



**Nikhil Doshi, B. Com (Hons.), ACA**

## INDEPENDENT AUDITOR'S REPORT

**To The Members of Star Cement North East Limited**

### Report on the Standalone IND AS Financial Statements

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of **Star Cement North East Limited ("The Company")**, which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 (hereafter refer 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, 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 Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, and the profit and other comprehensive income, changes in equity and its cashflows 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 financial statements under the provisions of the Companies Act, 2013 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.

#### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the 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.





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**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.





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**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. 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, Statement of Profit & Loss including Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows dealt with by this report, are in agreement with the books of account.
  - d) In our opinion, the accompanying Standalone Financial Statement comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid / provided any remuneration to its directors during the year and hence the provisions of section 197(16) of the Companies Act, 2013 is not applicable to the Company.
4. With respect to the other matters to be included in the Auditor's 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:
  - a) The Company does not have any pending litigations hence there is no impact of the same on its financial position in its financial statement,
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d) (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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**Sarda Soni Associates LLP**

**CHARTERED ACCOUNTANTS**

A. C. Mansion  
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(ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

e) The Company has not declared or paid any dividend during the year and hence the provisions of section 123 of the Companies Act, 2013 is not applicable to the Company.

Place: Kolkata  
Date: 16<sup>th</sup> May, 2022

For Sarda Soni Associates LLP  
Chartered Accountants  
FRN.: 117235W

*Nikhil Doshi*  
CA. Nikhil Doshi  
(Partner)  
Membership No: 311788  
UDIN: 22311788AJAXVF2150





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**Annexure -A to the Independent Auditor's Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditor's Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) As the Company does not hold any property, plant and equipment and intangible assets, reporting under clause 3(i) of the Order is not applicable.
- (ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the company by Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.





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- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no un-utilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 Order is not applicable.
- (xiii) In our opinion, Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.





**Sarda Soni Associates LLP**

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- (xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934. Hence, reporting under clause (xvi)(a), (b) (c) and (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Sarda Soni Associates LLP  
Chartered Accountants  
FRN.: 117235W

*Nikhil Doshi*

CA. Nikhil Doshi  
(Partner)

Membership No: 311788

UDIN: 22311788AJAXVF2150



Place: Kolkata

Date: 16<sup>th</sup> May, 2022



**Nikhil Doshi, B. Com (Hons.), ACA**

**Annexure - B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **Star Cement North East Limited ("The Company")** as of 31<sup>st</sup> March 2022 in conjunction with our audit of the standalone Ind AS 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.

**Auditors' 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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 standalone Ind AS 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;

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**Sarda Soni Associates LLP**

**CHARTERED ACCOUNTANTS**

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2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 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 31 March 2022, 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 Sarda Soni Associates LLP  
Chartered Accountants  
FRN.: 117235W

*Nikhil Doshi*

CA. Nikhil Doshi  
(Partner)

Membership No: 311788

UDIN: 22311788AJAXVF2150



Place: Kolkata

Date: 16<sup>th</sup> May, 2022

**Star Cement North East Limited**  
2nd Floor, Mayur Garden, G.S. Road, Kamrup, Guwahati-781005

**Balance Sheet as at 31st March, 2022**

(₹) In Hundred

	Note No	31.03.2022
<b><u>ASSETS</u></b>		
<b>Non Current Assets</b>		
(a) Capital Work in Progress	2	44,043.01
(b) Financial assets		
(i) Investment		-
(c) Other Non Current Assets		-
<b>Total Non Current Assets</b>		<b>44,043.01</b>
<b>Current Assets</b>		
(a) Financial assets		
(i) Cash and cash equivalents	3	2,546.00
(b) Other Current Assets	4	2,124.00
<b>Total Current Assets</b>		<b>4,670.00</b>
<b>Total Assets</b>		<b>48,713.01</b>
<b><u>EQUITY &amp; LIABILITIES</u></b>		
<b>Equity</b>		
(a) Equity Share Capital	5	5,000.00
(b) Other Equity	6	-
<b>Total Equity</b>		<b>5,000.00</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
(a) Other non current Liabilities	7	43,494.01
<b>Current Liabilities</b>		
(a) Other current Liabilities	8	219.00
<b>Total Liabilities</b>		<b>43,713.01</b>
<b>Total Equity &amp; Liabilities</b>		<b>48,713.01</b>

