



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

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of Star Ferro & Cement Limited. ("the Company") for the quarter ended June 30, 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been reviewed by us, This statement is the responsibility of the Company's management and has been approved by the Board Of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above on the unaudited quarterly financial results nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standards 25 "Interim Financial Reporting", [Notified pursuant to the Companies (Accounting Standards) Rules, 2006] and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

A.K. Sharma

CA. Arun Kumar Sharma
Partner
M.No. -57329



Place: Kolkata
Date: 16th July, 2014

STAR FERRO AND CEMENT LIMITED

Regd. Office : Vill.: Lumshnong, PO: Khaliehriat, Distt. East Jaintia Hills, Meghalaya - 793210

Phone: 0365-278215, Fax: (033)22483539

Email: investors@starferrocement.com; website: www.starferrocement.com

CIN: U27310ML2011PLC008564

STAR CEMENT

PART I (₹ in Lacs)

Statement of Unaudited Standalone Financial Results for the Quarter ended 30th June, 2014

Sl No.	PARTICULARS	STANDALONE			
		Quarter ended 30.06.2014 Unaudited	Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 30.06.2013 Unaudited	Previous Year ended 31.03.2014 Audited
1	(a) Net Sales/Income from Operations (Net of Excise Duty)	3,352.93	4,594.24	3,260.41	14,548.60
	(b) Other Operating Income	6.75	6.14	9.33	28.91
	Total Income from Operations (Net)	3,359.68	4,600.38	3,269.74	14,577.51
2	Expenses				
	a. Cost of Materials consumed	899.65	1,355.34	999.93	4,374.75
	b. Changes in Inventories of finished goods, work-in-progress and stock -in-trade	102.48	312.90	850.08	826.31
	c. Employee benefits expenses	151.81	102.60	124.40	516.76
	d. Depreciation and amortisation expense	233.53	111.82	121.98	480.46
	e. Other expenses	1,658.64	2,123.08	1,487.51	6,752.99
	Total expenses	3,046.11	4,005.74	3,583.90	12,951.27
3	Profit from Operations, before other income, finance costs and exceptional items (1-2)	313.57	594.63	(314.16)	1,626.23
4	Other Income	4.80	741.22	0.08	741.35
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	318.37	1,335.85	(314.08)	2,367.58
6	Finance costs	97.89	88.15	109.97	399.57
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	220.49	1,247.70	(424.05)	1,968.01
8	Exceptional items		9.56	-	9.56
9	Profit/(Loss) from ordinary activities before tax (7-8)	220.49	1,257.26	(424.05)	1,977.57
10	Tax expense	31.41	166.99	(136.39)	404.34
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	189.07	1,090.27	(287.66)	1,573.23
12	Extraordinary items	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	189.07	1,090.27	(287.66)	1,573.23
14	Share of profit/(loss) of associates	-	-	-	-
15	Minority interest	-	-	-	-
16	Net Profit/(Loss) after taxes, minority interest and shares of profit/(loss) of associates (13-14-15)	189.07	1,090.27	(287.66)	1,573.23
17	a) Paid up Equity Share Capital (Face value of ₹ 1/- each)	2,221.73	2,221.73	5.00	2,221.73
	b) Share Capital Pending Allotment	-	-	2,216.73	-
18	Reserves excluding Revaluation Reserves	9,309.52	9,229.23	8,101.51	9,229.23
19	Earnings Per Share (EPS) - (not annualised)				
	- Basic	0.89	0.49	(57.53)	0.71
	- Diluted	0.09	0.49	(0.13)	0.71
	Face Value of Shares Re. 1/-				



PART II					
Select Information for the Quarter ended 30 th June, 2014					
SI No.	PARTICULARS	STANDALONE			
		Quarter ended 30.06.2014 Unaudited	Quarter ended 31.03.2014 Audited	Quarter ended 30.06.2013 Unaudited	Current Year ended 31.03.2014 Audited
A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	-Number of Shares	69064269	64687314	0	64687314
	-Percentage of shareholding	31.09	29.12	0	29.12
2	Promoter and Promoter Group Shareholding				
	Pledged /Encumbered				
	-Number of Shares	3000000	3000000	0	3000000
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	1.96	1.9	0	1.9
	-Percentage of shares (as a % of the total share capital of the Company)	1.35	1.35	0	1.35
	Non-Encumbered				
	-Number of Shares	150108721	154485676	500000	154485676
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	98.04	98.1	100	98.1
	-Percentage of shares (as a % of the total share capital of the Company)	67.56	69.53	100	69.53

INVESTOR COMPLAINTS		Quarter ended 30.06.2014
B		
	Pending at the beginning of the quarter	Nil
	Received during the quarter	1
	Disposed of during the quarter	1
	Remaining unresolved at the end of the quarter	Nil



Statement of Segment Revenue, Results and Capital Employed for the Quarter ended 30th June, 2014

