STAR CEMENT LIMITED
(Formerly CEMENT MANUFACTURING COMPANY LTD)

Date: 04th August, 2018

The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla complex, Bandra-East
Mumbai-400 051
Stock code: STARCEMENT

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001
Stock code: 540575

Dear Sir(s),

Re: Submission of Annual Report for the Financial Year 2017 -18

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of the Annual Report of the Company for the Financial Year 2017-18 duly approved and adopted by the members at its Annual General Meeting held on 31st July, 2018.

This is for your information and necessary action.

Thanking you,
For Star Cement Limited

8/4/2018

X

Debabrata Thakurta
Company Secretary
Signed by: DEBABRATA THAKURTA

Debabrata Thakurta
(Company Secretary)

STAR CEMENT LIMITED KOLKATA

STARCEMENT
Solid Setting

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Siliguri Office : Village - Kartowa, P.O. – Mohanvita, District – Jalpaiguri, West Bengal – 735 135 / Top Plaza, 3rd Floor, Near City Plaza, Sevoke Road, Siliguri -734 001, Ph: 0353-2643611/12
Bankura Office : Purandar Pur, District - Bankura, West Bengal -722 155

AN ISO 9001, ISO 14001 & OHSAS 18001 CERTIFIED COMPANY
CIN NO. U26942ML2001PLC006663

Inspired to **Outperform**

Star Cement Limited | Annual Report 2017-18

Highlights, FY2017-18

1,606 Net Sales (Rs/crore)	**526** EBIDTA (Rs/crore)	**331** PAT (Rs/crore)
457 Cash profit (Rs/crore)	**32.73** EBIDTA margin (%)	**20.58** PAT margin (%)

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 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', '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 believe we have been prudent in 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.

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business

The principal take-aways from this annual report

The Company reported record profits in 2017-18

The Company focused on value-addition

The Company reorganised its presence across markets to save costs

The Company is on the verge of becoming virtually debt-free (long-term and working capital)

The Company announced a capacity expansion to take its business ahead

ahead

10 things that Star Cement stands for

Rich **experience**

In the last two decades of experience, Star Cement has emerged as the largest and most profitable cement manufacturer in North Eastern India on the back of prudent locational presence, timely material availability, proactive capacity expansion and consistent brand positioning.

Ethical **pedigree**

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

Mission

- 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 technology to produce the best quality at the lowest cost
- Safeguard and enhance shareholder value
- Utilise the surpluses for the welfare of all its stakeholders

Imposing **scale**

The Company's capacity stood at 4.3 million metric tonnes of cement per annum, 2.6 million metric tonnes of clinker and 51 megawatts of power as on March 31, 2018. This, in turn, helped Star Cement carve a sizable slice of the North Eastern market.

Star Cement comprised 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 of land in a strategic Meghalaya location that ensures easy high-grade limestone and coal availability.

Strategic **presence**

The Company is respected as a prominent brand in North Eastern India with a market share of >23%. In 2013 and thereafter, the Company ventured into Bihar and West Bengal, strengthening its Eastern India positioning.

Quality **products**

- Ordinary Portland Cement (43-Grade and 53-Grade)
- Portland Pozzolana Cement (PPC)
- Port Slag Cement

Pride-enhancing **institutional clients**

Star Cement's with its unmatchable commitment has helped address the demanding needs of prominent institutional clients like NHPC, HCC, Simplex Infrastructures, Oil India, NTPC and L&T, among others.

Robust **network**

Star Cement's extensive distribution network is spread across 11 states in Eastern India, comprising > 2250 dealers and 9000 retailers. The Company has selected to grow its presence in North Bengal and East Bihar apart from North East India.

Validated **credibility**

ICRA Limited upgraded the Company's short-term rating (A1+) and revised its outlook on long-term rating (A+) from Stable to Positive.

Capable **subsidiaries**

- Megha Technical and Engineers Private Limited
- Meghalaya Power Limited
- Star Cement Meghalaya Limited
- NE Hills Hydro Limited
- Star Century Global Cement Private Limited

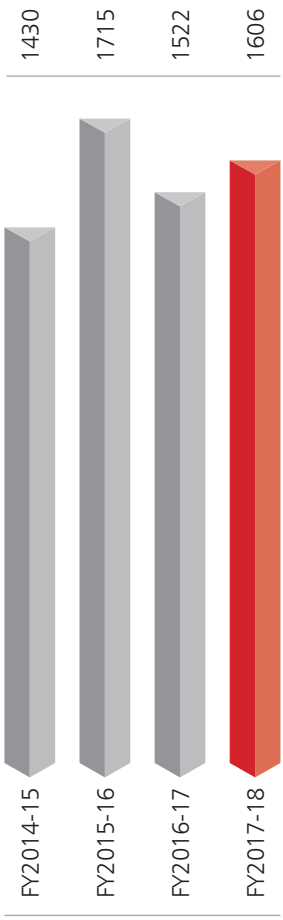
Best-in-class **accreditations**

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

snapshot

This is how we have grown over the years

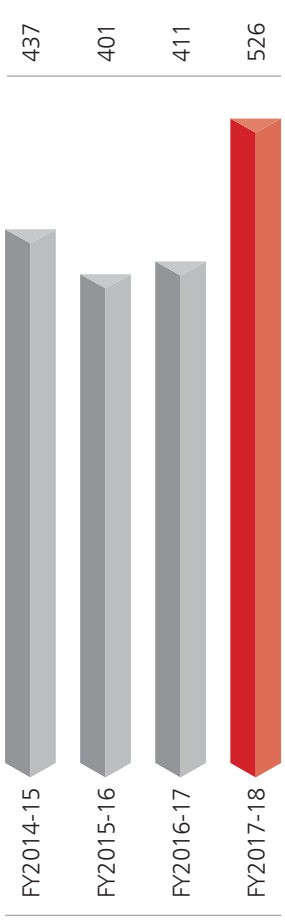
Net Sales
(Rs. crore)*



Performance, FY2017-18
Aggregate sales increased by 5.6 % to reach Rs.16064 million during FY2017-18 due to an increased demand and improved realisation in North Eastern India

Value impact
Improved product offtake bolstered the Company's reputation in the marketplace

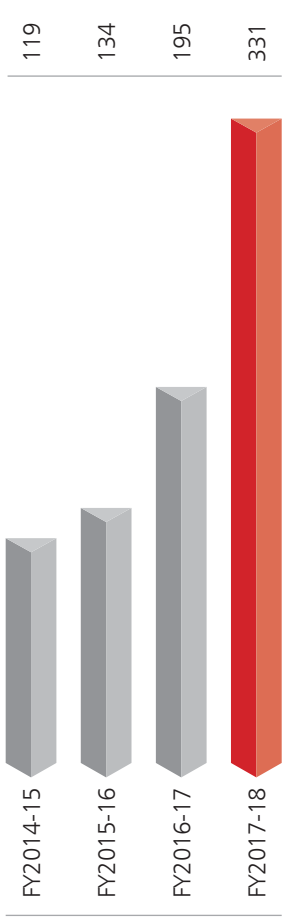
EBITDA
(Rs. crore)*



Performance, FY2017-18
The Company clocked the highest-ever EBITDA in its history during the year under review

Value impact
A high EBITDA highlights the Company's operational efficiency and stable earning potential

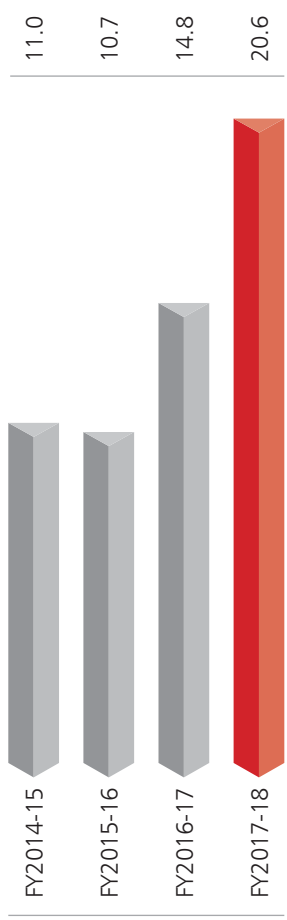
Net profit
(Rs. crore)*



Performance, FY2017-18
The Company's PAT improved by approximately 70 % over the last year