Significant accounting policies and notes

1

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

As per our Report of even date

For Sarda Soni Associates LLP  
Chartered Accountants  
Firm's Registration No. 117235W

CA. Nikhil Doshi  
(Partner)  
Membership No. 311788



For & on behalf of Board of Directors

✓ Keshav

Keshav Bhajanka  
Director  
Din No.03109701

✓ Tushar

Tushar Bhajanka  
Director  
Din No.09179632

Date: 16th May, 2022

Place: Kolkata

Star Cement North East Limited  
2nd Floor, Mayur Garden, G.S. Road, Kamrup, Guwahati-781005

Statement of Cash Flows for the year ended 31st March, 2022

(₹) In Hundred

31.03.2022

<b>A. Cash Flow From Operating Activites</b>	
<b>Profit Before Tax</b>	-
<b>Movements in Working Capital :</b>	
Increase / (Decrease) in Other non current/current Liabilities	43,713.01
Increase / (Decrease) in Other Current Assets	(2,124.00)
<b>Net cash Flow before Tax &amp; Extra ordinary Items</b>	41,589.01
Direct Tax (Paid) / Refund	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>41,589.01</b>
<b>B. Cash Flow From Investing Activities</b>	
Purchase of PPE, Intangible Assets, CWIP & Capital Advances	(44,043.01)
<b>Net Cash Flow From Investing Activities (B)</b>	<b>(44,043.01)</b>
<b>C. Cash Flow From Financing Activities</b>	
Proceeds from issue of Share Capital	5,000.00
Proceeds / (Repaymnet) of Borrowings	-
<b>Net Cash Flow From Financing Activities (C)</b>	<b>5,000.00</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalent (A + B + C)</b>	<b>2,546.00</b>
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>2,546.00</b>

**Notes:**

1. The above Cash flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7)

2. For the purpose of Standalone Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

Particulars	31.03.2022
Cash in hand	-
Balance with Banks	2,546.00
<b>Total</b>	<b>2,546.00</b>

As per our Report of even date

For Sarda Soni Associates LLP  
Chartered Accountants  
Firm's Registration No. 117235W

*Nikhil Doshi*  
CA. Nikhil Doshi  
(Partner)  
Membership No. 311788



For & on behalf of Board of Directors

*Keshav*  
Keshav Bhajanka  
Director  
Din No.03109701

*Tushar*  
Tushar Bhajanka  
Director  
Din No.09179632

Date: 16th May, 2022  
Place: Kolkata

Star Cement North East Limited  
2nd Floor, Mayur Garden, G.S. Road, Kamrup, Guwahati-781005

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity share capital	( ₹ in Hundred )
Particulars	Amount
As at 1 April, 2021	-
Changes in equity share capital	5,000.00
As at 31 March, 2022	5,000.00

B. Other equity ( ₹ in Hundred )

Particulars	Reserve and surplus	Other reserve	Total other equity
	Retained earnings	Equity Instruments through Other Comprehensive Income	
Balance as at 1 April, 2021	-	-	-
Profit for the year (a)	-	-	-
Other comprehensive income (b)	-	-	-
Total comprehensive income for the year (a + b)	-	-	-
Balance as at 31st March, 2022	-	-	-

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

As per our Report of even date

For Sarda Soni Associates LLP  
Chartered Accountants  
Firm's Registration No. 117235W

CA. Nikhil Doshi  
(Partner)  
Membership No. 311788



For & on behalf of Board of Directors

Keshav  
Keshav Bhajanka  
Director  
Din No.03109701

Tushar  
Tushar Bhajanka  
Director  
Din No.09179632

Date: 16th May, 2022  
Place: Kolkata

# Star Cement North East Limited

Notes to standalone financial statements for the year ended 31 March 2022

## Corporate Information

Star Cement North East Limited (“the Company”) is a public limited company domiciled in India and incorporated on 25<sup>th</sup> May, 2021 as per the provisions of the Companies Act, 2013. No Statement of Profit & Loss Account has been prepared since the company has not commenced commercial production.