Sl No.	PARTICULARS	STANDALONE			
		Quarter ended 30.06.2014 Unaudited	Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 30.06.2013 Unaudited	Previous Year ended 31.03.2014 Audited
1	Segment Revenue (Net)				
	(a) Ferro Alloys				
	(b) Power :	3,352.92	4,594.24	3,260.41	14,548.60
	External Sales Revenue				
	Inter Segment Revenue	1,505.42	1,377.88	1,232.55	4,916.81
	Total Segment Revenue	4,858.35	5,972.12	4,492.96	19,465.41
	Less : Inter Segment Revenue	1,505.42	1,377.88	1,232.55	4,916.81
	Net Sales/Income from Operations	3,352.92	4,594.24	3,260.41	14,548.60
2	Segment Results (Profit/(Loss) Before Tax & Finance Cost)				
	(a) Ferro Alloys				
	(b) Power	(134.20)	311.26	(492.97)	501.93
	Total	473.51	360.68	200.43	1,235.65
	Less : Finance Costs	97.89	85.49	109.97	396.91
	Add : Unallocable (Expenses)/Income net of unallocable Income/expenses	20.94	670.81	(21.54)	636.90
	Total Profit/(Loss) Before Tax	220.49	1,257.26	(424.05)	1,977.57
3	Capital Employed (Segment Assets less Segment Liabilities)				
	(a) Ferro Alloys	5,229.91	5,362.88	3,884.68	5,362.88
	(b) Power	2,625.82	2,539.65	2,507.10	2,539.65
	(c) Unallocated	3,675.52	3,548.43	3,931.46	3,548.43
	Total	11,531.25	11,450.95	10,323.24	11,450.95

NOTES TO STANDALONE FINANCIAL RESULTS:

- The above result has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 16th July, 2014. Limited Review of the above results has been carried out by the Statutory Auditor of the Company.
- The figures for the quarter ended 31st March, 2014 are the balancing figures being difference between the audited figures in respect of the full financial year and the year to date unaudited figures upto 31st December, 2013 which were subject to limited review.
- As per the requirement of the Companies Act, 2013, the company has computed depreciation with reference to the useful life of respective assets specified in and in the manner prescribed in Schedule II to the Act. Consequently, depreciation for the quarter ended 30th June, 2014 is higher by Rs.118.59 Lacs.
- Figures of the previous period have been regrouped and reclassified to confirm to the classification of current period, where necessary.

For Star Ferro and Cement Limited

Hari Prasad Agarwal

**Hari Prasad Agarwal
Managing Director**



STAR FERRO AND CEMENT LIMITED

STAR CEMENT

Regd. Office : Vill.: Lumshnong, PO: Khaliehriat, Distt. East Jaintia Hills, Meghalaya - 793210

Phone: 0365-278215, Fax: (033)22483539

Email: investors@starferrocement.com; website: www.starferrocement.com

CIN: U27310ML2011PLC008564

(Rs. in Lacs)

PART I

Statement of Unaudited Financial Results for the Quarter ended 30th June, 2014

Sl No.	PARTICULARS	CONSOLIDATED			
		Quarter ended 30.06.2014 Unaudited	Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 30.06.2013 Unaudited	Previous Year ended 31.03.2014 Audited
1	(a) Net Sales/Income from Operations (Net of Excise Duty)	35,608.80	38,043.99	23,418.70	117,144.29
	(b) Other Operating Income	2.72	33.74	53.90	193.03
	Total Income from Operations (Net)	35,611.52	38,077.73	23,472.60	117,337.32
2	Expenses				
	a. Cost of Materials consumed	5,109.96	5,691.10	4,069.07	20,956.52
	b. Purchase of Traded Goods	119.07	-	-	-
	c. Changes in Inventories of finished goods, work-in-progress and stock -in-trade	(561.72)	986.18	(1,728.63)	(775.93)
	d. Employee benefits expense	2,140.26	2,176.84	1,752.36	7,857.68
	e. Depreciation and amortisation expense	5,570.11	4,072.04	3,949.05	16,163.64
	f. Other expenses	17,036.91	17,392.48	15,552.82	63,803.87
	Total expenses	29,414.59	30,318.64	23,594.67	108,005.78
3	Profit from Operations, before other income, finance costs and exceptional items (1-2)	6,196.93	7,759.10	(122.07)	9,331.55
4	Other Income	67.82	(37.38)	161.08	236.74
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	6,264.75	7,721.71	39.01	9,568.28
6	Finance costs	2,408.23	2,115.15	2,633.16	8,721.20
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	3,856.52	5,606.56	(2,594.15)	847.08
8	Exceptional items	1.38	(174.27)	2,939.35	87.46
9	Profit/(Loss) from ordinary activities before tax (7-8)	3,857.90	5,780.83	(5,533.50)	759.62
10	Tax expense	123.48	429.40	(253.05)	270.80
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	3,734.42	5,351.43	(5,280.45)	488.82
12	Extraordinary items	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	3,734.42	5,351.43	(5,280.45)	488.82
14	Share of profit/(loss) of associates	-	-	-	-
15	Minority interest	1,033.58	1,552.80	(1,345.13)	(123.63)
16	Net Profit/(Loss) after taxes, minority interest and shares of profit/(loss) of associates (13-14-15)	2,700.84	3,798.62	(3,935.32)	612.44
17	a) Paid up Equity Share Capital (Face value of ` 1/- each)	2,221.73	2,221.73	5.00	2,221.73
	b) Share Capital Pending Allotment	-	-	2,216.73	-
18	Reserves excluding Revaluation Reserves	68,083.59	66,411.35	63,114.50	66,411.35
19	Earnings Per Share (EPS) - (not annualised) `				
	- Basic	1.22	1.71	(787.06)	0.28
	- Diluted	1.22	1.71	(1.77)	0.28
	Face Value of Shares Re. 1/-				