Value impact
An improved PAT ensures that adequate cash is available for reinvestment and allows the Company's growth engine to not run out of steam

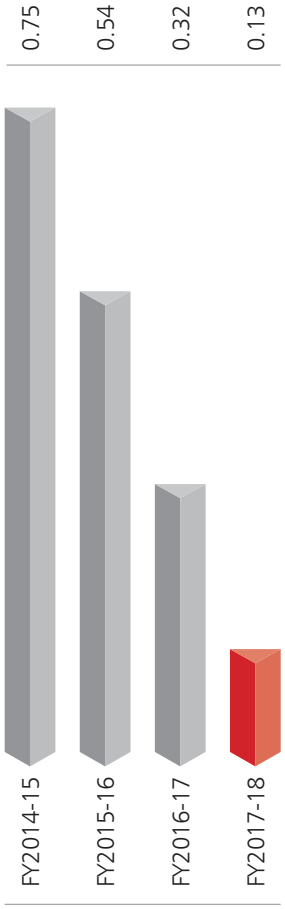
ROCE
(%)*



Performance, FY2017-18
The ROCE of the Company improved by 580 bps over the previous year, providing attractive returns to shareholders

Value impact
An enhanced ROCE can potentially drive valuations and boost the Company's visibility

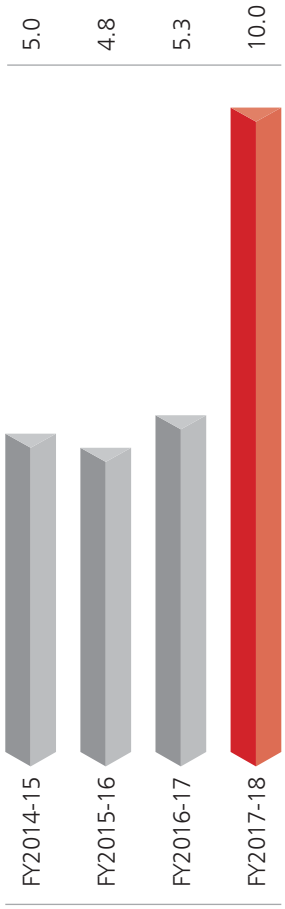
Debt Equity Ratio
(x)*



Performance, FY2017-18
The Company's debt-equity ratio improved from 0.94 to 0.13 over the past five years largely due to the repayment of long-term debt worth Rs. 495 crore

Value impact
A low debt-equity ratio provides the ease that the Company needs for undertaking expansion initiatives

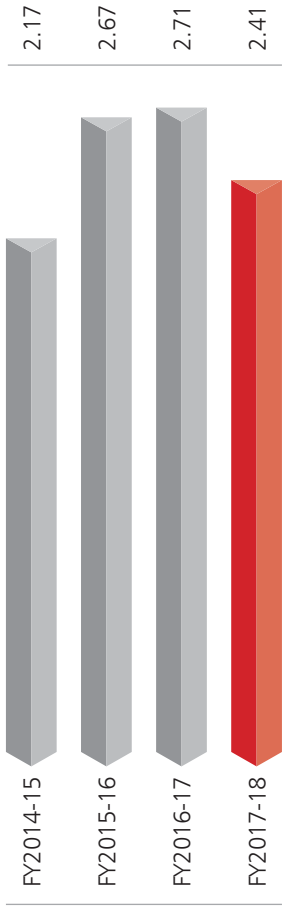
EBITDA to Interest cover (x)*



Performance, FY2017-18
The interest cover of the Company strengthened by 1.89x on the back of steady debt repayment and improved operational efficiencies

Value impact
A healthy interest cover signified the Company's ability to seamlessly address debt obligation

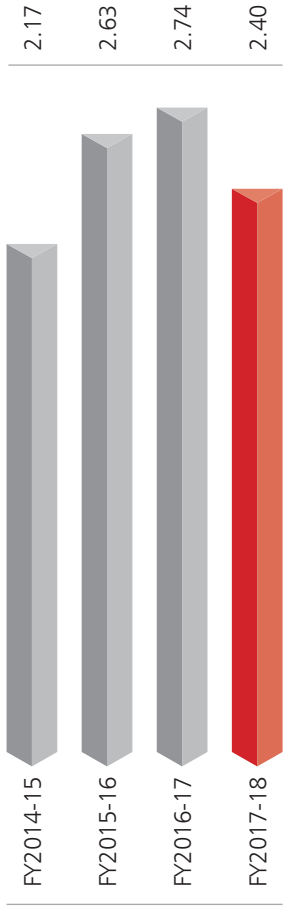
Cement production
(million metric tonne)



Performance, FY2017-18
Production levels during the year moderated to 24.08 lac metric tonnes per annum

Value impact
Decline in overall demand has impacted the cement production

Cement sales
(million metric tonne)



Performance, FY2017-18
Sales during the year stood at 24.04 lac metric tonnes

Value impact
Enhanced focus on areas with better realisations resulted in consolidation

**FY 2017-18 and FY 2016-17 financial results are stated as per IndAS standard*

Chairman's overview

Dear shareholders,

I am pleased to present a record 2017-18 performance for the attention of shareholders.

Even as the financial year under review was marked by three disruptions – the spillover of the demonetisation impact, the GST implementation that affected trade sentiment and the RERA implementation that affected construction – the Company reported unprecedented numbers.

Star Cement Limited reported a 4.2% de-growth in cement clinker production to 20.57 lac metric tonnes and 5.6% increase in revenues to Rs. 1,606 crore. The Company reported a 70% growth in profit after tax and 43% increase in cash profit during the year under review. This represents profitable growth – the percentage increase in bottom line being higher than the percentage growth in topline – and is a validation of our business strategy and competitive advantage. As an extension, the Company reported its highest-ever EBIDTA per tonne at Rs. 2018, which was 38% higher than in the previous financial year.

On a consolidated basis, total clinker production during the year was at 20.57 lac metric tonnes in 2017-18 as against 21.46 lac metric tonnes during FY 2016-17.

Strategic direction

The higher profit reported by the Company at a time when volume sales reported a marginal decline was the result of a conscious strategy of the Company to protect the long-term health of its brand. The Star Cement brand is generally respected for being one of the best brands in the marketplace, preferred on account of its superior setting time and compressive strength. The result of this superior product attribute is that over the last number of years, the brand enjoyed a premium over competition and moved faster off retail shelves.

This subtle change in our geographic mix may have resulted in a temporary decline in sales volumes but this decline was more than recovered by enhanced savings that translated into record profit per tonne of cement sold.

During the year under review, the 8 million Tonnes per annum cement market in North East India grew by around 7%, which increased our opportunities for sale. However, the Company took a conscious decision to play the game as per its established strengths: maximise cement sale within the core North East market, moderate logistic costs without selling too far from its plants, resist the temptation of maximising volumes at the cost of realisations and protect the integrity of its brand.

Reorganised market presence

This priority translated into some conscious initiatives. The Company exited the Jharkhand market on account of logistical incompetitiveness and reduced its sales presence in West Bihar and South Bengal. On the other hand, the Company focused on the remunerative markets of East Bihar, North Bengal and the established North East market. The result is that sales volume from North East climbed from 63.5% of total sales volume in FY17 to 72.8 % in FY18; the proportion of non-North East sales volume declined from 36.5% to 27.2%.

This subtle change in our geographic mix may have resulted in a temporary decline in sales volumes but this decline was more than recovered by enhanced savings that translated into record profit per tonne of cement sold.

We believe that this contrarian decision helped protect the respect and personality of our Star Cement brand, which will translate into superior returns across the foreseeable future.

Business-strengthening initiatives

In addition to making a decisive change in the markets where we would be present, the Company strengthened its business in various ways.

At Star Cement, we believe that there can be no growth without making timely investments in people. In view of this, the Company strengthened its performance-linked incentive during the year under review. The incentive strengthened a focus on performance growth, linking individual deliverables (Key Performance Indicators) to the overall business plan. Besides, the Company strengthened training around individual development and the result was a decline in absenteeism and enhanced workplace discipline. A stronger KPI-based employee reward and recognition initiative strengthened productivity. The Aadharshila programme addressed logistics associate payroll employees; the Sell to Succeed programme covered 100% sales officers.

