initiatives to improve the position of the Company as against its competitors and will continue in its endeavor to improve profitability.

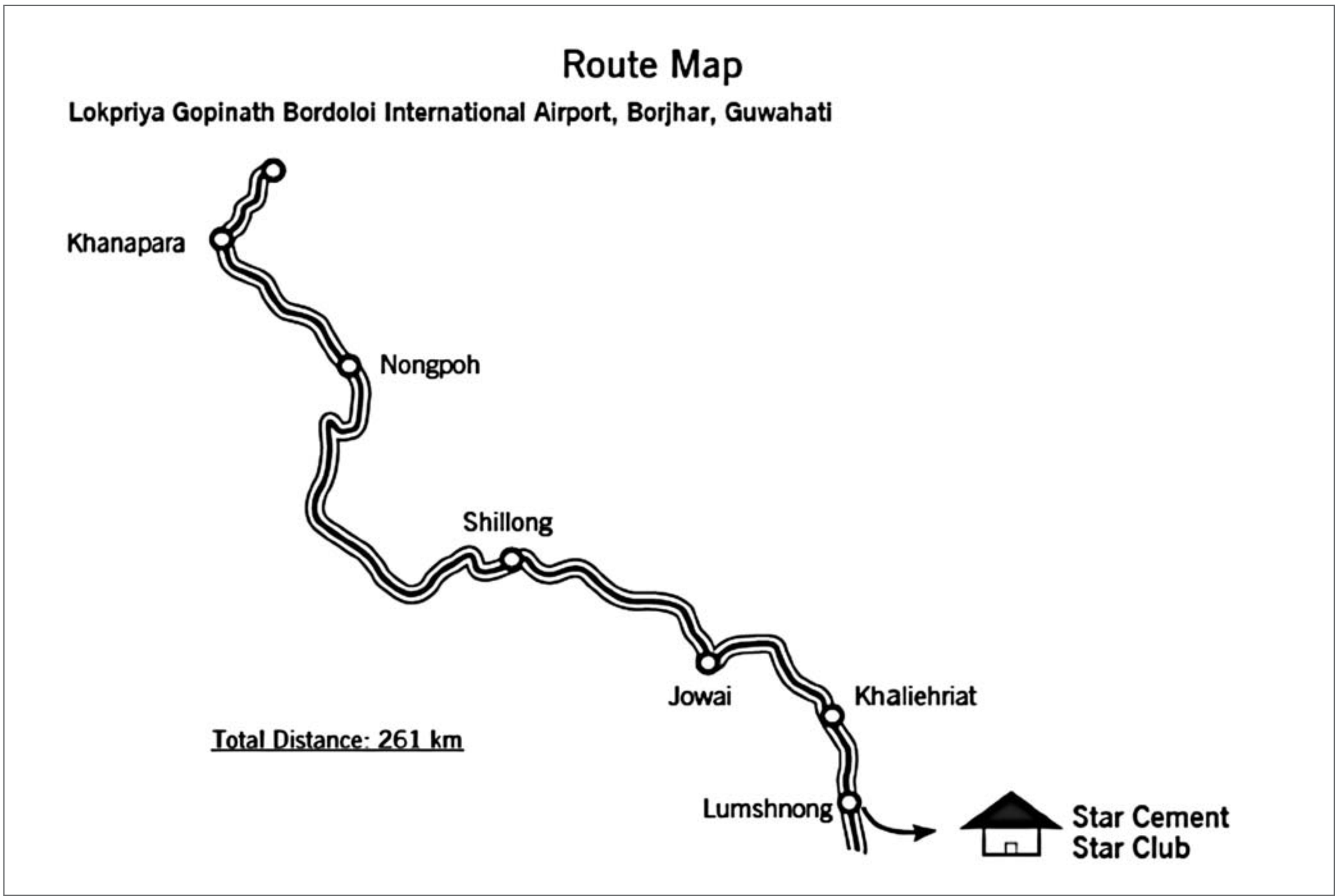
ANNEXURE TO ITEM NO. 2, 3 & 4 OF THE NOTICE

Details of Director seeking appointment/ re-appointment/ any change in terms at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting]

Name of the Director	Mr. Pankaj Kejriwal	Mr. Pramod Kumar Shah	Mr. Rajendra Chamaria
DIN	00383635	00343256	00246171
Age (Years)	48	67	61
Nationality	Indian	Indian	Indian
Qualification	Chemical Engineer	Chartered Accountants	Commerce Graduate
Experience (years)	26	36	35
Expertise in special functional Area	Technical, Production, Legal, Statutory Compliances & Business Operations	Finance, Accounts, Audit & Internal Audit	Finance, Production, Legal, Statutory Compliances & Business Operations
Date of First Appointment on the Board of the Company	26.03.2003	13.11.2017	01.04.2004
Terms & condition of re-appointment	Non - Executive Director, liable to retire by rotation	Independent Director for a period of 3 years; Not Liable to retire by rotation	Managing Director; Liable to retire by rotation
Details of remuneration sought to be paid and remuneration last drawn (₹)	Nil	Nil	**Sought to be paid:** ₹25,35,000/- per month **Remuneration last drawn:** ₹19,75,000/- per month
Shareholding in the Company [Equity share of face value ₹1/- each] (as at 31st March, 2019)	4522	Nil	2,02,52,555
Relationship between the Directors inter se and other Key Managerial Person	None	None	None
No. of Board Meetings attended during the year	3	5	4
List of Directorship held in other Companies (excluding Foreign Company)	1. Star Cement Meghalaya Limited 2. Megha Technical and Engineers Private Limited	1. Emami Frank Ross Limited 2. Emami Capital Markets Limited 3. Cuprum Bagrodia Limited 4. Emami Agrotech Limited 5. Meghalaya Power Limited 6. Skipper Limited	1. Star Cement Meghalaya Limited 2. Dony Polo Udyog Limited
Membership/ Chairmanships of Committees of Boards of other Companies. (only Audit Committee and Stakeholders' Relationship Committee have been considered)	Nil	**Audit Committee:** **Chairman:** 1. Meghalaya Power Limited	Nil