## 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) read with [Companies (Indian Accounting Standards) Rules, 2015], amendments thereto, and other relevant provisions of the Act.

These standalone financial statements were approved for issue in accordance with the resolution of the Board of Directors on 16.05.2022.

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:

- Net defined benefit asset/liability which is Fair value of plan assets less present value of defined benefit obligations
- Certain financial assets and financial liabilities 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 off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds as per the requirement of Schedule III, unless otherwise stated.

## 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.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarized below:

- i) Classification of legal matters and tax litigation
- ii) Useful life of property, plant and equipment
- iii) Employee benefit obligations

## **1.2 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.

### **Capital Work In Progress**

Capital work in progress is carried at cost and includes any directly attributable cost incurred during construction period.

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress".

### **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 will be capitalized by allocation to appropriate assets at the time of commencement of commercial production/completion of project.

### **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. Office building is owned by the company and is amortised using the straight- line method over the period of lease of land on which it is constructed. 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.

## **1.3 Inventories**

Inventories are valued at lower of cost and net realisable value. Net realisable 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.

## **Star Cement North East Limited**

Notes to standalone financial statements for the year ended 31 March 2022

### **1.4 Trade receivables**

Trade receivables are recognized initially at transaction price. Upon initial recognition of a receivable from a contract with a customer, any difference between the measurement of the receivable in accordance with Ind AS 109 and the corresponding amount of revenue recognized shall be presented as an expense. Subsequently, the trade receivables are measured at cost less expected credit losses.

### **1.5 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and demand deposits with banks and other short-term highly liquid investments/deposits that are readily convertible into cash which are subject to insignificant risk of changes in value with an original maturity of three months or less.

### **1.6 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 recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### **1.7 Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to the 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.

### **1.8 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 recognized 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.

**Star Cement North East Limited**  
2nd Floor, Mayur Garden, G.S. Road, Kamrup, Guwahati-781005

Notes to Financial Statement for the year ended 31st March, 2022

(₹) in Hundred

<b>Note - 2</b>	<b>31.03.2022</b>
<b>Capital Work In Progress</b>	
<b>Pre-operative Expenses pending allocation</b>	
Audit Fees	75.00
Professional & Consultancy	36,880.51
Rates & Taxes	7,087.50
	<b>44,043.01</b>

**Ageing of Capital work-in-progress as at 31st March 2022**

Particulars	Amount of CWIP for the period of			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	44,043.01	-	-	-
Projects temporarily suspended	-	-	-	-

<b>Note - 3</b>	<b>31.03.2022</b>
<b>Cash and cash equivalents</b>	
Bank Balance	
- Balances With Bank in Current Account	2,546.00
Cash In Hand	-
	<b>2,546.00</b>

<b>Note - 4</b>	<b>31.03.2022</b>
<b>Other Current Assets</b>	
- Balances with statutory/Government authorities	2,124.00
	<b>2,124.00</b>



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Notes to Financial Statement for the year ended 31st March, 2022

(₹) in Hundred

**Note - 5**

	31.03.2022
<b>Share Capital</b>	
<b>Authorised Capital</b>	
1,00,000 Equity Shares of ₹ 10/- each	10,000.00
<b>Issued, Subscribed &amp; Paid -up</b>	
50,000 Equity Shares of ₹ 10/- each fully paid up	5,000.00
	<b>5,000.00</b>