The Company had commissioned 0.4 million tonnes per annum of cement capacity in March 2017. This incremental capacity enjoyed full utilisation during the year under review.

The Company leveraged its proximity to quality limestone and coal, helping control costs on the one hand deliver

outperform

superior resource productivity on the other.

The Company strengthened its plant automation resulting in process efficiency that helped enhance equipment uptime and operating efficiency.

One of the biggest improvements that we reported during the year under review was a sharp decline in our interest outflow – from Rs 78 crore in 2016-17 to Rs 52 crore in 2017-18. The Company utilised the substantial inflow of pending subsidy to repay debt and re-size the Balance Sheet. Rs. 427 crore of outstanding debt as on March 2018 as against Rs.800 crore in March 2017 and intends to become debt-free by 2018-19.

The Company continued to brand better in its preferred markets and I am pleased to communicate that the Star Cement brand remained the undisputed number one across various North East markets. The brand also retained its leadership position outside North East in Malda, Cooch Behar, Jalpaiguri and Darjeeling, while being a close number two in Kishangunj, Sikkim as well as North and South Dinajpur.

The Company has embarked on the process to debottleneck its Meghalaya clinker capacity, which will not only feed our growing clinker appetite in North East but also feed the clinker needs of our proposed Siliguri capacity.

Taking the business ahead

At Star Cement, we are optimistic of the Company's prospects for some good reasons.

One, we believe that demand in the North East cement market will continue to outperform the national cement growth average. The pipeline of additional capacity coming into the region is expected to be limited. Besides, the usual commissioning time of a new plant is four-five years, by which time the region's cement demand could be around 12-13 million metric tonnes, which would be considerably higher than the quantum commissioned in the interim. During the year under review, the Company reported a capacity utilisation of 55% of its cement capacity, which indicates extensive headroom to grow the business across the foreseeable future at attractive realisations.

Two, the East India market will continue to be deficit to the extent of 10 million tonnes per annum of cement, making it necessary to import cement from outside East India and other regions.

In view of this, the Company announced plans to build a 2 million tonnes per annum cement capacity in Siliguri, which should be ready for commissioning in 2019-20. We are optimistic of our prospects in North Bengal on account of our market leadership; besides, our presence in Siliguri will make it possible to address demand in Bengal, Sikkim, North Bihar and East Nepal. The Company has embarked on the process to debottleneck its Meghalaya clinker capacity, which will not only feed our growing clinker appetite in North East but also feed the clinker needs of our proposed Siliguri capacity. Since we are optimistic that this incremental capacity will be funded largely from our internal accruals with minimal debt, the capacity will minimise the load on the Balance Sheet and shrink the payback tenure.

Outlook

The Company's platform comprises a balance of logistic costs, conversion costs, stable focused geographic footprint, leadership in select geographies and brand loyalty. Following consolidation in 2017-18, the Company is attractively placed to build on this platform.

The Company is strengthening its market presence by venturing deeper, intending to open new demand pockets.

The Company will enhance output from its available capacity, report 15% volume growth and sell more without compromising the brand.

Based on these proposed initiatives, we are confident of enhancing volume growth by 15% in FY 2018-19, making it yet another year of profitable growth for our Company.

I am thankful to our shareholders for their support and expect to add significant value across the coming years.

Regards,
Sajjan Bhajanka, Chairman

How a right-sized Balance is helping strengthen business sustainability

In the business of cement manufacture and marketing, one of the most precious resources is capital.

A cement company that can grow its operations with the least capital is inevitably the one that is most successful.

During the year under review, the Company commissioned its 0.4 million tonnes per annum expansion, kickstarting its payback. Besides, the Company received pending a lumpy subsidy related to its manufacturing presence in North East.

The Company utilised this inflow to repay debt of Rs 373 crore, which correspondingly moderated interest outflow from Rs 78 crore to Rs 52 crore during the course of the year.

By the fourth quarter of the year under review, debt had declined to virtually half from the level it was having at the end of March 2017 and interest outflow was a mere Rs 52 crore during the year.

The result of this rightsizing is that EBITDA to interest coverage increased: from 5.3 in 2016-17 to a high of 10 during 2017-18 when the impact of the debt repayment was most visible.

The debt-free nature of the Company with a corresponding manufacturing capacity of 4.3 million tonnes per annum makes the Company one of a kind in the country's cash-intensive cement sector. Besides, net worth of Rs 1,476 crore on the other hand provides the Company with extensive borrowing room should it select top grow its business through debt.

Going ahead, the Company intends to take the Balance Sheet foundation one step ahead: it intends to fund the proposed 2 million tonnes per annum Siliguri grinding plant largely through accruals, strengthening its position as an under-leveraged company. The result is that the Company expects to leverage its present Balance Sheet and strengthen long-term sustainability.

Going ahead, the Company intends to take the Balance Sheet foundation one step ahead: it intends to fund the proposed 2 million tonnes per annum Siliguri grinding plant largely through accruals.

How we moderated logistics costs and strengthened competitive-ness

In the business of clinker-cement manufacture the role of logistics is critical.

The manufacture of clinker entails the transportation of limestone and coal to the plant; the manufacture of cement entails the transportation of clinker and other materials to its plant; the marketing of cement entails expenses to reach material to consumers.

Inevitably, the Company with the lowest logistic cost is attractively placed to be the most competitive.

Star Cement is attractively placed in this regard. The Company's limestone mines are 2-3 kilometres from its clinker manufacturing facility; its coal is accessed from 10-20 kilometres; its clinker and cement plants are coupled, saving transportation costs.

During the year under review, the Company embarked on an extensive exercise to ascertain prudent locations where its cement could be sold at the lowest transportation cost across its North East and Eastern India footprints.

The market of North East was in a state of equilibrium with demand almost matching supply. In this market, the Company focused on maximising sales within the core area without depressing realisations. In the East, the Company selected to shrink its reach, vacate the markets of Jharkhand, a part of South Bengal and West Bihar and market cement largely in North Bengal and East Bihar.

This strategy to address only as much the Company could logistically bear helped save transportation costs and strengthen overall profitability.

The Company's limestone mines are 2-3 kilometres from its clinker manufacturing facility; its coal is accessed from 10-20 kilometres; its clinker and cement plants are coupled and thereby saving transportation costs.

How we are attractively placed to grow even faster

Star Cement is at a sweet spot in its existence.

The Company is on the verge of virtually debt-free Balance Sheet, high operating headroom in its existing operation (55% capacity utililisation) and market leadership in a number of geographic pockets.

Over the foreseeable future, growth is expected to be generated through three initiatives.

One, we intend to grow the utilisation of our existing manufacturing capacity higher than 55%, generating a superior return on capital employed.

Two, we announced the proposed construction of a greenfield 2mn tonnes per annum cement plant in Siliguri that should be commissioned in 2019-20. Thereafter, we intend to commission an equivalent plant in Durgapur or Bihar by 2022. Star Cement took 14 years to grow its capacity from scratch to 4 million tonnes per annum; the Company expects to grow the next 5-6 million tonnes per annum in only 4 years.

We believe that 10 million tonnes per annum in capacity by 2022 will make it possible for us to emerge as one of the largest cement brands in North East and East India. Besides, the greenfield capacities will be attractively positioned to address the 10mn tonnes per annum cement deficit in East India, which presently needs to be imported from other regions.

By providing a fraction of that deficit from within the shortage region itself, the Company is optimistic of generating a logistical advantage that will make it market it products faster and more competitively.

In doing so, the Company has created an attractive foundation of medium-term sustainability.

By providing a fraction of that deficit from within the shortage region itself, the Company is optimistic of generating a logistical advantage that will make it market it products faster and more competitively.

How we transformed and strengthened our business in the last few years

We were considered a volume player; we have evolved into a focused value player over the last few years

We had peak debt of Rs 902 crore on our book in 2012-13. We leveraged our superior profitability to accelerate repayment and substantially reduce debt by the close of 2017-18.

We were a North East cement company at one time; we are a North East cum East cement brand today.

We focused on extending sales as wide as we could; we are focused on drilling deeper within markets closest to our manufacturing facilities today.