Venue: "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya- 793210



STAR CEMENT LIMITED

CIN: L26942ML2001PLC006663
Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210
Corporate Office: Satyam Towers, Unit No. 9B, 1st Floor, 3 Alipore Road, Kolkata – 700027
Tel: 03655 – 278215/16/18, Fax: 03655-278217, Email: investors@starcement.co.in
Website: www.starcement.co.in

PROXY FORM NO. MGT - 11

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

Name of the Member(s):
Registered Address:

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: ...., or failing him/her
3. 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 Eighteenth Annual General Meeting of the Company, to be held on Friday, 27th day of September, 2019 at 02:00 P.M. at "Star Club", Vill: Lumshnong, P.O: 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*	
Ordinary Business		**For**	**Against**
1	Audited Financial Statements (including the Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2019 and the Reports of Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. Pankaj Kejriwal (DIN: 00383635) as a Director of the Company, liable to retire by rotation.		
Special Business			
3	Re-appointment of Mr. Pramod Kumar Shah as an Independent Director		
4	Revision in remuneration of Mr. Rajendra Chamaria, Managing Director of the Company		
5	Ratification of remuneration payable to Cost Auditors		
6	Approval of Material related party transactions –Star Cement Meghalaya Limited		
7	Approval of Material related party transactions - Meghalaya Power Limited		
8	Approval of Material related party transactions- Megha Technical & Engineers Private Limited		
9	Approval of Material related party transactions- Shyam Century Ferrous Limited		

Signed this .... day of................................, 2019

Signature of the shareholder ....

Signature of the proxy 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 18th 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 CEMENT LIMITED

CIN: L26942ML2001PLC006663
Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210
Corporate Office: Satyam Towers, Unit No. 9B, 1st Floor, 3 Alipore Road, Kolkata – 700027
Tel: 03655 – 278215/16/18, Fax: 03655-278217, Email: investors@starcement.co.in
Website: www.starcement.co.in

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

ANNUAL GENERAL MEETING – 27th September, 2019 at 02:00 P.M.

Folio No./ DP ID and Client ID:

Name:

Address:

No. of Shares held :

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

I/We hereby record my/our attendance at the Eighteenth Annual General of the Company at "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 on **Friday, 27th September, 2019 at 02:00 P.M.**

Member's/Proxy's name in block letters

Member's/Proxy's signature

Notes:

1. Registration will start at 01:00 P.M. and close at 01:45 P.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.

Corporate Information

Board of Directors

Sajjan Bhajanka
Chairman & Managing Director

Rajendra Chamaria
Vice Chairman & Managing Director

Sanjay Agarwal
Managing Director

Prem Kumar Bhajanka
Director

Pankaj Kejriwal
Director

Mangilal Jain
Director

Pramod Kumar Shah
Director

Santanu Ray
Director

Plistina Dkhar
Director

Ibaridor Katherine War
Director

Auditors

M/s. D.K.Chhajer & Co.
Chartered Accountants

Nilhat House,
11, R. N. Mukherjee Road,
Kolkata - 700001

Chief Executive Officer

Sanjay Kumar Gupta

Chief Financial Officer

Manoj Agarwal

Company Secretary

Debabrata Thakurta

Bankers & FI's

Allahabad Bank

State Bank of India

HDFC Bank

Registered Office

Vill.: Lumshnong, P.O. Khaliehriat
Dist.: East Jaintia Hills
Meghalaya – 793210

Lumshnong Plant
Vill: Lumshnong, P.O. Khaliehriat
Dist.: East Jaintia Hills
Meghalaya – 793210

Sonapur Plant
Gopinath Bordoloi Road
Vill.: Chamta Pathar
P.O. Sonapur
Kamrup Assam - 782402

Corporate Office

'Satyam Towers', 1st Floor,
Unit No. 9B, 3, Alipore Road,
Kolkata - 700027
Phone: 033 22484169/70
Fax: 033 22484168
Email: investors@starcement.co.in
Website: www.starcement.co.in

Guwahati Office

Mayur Garden, 2nd Floor,
Opp. Rajiv Bhawan,
G. S. Road, Guwahati - 781005

Delhi Office

281, Deepali, Pitampura
New Delhi – 110034

Registrars & Share Transfer Agents

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor,
Kolkata - 700001

A TRISYS PRODUCT
info@trisyscom.com

print anderson +91 99030 58982

STARCEMENT
Solid Setting

Star Cement Limited

Registered Office

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

Corporate Office

'Satyam Towers', 1st Floor, Unit No. 9B,
3, Alipore Road, Kolkata - 700027

www.starcement.co.in
CIN: L26942ML2001PLC006663