**a Terms/Rights attached to equity shares**

The company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of 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 No. of shares outstanding at the beginning and at the end of the reporting period**

Equity Share Capital	No. of Shares
At the beginning of the year	-
Issued during the year	50,000
Outstanding at the end of the year	<b>50,000</b>

**c Shares held by Holding Company**

Star Cement Limited	No. of Shares
	49,994

**d Shares held by Promoter at the beginning of the year**

Promoter Name	No of Shares	% of Total Shares	% Change during the year
-	-	-	-

**Shares held by Promoter at the end of the year**

Promoter Name	No of Shares	% of Total Shares	% Change during the year
Star Cement Limited	50,000	100%	100%

**e Details of Shareholders holding more than 5% of Equity Share Capital**

Name of the Shareholder	No. of Shares	% of holding
Star Cement Limited*	49,994	100.00

\* Out of 50,000 shares, 6 shares has been held by other persons as nominee shareholders

**Note - 6**

31.03.2022

**Other Equity**

<b>Reserve &amp; Surplus</b>	
<b>Retained Earnings</b>	
Balance as per last account	-
Profit /(loss) for the year	-
<b>Total</b>	-
<b>Other Reserves</b>	
<b>Equity Instruments through OCI</b>	
Opening Balance	-
Change in fair value of FVOCI equity instruments	-
<b>Total</b>	-

**Star Cement North East Limited**  
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Notes to Financial Statement for the year ended 31st March, 2022

(₹) in Hundred

<b>Note - 7</b>	<b>Other non current Liabilities</b>	<b>31.03.2022</b>
	-Advance from related party (Refer Note 12)	43,494.01
		<b>43,494.01</b>

<b>Note - 8</b>	<b>Other current Liabilities</b>	<b>31.03.2022</b>
	-Statutory liabilities	130.00
	-Liabilities for Expenses	89.00
		<b>219.00</b>

**Note - 9** Payment made to Auditor's during the period is as under:

<b>Particulars</b>	<b>31.03.2022</b>
<b>As Auditor</b>	
-Audit fees	75.00

<b>Note - 10</b>	<b>The Contingent Liability &amp; Commitments.</b>	<b>31.03.2022</b>
	a) Contingent Liability	-
	b) Commitments- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	35,24,000.00

**Note - 11** The Company does not have dues with respect to the Micro, Small and Medium Enterprises as define in Micro, Small & Medium Enterprise Development Act, 2006.

**Note - 12 Related Party Disclosures**

Names of the transacting related parties and related party relationship

<b>Holding Company</b>	Star Cement Limited
<b>Key Management Personnel</b>	Keshav Bhajanka, Director Nikita Bansal, Directors Tushar Bhajanka, Director

Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2022

Name of Person	Nature of Transaction	Amount (Rs)	Closing Balance on 31.03.2022
Star Cement Limited	Advance received	43,494.01	43,494.01

**Note - 13** This is the first Financial Statement of the company as it is incorporated in the current financial year hence there are no previous year figures for comparative analysis.

**Note - 14** Additional Regulatory Information

**a. Financial Ratios**

Particulars	Numerator	Denominator	31.03.2022
Current Ratio	Current Assets	Current Liabilities	21.32

**b. Others**

Other than in the normal and ordinary course of business there are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There have been no funds that have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note - 15** All the figures have rounded to the nearest Rupees in Hundred.

As per our Report of even date

For Sarda Soni Associates LLP  
Chartered Accountants  
Firm's Registration No. 117235W

For & on behalf of Board of Directors

*Nikhil Doshi*  
CA. Nikhil Doshi  
(Partner)  
Membership No. 311788



*Keshav*

Keshav Bhajanka  
Director  
Din No.03109701

*Tushar*

Tushar Bhajanka  
Director  
Din No.09179632

Date: 16th May, 2022  
Place: Kolkata