We manufactured one variety of cement at one time; we have widened choice for consumers to three varieties today.

We focused on manual administrative and operational interventions at one time; we are a progressively automated cement company today.

We were a promoter-driven company at one time; we are an institutionalised cement company driven by professionals today.

We focused on extending sales as wide as we could; we are focused on drilling deeper within markets closest to our manufacturing facilities today.

How we have selected to do business

Geographic footprint
The Company has selected to strengthen its presence in North East and East India (Bengal and Bihar), regions that are either growing faster than the national cement consumption average or are expected to be deficient in the local availability of cement across the medium-term on account of income growth translating into home building.

Value player
The Company recognises that in a progressively volume-driven business, marked by manufacturing overcapacity on the one hand and declining realisations on the other, success lies in being the contrarian – a company that is focused on playing the value game (marked by relatively superior realisations) leading to a protected brand. The result is that the Company selects its geographic footprint prudently, selling only as

The result is that the Company selects its geographic footprint prudently, selling only as much as the market and brand can bear.

much as the market and brand can bear.

Engaged brand
Over the years, the Company strengthened the salience of its brand through various initiatives: it was one of the first cement companies to provide technical assistance to customers on-site through cement experts in mobile vans. It was also among the first cement companies to provide architects, engineers, masons, industry experts and academia a common platform to share ideas, best practices and technical insights. It was among the first cement companies in the region to engage regional celebrities (Bhupen Hazarika, Debjit Saha, Lou Majaw, Saurabhee Debbarma, and Mami Varte, among others) to endorse its cement brand.

Network
In a business where freight costs constitutes more than a fourth of the total costs, we achieved a retail penetration across 11 states with >60% of the states being associated with the Company for more than a decade. The Company's distribution network comprises 2,270 dealers and 9,000 retailers across 11 states with a high 79% sales derived from trade channels.

People-driven
The Company is a combination of process- and people-driven. The senior management comprises professionals. The culture is meritocratic, reinforced by a strengthening of the performance-linked incentives for workers during the year under review. The Company inducted sectoral experts across the procurement, production, marketing and branding functions. The employee strength stood at 1,842 as on 31 March 2018. Nearly 55.74% employees have been engaged with the Company for more than five years.

Backward integration
The Company commissioned the first integrated cement and clinker unit coupled with a captive power plant in North East India (51 megawatts). This integration enhanced self-sufficiency and extend the value-chain, the basis of its sustainability.

Proximity
The Company enjoys resource proximity, helping moderate logistic costs. Limestone mines are within 2-3 kilometres of the plant and coalfields within a 10-20 kilometre radius of our plants.

Largest, lowest cost
The Company has been driven by the need to grow capacities in response to the growing demand for cement in the region and extend to contiguous geographies. This helped us grow from 1 million metric tonnes per annum cement capacity at the start of the millennium to around 4.3 million tonnes per annum, emerging as one of the largest in the region. Concurrent with this need for scale, we focused on strengthening our position as one of the lowest cost manufacturers in India – resulting in volume-value competitiveness.

Modest gearing
The Company has selected to grow its business without compromising the integrity of its Balance Sheet. The Company intends to stay under-leveraged, an effective hedge in a cyclical business. In the event that the Company selects to mobilise low-cost debt to scale capacity from 4.3 million tonnes per annum to 10 million tonnes per annum by 2022, its does not expect its gearing to cross the threshold of 1.0, an adequate de-risking.

Asset-lightness
In a business marked by large capital investments, the Company selected to hire grinding units in Bengal to address the growing demand in Bengal, Bihar and Jharkhand - instead of commissioning greenfield facilities.

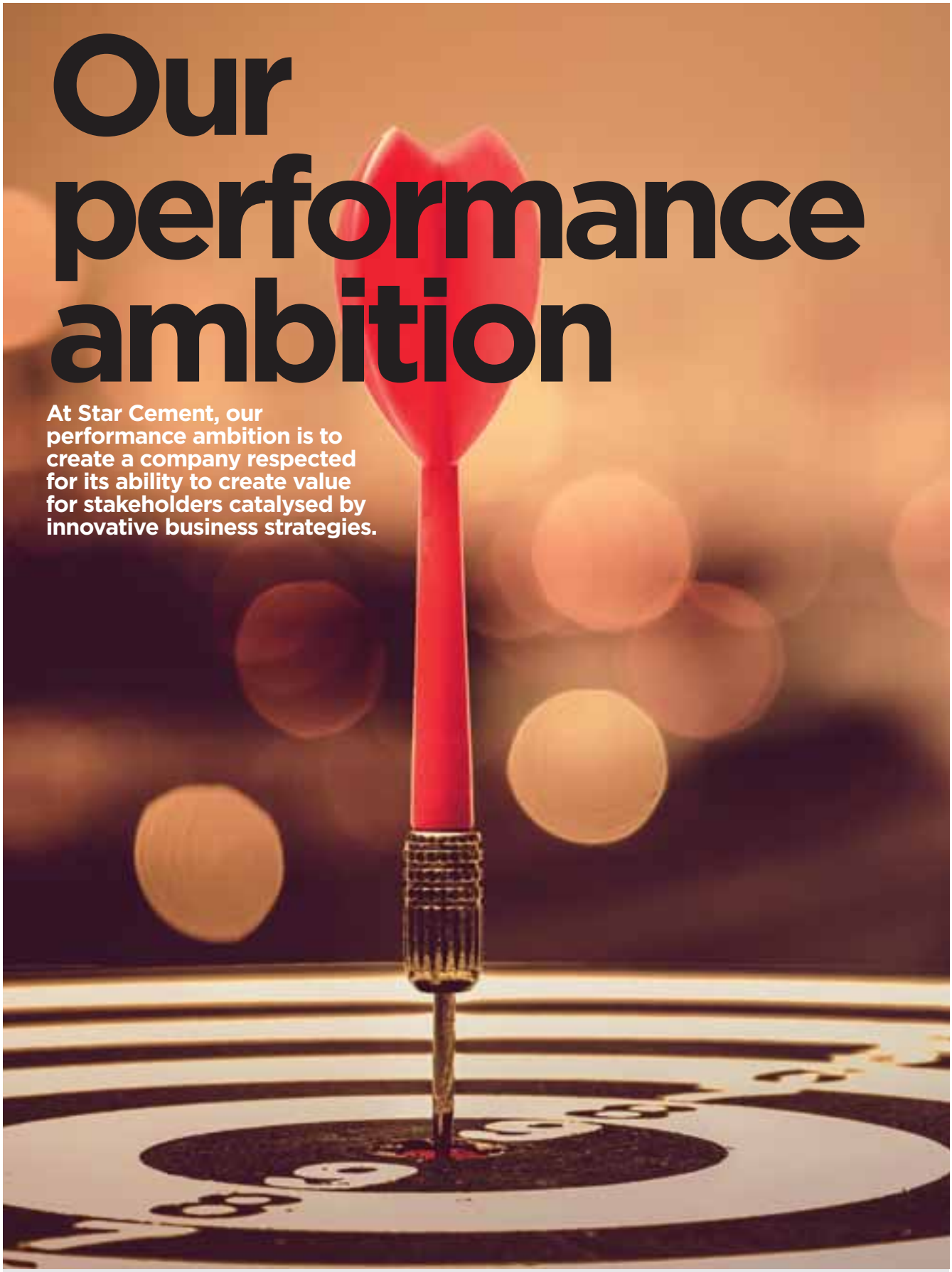
Ethical player
The Company has established itself as an ethical player, running its business in complete compliance with the laws of the land. This has helped create a corresponding eco-system that also does the same, resulting in complete strategic alignment. As an extension, the Company is stewarded by independent and promoter Directors. The Company communicates periodically with investors and regulatory authorities, ensuring transparency.

Environment friendly
The Company is a responsible manufacturer, increasing the proportion of fly ash in the raw material mix, helping reduce production costs, provide a cement variety needed by the market and helping transform waste into a productive asset. Among other initiatives, the Company evolved bag filters from the timer mode to the differential pressure mode, reducing the consumption of compressed air. The Company automated plant lighting by putting LED Lights, reducing power consumption. The Company opted to consume waste oil to replace high speed diesel in ammonium nitrate mixing, reducing costs. The Company planted >44,000 trees and >2,500 other plants during FY2017-18. The Company achieved zero discharge status across our facilities following prudent pollution management investments.

strategy

Our performance ambition

At Star Cement, our performance ambition is to create a company respected for its ability to create value for stakeholders catalysed by innovative business strategies.