Statement of Segment Revenue, Results and Capital Employed for the Quarter ended 30th June, 2014					
SI No.	PARTICULARS	CONSOLIDATED			
		Quarter ended 30.06.2014 Unaudited	Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 30.06.2013 Unaudited	Previous Year ended 31.03.2014 Audited
1	Segment Revenue (Net)				
	(a) Ferro Alloys	3,432.29	4,594.24	3,269.74	14,548.60
	(b) Power :				
	External Sales Revenue	17.40	-	-	-
	Inter Segment Revenue	3,734.68	801.42	4,934.22	12,192.40
	(c) Cement	32,159.11	33,449.75	20,148.96	102,595.69
	Total Segment Revenue	39,343.49	38,845.41	28,352.92	129,336.69
	Less : Inter Segment Revenue	3,734.68	801.42	4,934.22	12,192.40
	Net Sales/Income from Operations	35,608.80	38,043.99	23,418.70	117,144.29
2	Segment Results (Profit/(Loss) Before Tax & Finance Cost)				
	(a) Ferro Alloys	(134.20)	1,445.54	(492.97)	1,636.20
	(b) Power	989.85	(1,069.68)	950.03	1,230.81
	(c) Cement	5,411.54	7,538.59	(376.10)	6,819.17
	Total	6,267.20	7,914.45	80.96	9,686.18
	Less : Finance Costs	2,408.23	1,975.80	2,633.16	8,581.85
	Add : Unallocable (Expenses)/Income net of unallocable Income/expenses	(1.07)	(157.82)	(2,981.30)	(344.71)
	Total Profit/(Loss) Before Tax	3,857.90	5,780.84	(5,533.50)	759.63
3	Capital Employed (Segment Assets less Segment Liabilities)				
	(a) Ferro Alloys	5,427.11	5,362.88	4,384.68	5,362.88
	(b) Power	12,155.36	11,596.63	11,850.27	11,596.63
	(c) Cement	79,514.30	77,789.56	71,781.89	77,789.56
	(d) Unallocated	(19.79)	(830.85)	-	(830.85)
	Total	97,076.98	93,918.21	88,016.84	93,918.21

NOTES TO CONSOLIDATED FINANCIAL RESULTS:

- The above result has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 16th July 2014.
- The figures for the quarter ended 31st March, 2014 are the balancing figures being difference between the audited figures in respect of the full financial year and the year to date unaudited figures upto 31st December, 2013 which were subject to limited review.
- The consolidated result include results of subsidiaries Cement Manufacturing Company Limited (CMCL), Star Cement Meghalaya Limited (SCML), Megha Technical & Engineers Private Limited (MTEPL), Meghalaya Power Limited (MPL) and NE Hills Hydro Ltd. (NEHL).
- As per the requirement of the Companies Act, 2013, the company has computed depreciation with reference to the useful life of respective assets specified in and in the manner prescribed in Schedule II to the Act. Consequently, depreciation for the quarter ended 30th June, 2014 is higher by Rs.1516.65 Lacs.
- In previous year, in line with the Notification dated 29th December, 2011 issued by the MCA, CMCL, SCML and MPL has selected the option given in paragraph 46A of the Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates". Accordingly, the depreciated portion of net foreign exchange (gain)/ loss arising on revaluation on long term foreign currency monetary items, in so far as they relate to the acquisition of depreciable capital assets, over the balance life of such assets. The depreciated portion of net foreign exchange (gain)/loss on such long term foreign currency monetary items for the quarter ended 30th June, 2014 is NIL and for the year ended 31st March, 2014 is Rs. 18.59 Lacs. The unamortised portion carried forward as at 30th June, 2014 is Rs. 3,758.11 Lacs (31st March, 2014 is Rs. 3,756.60 Lacs)

For Star Ferro and Cement Limited



Hari Prasad Agarwal
Managing Director