Overall goal

Emerge as a 10 million tonnes per annum company by 2022

Probable goal contributors

Capacity growth: This target will be achieved by sustained capacity creation in East India, a market marked by cement deficit.

Balance Sheet strength: The Company expects to stay relatively under-borrowed that could reinforce its ability to potentially mobilise debt at a low cost to fund capacity expansion (without exceeded 1.0 in gearing).

Integration: The coupling of cement and clinker will ensure complete resource availability.

Measuring our performance ambition

Profitable growth

Total income: Grew 5.1% in 2017-18

EBIDTA: Grew 28% to 32.73% in 2017-18

Consistent value creation

Return on average invested capital: Grew 580 bps to 20.6% in 2017-18

Market capitalisation: In its very first year of listing, we achieved market capitalisation of Rs. 4,846 crore in BSE and Rs. 4,867 crore in NSE at the end of 2017-18.

Financial mechanics

Free cash: Grew 43% to Rs 457 crore in 2017-18

Debt-equity ratio: 0.13 as on 31 March 2018

EBITDA-interest cover: 10 x as on 31 March 2018

Operational review

Strong cement demand in North Eastern India along with stable fuel costs are expected to protect Star Cement's industry-leading margins even following the expiry of freight subsidy incentives.

Highlights, FY2017-18

- The Company utilised Rs. 2.2 billion received from the Central Government (against pending subsidy backlogs) to repay debt
- Reported its highest-ever EBITDA of Rs.526 crore on the back of attractive realisations, cost advantages (access to high-grade limestone and captive power plants) and fiscal incentives
- Reported per tonne EBITDA of Rs. 2,018 that was ~2x the industrial average – despite the expiration of freight subsidy terms
- Reported a rise in unitary operational expenses on account of the DMF provision for the prior period and expiration of freight subsidy rates following January 2018; incurred higher truck rentals and diesel costs coupled with increased promotional expenses and FOR-based freight accounting
- Reported the lowest variable costs in the manufacture of cement in the region by ensuring localised coal availability
- Reduced freight costs through the selection of markets like West Bengal, Bihar and Jharkhand along with North Eastern states
- Implemented cutting-edge automation resulting in improved productivity and reduced variable costs

Way forward

The Company intends to strengthen its business through improved clinker utilisation by 15% following de-bottlenecking and the proposed commissioning of a grinding unit in Siliguri (capacity 2 million tonnes per annum)

Location	Number of units	Capacity
Meghalaya	4	Cement: 1.7 million metric tonnes per annum Clinker: 2.6 million metric tonnes per annum Power: 51 megawatts
Assam	1	Cement: 2 million metric tonnes per annum
West Bengal (outsourced)	2	Cement: 0.67 million metric tonnes per annum

Sales and marketing

Over the past five years, Star Cement has maintained its market share in North Eastern Region ~23-24% by pragmatically widening and deepening its logistical network.

Highlights, FY2017-18

- Realigned its regional sales mix to include more value-accretive products and stabilising fuel costs
- Reported a 5.6% growth in sales by laying a keen emphasis on qualitative excellence and premiumisation
- Shipped cement through waterways from Guwahati to Dhubri
- Clocked the highest-ever per tonne EBITDA margin of 32.73%

Way forward

- Focus on increasing sales in Bihar, West Bengal and North Eastern India

Branding and marketing

Star Cement has ensured top-of-the-mind recall by regularly investing in branding initiatives, resulting in customer growth and loyalty.

Highlights, FY2017-18

- Invested a sum of Rs. 2.8 billion over the past decade and launched aggressive campaigns outside North East India
- Engaged local celebrities for endorsing its brands (Debojit Saha, Saurabhee Debbarma and Lou Majaw, among others
- Reported the highest relative spends (among all cement manufacturers in the region) on advertisement, publicity and branding
- Organised the first international half-marathon in North Eastern India that was attended by >20,000 people that celebrated the cause of 'running to support a clean India'
- Executed an aggressive campaign in the markets of its presence involving outdoor, print and audiovisual media
- Made Star Cement a recognisable name even in markets where it was relatively new
- Offered attractive schemes like Kismat Ki Bori, Bag Mein Chandi and Dhan Varsha to enhance customer-centricity
- Increased visibility by focusing on local congregation points
- Operationalised Startech, a unique forum for architects, engineers and experts to come together and share knowledge

Human resources

Since inception, the people-centric initiatives undertaken by Star Cement have allowed it to consistently outpace the Overall market growth rate.

Highlights

• Talented young managers from the campus of IIM Shillong, IIM Ranchi, IIM Bodhgaya and IIFT Kolkata have joined Star Cement through Campus Connect initiatives.

• Several interventions in the areas of Performance Management, On Boarding & Induction, Capability Development and Engagement were introduced, thus bringing about a marked improvement in the productivity and considerable improvement in the overall engagement levels of all employees with special focus on the engagement & developement of the local employees of GGU & Lumshnong plants.

• With an aim to build a performance driven culture and institutionalize a mutually rewarding relationship between the organization and its employees, we have covered 100 % employees in Managerial (M) Grades & Staff (SG) Grades (across Plant & Non Plant Locations) under the Quarterly Performance linked incentive (PLI) / Sales incentives schemes (SIS).

Others

• Top 5 KPIs finalized for each employee to promote transparency, foster collaboration and enhance agility.

• Absenteeism reduced from 4.45% during FY2016-17 to 3.48% during FY2017-18 at GGU and from 6.4% during FY2015-16 to 5.43% during FY2017-18 at Lumshnong.

• 100% managers in key managerial positions are covered in MPOWER (two days managerial skill building programme) in both plant & non-plant locations.

• 100% Sales officers are covered in the 'Sell to Succeed' (a developmental

Talented young managers from the campus of IIM Shillong, IIM Ranchi, IIM Bodhgaya and IIFT Kolkata have joined Star Cement through Campus Connect initiatives.

Total investment in training programmes in FY2017-18: ₹ 10.75 lacs

Percentage of employees associated with the Company for more than five years: 59.77%

Location	Employees associated with the Company for more than five years	Total employees as on 31st March 2018
Lumshnong	812	1,132
GGU	171	285
Non-plant	118	425
Total	1,101	1,842

initiative for sales) program.

- >80% managerial candidates are hired from reputed cement manufacturing and other companies.
- Structured orientation programme called 'Swagat' was implemented to acquaint new recruits with company process, people and various functional activities.
- The aspiring people managers are covered under the newly introduced development program called ASPIRE – (Keys to excel as a first time people manager).
- To infuse positivity and build a culture of collaboration between the employees, Star Team Up (The one day cross-functional team building workshop) was organized at various locations across plant & non plant.
- Revisited existing policies and institutionalized new policies in the areas of capability development, talent and performance management and employee engagement.
- Brought about a marked improvement in productivity levels and considerably reduced attrition. (Percentage of employees associated with the Company for more than five years: 55.74%)
- A 2 day Corporate Strategy workshop was conducted for Non Plant leadership team to formulate growth strategies.
- A marketing skills seminar, (an extension of the corporate strategy workshop) was also conducted to reinforce the knowledge learnt in Corporate Strategy Workshop (for non-plant employees) to hone their marketing skills.
- To build a culture of out performance & also to align all people managers with the current PMS system, SOUL (Star-Way of Outperformance through Unlocking Potential and Continuous Learning) workshops were conducted covering all the People managers & aspiring people managers of the organisation.
- Pragati (a motivational and life skills workshop), based on experiential learning was conducted at GGU.
- Disha, an experiential workshop was conducted for improving personal effectiveness, for 100% SG grade employees at GGU and Lumshnong.
- Customer First program was conducted to develop service orientation and customer sensitivity among all front line Sales & Technical employees.
- Power Team Dynamics,(a theatre-based team building initiative) was conducted for the people managers and Non Plant employees (Rest of Eastern India and North Eastern India) .
- Adhaarshila, (a functional training initiative) was conducted to help Non Plant employees improve their knowledge of SOPs and ensure operational uniformity across locations.
- Prayaas, (a motivational workshop based on experiential learning) to help Non Plant employees improve their knowledge of SOPs and ensure operational uniformity across locations.
- To create a sense of belongingness towards the organization we conducted a structured half-day behavioral training module for local employees in the Khasi language.

What makes me proud of Star Cement

"The Company is a leader in the region not just in terms of market share but also attitude. It provided me with the opportunity to graduate from being an advertising professional to a marketing communications professional."

Ranjit Kumar Gupta *(General Manager, Branding department)*

"The training programs organized by the company were helpful to strengthen my skills. The friendly environment & seniors mentor within the company has really helped me to grow & flourish."

Abani Kumar Dutta *(Assistant Manager, IT department)*

"Working in Star Cement is a matter of pride to me as the Brand is considered as No.1 among all the cement manufacturing companies in NE. Also I am proud because the company participates in numerous social activities (CSR initiatives) ensuring environmental & social well-being. The friendly & helpful work culture & workplace camaraderie are remarkably high in Star."

Dipannita Bhattacharjee *(Senior Officer, Non-trade department)*

"One feels proud working for a company that is ever-growing: because that means personal growth as well. I am beholden to the Company for empowering me with the ability to handle all types of workplace exigencies and enhancing flexibility in the face of a changing business environment."

Ranjan Jyoti Mahanta, *(Deputy Manager, F&A department)*

"What makes me proud about Star Cement is all the HNIs or small-scale entrepreneurs, local administrative bodies or private sector corporates are always providing respectful & positive feedback on Star Cement. The general reaction is 'Oh you are working for Star Cement!' Makes me feel good about myself."

Rabindra Sahu *(Senior Manager, Stores department, GGU plant)*

"I am proud to call myself a Star Cement employee because no effort of mine gets overlooked. I get lot of motivation and satisfaction working for the Company. I feel the work that we do every day is able to bring about a positive difference to the lives of others. I feel that every day I add a new skill to my repertoire."

Rashmirekha Saikia *(Assistant Chemist, Quality Control department, GGU Plant)*

"Star Cement's brand attracts the best talent. The result is a professional and frontier extending Culture."

Sangram Kishore Mallick *(Deputy Manager, Mines department, Lumshnong)*

"What sets Star Cement apart from is its infrastructure foundation. I feel proud to be able to rub shoulders with reputed sectorial experts. The various developmental programmes undertaken by the Company allow us to develop long-lasting relationships."

Rilis Mary Sariang *(Assistant Engineer, Instrumentation department, Lumshnong)*

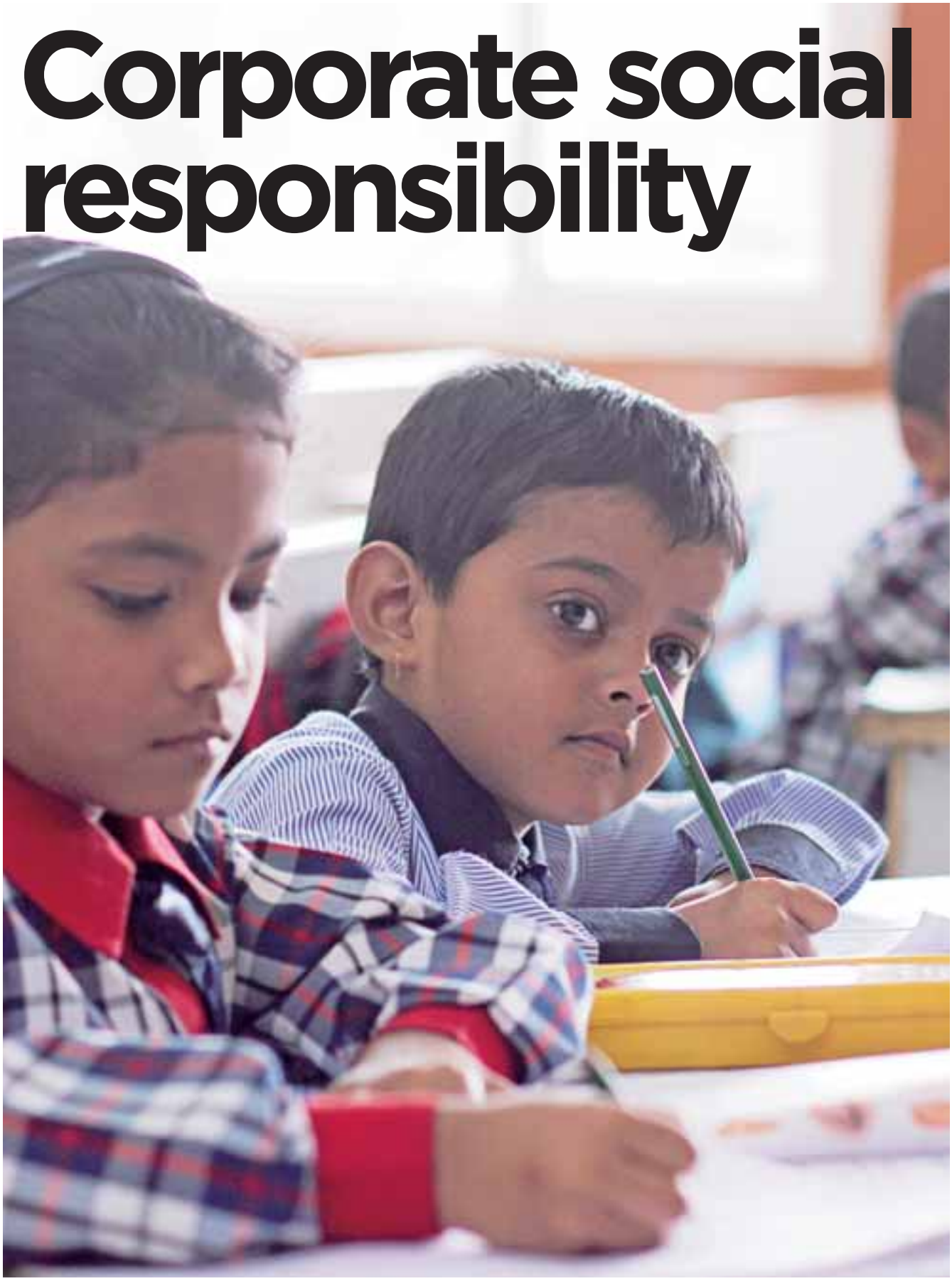
"Star Cement fosters employee development - learning in day-to-day activities and training exercises."

Bornalee Kharlukhi *(Junior Officer, Lumshnong Administration department)*

"Star Cement name is good enough for the employee pride."

Neeraj Agarwala *(Senior Manager, F&A department, Kolkata)*

Corporate social responsibility



Health and sanitation

Sonapur, Assam

- Constructed 204 household toilets
- Provided preventive and curative healthcare services to people residing in the area
- Supplied drinking water to 800 households in nearby villages

Lumshnong, Meghalaya

- Provided preventive and curative healthcare services to people residing in the area
- Conducted awareness programmes on family planning, sanitation and healthcare, benefiting ~500 households and commercial setups

Livelihood development

Sonapur, Assam

- Organised an agriculture programme for 100 marginalised farmers
- Set up a tailoring and embroidery training institute for 250 women
- Initiated a sericulture project to enhance earnings of 65 farmers
- Helped 65 fishermen by renovating ponds, supplying fish feed and providing training in modern pisciculture methods
- Kickstarted a piggery project to enhance earnings of 60 farmers
- Collaborated with inventor Dr. Uddhab Bharali to estimate ways of enhancing sustainable livelihoods

Lumshnong, Meghalaya

- Kickstarted a piggery project to enhance earnings of 60 farmers
- Trained 15 apiculturists, providing free equipment
- Set up a tailoring institute for 60 women
- Trained nine women in fruit processing

Rural development

Lumshnong, Meghalaya

- Constructed roads, community halls, drains, stairways, bus stands
- Installed 45 solar-powered streetlights
- Provided emergency relief following catastrophic thunderstorms

Education

Sonapur, Assam

- Constructed new school buildings; renovated old ones
- Distributed 1,000 Anglo-Assamese dictionaries, 10,000 exercise books as well as study material, umbrellas, water filters and classroom kit
- Conducted remedial classes for High School Leaving Certificate students

Lumshnong, Meghalaya

- Constructed a school for 75 children of migrant workers
- Initiated a scholarship programme for meritorious students
- Assisted four schools through maintenance support
- Provided 600 students with text books, school bags, umbrellas and dictionaries

society

Management discussion and analysis

About the Company

Star Cement Limited is one of the largest cement manufacturers in North Eastern India. The Company's state-of-the-art plant is spread across 174.5 hectares of land in the idyllic town of Lumshnong, a strategic location in Meghalaya that assures high-grade limestone availability. The Company's signature brand Star Cement is one of the most popular in the region. The Company's locational advantage, timely raw material linkages, sizeable capacity and brand positioning have helped it emerge as one of the most profitable cement manufacturers in North Eastern India.

Global economic overview

In 2017, a decade after the global economy collapsed, a revival manifested wherein major economies expanded: ongoing Euro-zone growth, modest growth in Japan, late revival in China and improving realities in Russia and Brazil. The result was an estimated 3.7% global economic growth in 2017, some 60 bps higher than the previous year.

Global economic growth for 6 years

Year	2014	2015	2016	2017 (e)	2018 (f)	2019 (f)
Real GDP Growth (%)	3.5	3.2	3.1	3.7	3.9	3.0

[Source: World Economic Outlook, January 2018] e: estimated f: forecasted

Outlook

Global growth forecasts for 2018 and 2019 were revised upward by 20 bps to 3.9%. (Source: WEO, IMF)

Indian economic overview

After registering GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy headed for slower growth estimated at 6.7% in 2017-18 (7.7% in the last quarter of 2017-18). The year under review was marked by structural reforms by the Government. In addition to GST introduction, the year witnessed significant resolution of problems associated with bank non-performing assets, FDI liberalisation, bank recapitalisation and privatisation of coal mines. After remaining in negative territory for a couple of years, export growth rebounded in 2016-17 and strengthened in 2017-18; foreign exchange reserves rose to an all-time high of US$ 426 billion in April 2018. (Source: CSO, economic survey 2017-18, livemint)

Estimation for the FY2017-18 Vs FY 2016-17

	2017-18*	2016-17
GDP growth	6.7%	7.1%
GVA growth	6.4%	9.0%
Farm growth	3%	9.0%
Manufacturing growth	5.1%	9.3%
Power and gas growth	7.3%	6.5%
Mining growth	3%	1.9%
Construction growth	4.3%	3.5%
Trade, hotel, transport, telecom growth	8.3%	9.8%
Financials, realty growth	7.2%	9.8%
Public, admin, Defence growth	10.1%	16.6%
Per capita income growth	8.3%	9.7%

*Estimated
[Source: http://pib.nic.in]

Key government initiatives

- Bank recapitalisation scheme: The Central Government announced capital infusion of Rs. 2.1 lac crore in public sector banks.
- Expanding road network: The Government of India announced a Rs. 6.9 lac crore investment to construct 83,677 kilometres of roads across five years.
- Improving ecosystem: The country was ranked at the hundredth position, an improvement of 30 places in the World Bank's Ease of Doing Business 2017 report, a result of the Central Government's pro-reform agenda.
- Goods and Services Tax: The Government of India launched GST in July 2017, with the vision of creating a unified market. Under this regime, various goods and services were taxed as per five slabs (28%, 18%, 12%, 5% and zero tax).
- Foreign Direct Investment: Foreign direct investment increased from approximately USD 24 billion in FY2012 to approximately USD 60 billion in FY2017, an all-time high.
- Coal mining opened for private sector: The government opened coal mining to private sector firms for commercial use, the most ambitious sectoral reform since nationalisation in 1973.
- Doubling farm incomes: The government initiated a seven-point action plan to double farm incomes by 2022.

Outlook

World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity. Private investment is expected to revive as soon as the corporate sector adjusts to the GST. (Source: IMF, World Bank)

Indian cement industry overview

India is the second-largest cement producer in the world, after China and accounts for a 6.9% share of the global cement output. India's cement industry provides employment to more than a million people, directly or indirectly, with a capacity of ~455 million tonnes per annum. Of the total capacity, 98% lies with the private sector.

Some 210 large cement plants together account for 410 million tonnes of installed capacity in the country, while 350 mini cement plants make up the rest. Of the total 210 large cement plants in India, 77 are located in the states

of Andhra Pradesh, Rajasthan and Tamil Nadu.

Cement production in India increased from 230.49 million tonnes during FY2011-12 to reach 297.56 million tonnes during FY2017-18. Export of cement, clinker and asbestos cement increased at a CAGR of 10.37% between FY2011-12 and FY2017-18 to reach US$ 433.87 million. However, during the same period, imports of cement, clinker and asbestos cement increased at a CAGR of 11.14% to reach US$ 174.36 million.

The housing sector is the biggest demand driver of cement demand, accounting for ~67% share of the total consumption in India. The other major consumers of cement include infrastructure (13%), commercial construction (11%) and industrial construction (9%). Cement and gypsum products attracted FDI worth US$ 5.25 billion between April 2000 and December 2017. (Source: IBEF, Equitymaster, Swarajya, DIPP)

Outlook

The cement production capacity is estimated to touch 550 million tonnes per annum by 2020. A pick-up in the affordable and rural housing segments and road and irrigation projects are likely to sustain demand growth of ~5% into FY2018-19. However, profitability margins and debt metrics of the cement companies may come under pressure in the coming quarters on higher pet coke, coal and diesel prices. Also, sand availability issues persisting in Rajasthan, Uttar Pradesh, Bihar and Tamil Nadu are likely to impact output.

The per capita consumption of cement in India remains low at <200 kilograms compared to the global average of ~500 kilograms. This underlines the tremendous scope for growth in the Indian cement industry over the long-term. Several decisive initiatives have been undertaken in terms of the ease of doing business, startup promotion, tax structure rationalisation and FDI relaxation.

The cement production capacity is estimated to touch 550 million tonnes per annum by 2020. A pick-up in the affordable and rural housing segments and road and irrigation projects are likely to sustain demand growth of ~5% into FY2018-19.

Over the next five years, cement demand is expected to increase at a CAGR of ~7%, led by a revival in governmental spending in housing (especially affordable housing), marginal uptick in private housing, and fast growth in infrastructure spends (especially urban infrastructure, road, and irrigation). At a regional level, Eastern states followed by Central and Northern ones would see healthy growth in demand over a low base as State Governments lay a keen emphasis on development. Over the next decade, India could become a large exporter of clinker and grey cement to the Middle East, Africa and other developing nations. (Source: IBEF, Hindu Business Line, Equitymaster)

Government initiatives

The Government of India is providing a push to the sector by assigning infrastructure status to affordable housing projects, which would facilitate higher investments and better credit facilities. The Central Government is targeting to build as many as one crore houses by 2019 under Pradhan Mantri Awas Yojana, (Gramin). Under Pradhan Mantri Awas Yojana (Urban), it plans to construct 1.2 crore units by spending Rs. 1,85,069 crore over the next three years. Additionally, it intends to disburse loans worth Rs 20,000 crore for individual housing via the National Housing Bank.

Under the Bharatmala project, the Central Government intends to build 83,677 kilometres of roads by spending Rs. 6.92 lac crore over the next five years. The Airports Authority of India is going to invest Rs. 15,000 crore during FY2018-19 for expanding existing terminals and constructing 15 new ones. Higher allocation of funds towards rural and social infrastructure projects will also help revive demand, which to a certain extent had been impacted by the demonetisation move. (Source: Swarajya)

North Eastern India

The economy of North Eastern India is defined by its peculiar physical, economic and sociocultural characteristics. This region comprises eight states viz., Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim. North Eastern India covers an area of 2.62 lac square kilometres. Occupying 8% of India's geographical spread, the states are home to only 4% of the country's population, with Assam accounting for 68% of the region's population. Sikkim is ahead of other North Eastern states as far as per capita incomes are concerned. The average per capita annual income in Sikkim stood at Rs. 2,33,954 – >2x the national average. Arunachal Pradesh (Rs. 1,23,339) and Mizoram (Rs 1, 14,524) are also ahead of the national average. To boost tourism in North Eastern India, conveyance facilities

A significant reduction in indirect tax on the cement industry is expected to moderate logistic costs due to rationalisation of warehouses and lower transportation costs (comprising up to 20-25% of revenues).

including small airports are being modernised. The Shillong runway extension and the linking of the states via the UDAN scheme have been approved. In December 2017, the Government of India approved the North East Special Infrastructure Development Scheme with an outlay of Rs.1,600 crore for the period between 2017-18 and 2019-20. A total of 197 road development projects are being implemented under the aegis of the Road Transport and Highways Ministry. The Central Government is also planning to invest ~Rs 1.45 lac crore for the development of national highways. Of this, the Central Government plans to invest ~Rs 48,000 crore in Assam, ~Rs. 22,000 crore in Manipur, ~Rs. 20,000 crore in Nagaland, ~Rs. 17,000 crore in Sikkim, ~Rs. 12,000 crore in Mizoram, Rs. 10,000 crore in Arunachal Pradesh and Rs. 8,000 crore each in Meghalaya and Tripura. (Source: NENOW, Times of India)

Budgetary allocations for North Eastern India

- The total budgetary allocation for the region for FY2018-19 stood at Rs. 47,994.88 crore, up from Rs. 40,971.69 crore during FY2017-18. Significantly, this increase of Rs. 7,023.19 crore is the highest since the country's independence.
- Apart from this, the Development of North Eastern Region Ministry's budget has also been hiked from Rs. 2,737 crore during FY2017-18 to Rs. 3,060 crore during FY2018-19.
- The direct grants-in-aid to the North Eastern Indian states have also increased from Rs. 1,449.83 crore to Rs 1,638.27 crore whereas the capital outlay for the region has gone up to Rs. 700 crore from Rs. 420 crore.

• A sum of Rs. 1,292 crore has been set aside for ongoing power projects in North Eastern India while the capital outlay for the power sector has been increased to Rs. 267.45 crore. This was in addition to the ~Rs. 54,000 crore that has been invested in various hydropower projects in the region, especially in Sikkim and Arunachal Pradesh. Another Rs. 234 crore has been allotted for developing solar power plants in the region over the past two years.

• A sum of Rs. 1,014.09 crore was also provided for construction of new and expansion of present and revival of defunct airports, heliports and advanced landing grounds and viability gap funding under the UDAN scheme. The allocation under this head during FY2017-18 stood at Rs. 200 crore.

• A total of 20 major railway projects involving the laying of 13 new rail lines, gauge conversions, laying double tracks and construction of other paraphernalia like new stations and expansion of existing ones have been sanctioned. Arunachal Pradesh will be a major beneficiary with three new rail lines being extended to the Indo-China border through steep mountainous and treacherous terrain. The Central Government has committed a whopping Rs. 5,886 crore over the past four years for rail connectivity in the region and this figure is expected to rise to Rs. 40,000 crore (including investments from Japan and by private players) by 2019.

• The investment in construction of new roads and bridges as well as expanding the existing ones in the North East would come to a staggering Rs. 2 lac crore from 2014 till 2019. This includes the Rs. 40,000-crore, 1,300-kilometre-long express highway along the Brahmaputra and the Rs. 55,000 crore trans-Arunachal highway projects.
(Source: Swarajya)

Growth drivers

Housing boom: The Indian Government's plan to develop 500 cities with a population of >1 lac coupled with the low-cost housing development planned under the Pradhan Mantri Awas Yojana scheme, will set the demand for cement soaring. An increased budgetary allocation towards rural

housing development worth Rs. 23,000 crore, will drive cement demand up by 2%. (Source: Makaan)

Highway construction: The Central Government has announced an ambitious plan to construct 83,000 kilometres of roads at an investment of Rs. 7 lac crore over the next five years. Consequently, construction companies, including cement and equipment companies, are pegged to see a 100% growth in revenues. (Source: Economic Times)

Regional development: North Eastern India, once regarded as a cul-de-sac because of poor accessibility and difficult terrain, is emerging as one of the fastest-growing regions for not only e-commerce firms but also transporters and logistic outfits. Between April and November 2017 alone, the National Highways and Infrastructure Corporation Limited disbursed Rs.140.51 crore in Arunachal Pradesh, Rs.54 crore in Sikkim and Rs.51 crore in Mizoram. Construction of roads have fuelled demand as well as smoothened supply bottlenecks in the North Eastern Indian states, catalysing demand for cement. (Source: Road Transport and Highway Ministry)

Infrastructure growth: Gathering traction in irrigation, affordable housing, metro, roads and highways projects are aiding a pick-up in the consumption of cement. Accelerated infrastructural development in the rural regions will entail higher volume from cement here on. The push to the infrastructure sector, restart of some stalled road projects as well as the focus on the housing for all scheme are leading to enhanced demand and demand projections for cement. Subsequently, the cement sector could register a growth of 0.6% in the first eight months of the current fiscal. (Source: Hindu Business Line)

Demand recovery: With the demand for office space intensifying, rental values have also increased in active micro-markets across India. The demand will be supported by ~117 million square feet of office space (Grade-A) scheduled to be completed between 2018 and 2020. Moreover, during Q1 of FY2018-19, the sector witnessed a 23% y-o-y increase in office space demand, with pan-India absorption recorded at 11.4 million square feet. (Source: Colliers International India)

Gathering traction in irrigation, affordable housing, metro, roads and highways projects are aiding a pick-up in the consumption of cement.

Top cement producers in 2017E (million tonnes per annum)

Region	Production
China	2,400
India	280
USA	86
Vietnam	78
Turkey	77
Indonesia	66
Saudi Arabia	63
South Korea	59
Egypt	58

(Source: IBEF)

Cement exports from India (US$ million)

Year	Exports
2012	240.85
2013	228.13
2014	312.26
2015	378.31
2016	335.62
2017	374.87
2018*	384.52

(Source: IBEF)

Cement imports into India (US$ million)

Year	Imports
2012	92.52
2013	110.32
2014	68.34
2015	91.93
2016	104.19
2017	139.81
2018*	151.26

(Source: IBEF)

Demand for cement in the real estate sector (%)

Segments	Contribution to the cement demand
Rural housing	40
Urban housing	25
Industrial construction	25
Commercial construction	10

(Source: Equity master)

Risk management

Economic risk

A slowdown of the economy could impact the growth of the Company

Mitigation strategy: North Eastern India, once regarded as a cul-de-sac because of poor accessibility and difficult terrain, is emerging as one of the fastest-growing cement consumption regions. Between April and November 2017 alone, the National Highways and Infrastructure Corporation Limited disbursed Rs.140.51 crore in Arunachal Pradesh, Rs.54 crore in Sikkim and Rs.51 crore in Mizoram. Construction of roads seems to have fuelled demand as well as smoothened supply bottlenecks in the North Eastern Indian states, catalysing a demand for cement.

Debt risk

Non-payment of debt on time could impact the overall image of the Company as well as hamper operational efficiency levels

Mitigation strategy: The Company received a cumulative sum of Rs. 2.2 billion in the form of governmental subsidies during the year under review that was utilised for debt repayment. Subsequently, Star Cement improved its debt-equity ratio from 0.32 in FY2016-17 to 0.13 in FY2017-18. The Company expects to become debt-free in the current financial year.

Demand risk

A less-than-optimal demand growth in the region can lower revenues.

Mitigation strategy: Infrastructural development activities in North Eastern India have progressed at a fair clip and the Company has capitalised on these incipient opportunities to emerge as the largest player in the region with a market share of >23%.

Raw material availability risk

Unavailability of raw material could decelerate production and lead to customer attrition

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 mines and coal mines, 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 >49% (higher than the rest of India) and reserves that can potentially last >80 years with double clinker capacity.

Concentration risk

Concentration of operations in a particular location could lead to price under-cutting

Mitigation strategy: Star Cement has evolved being from a North Eastern India-focused company to an Eastern India-focused company. SCL's extensive distribution network is spread across 11 states in Eastern India, comprising > 2250 dealers and 9000 retailers, ensuring last-mile access.

Internal control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Cautionary statement

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

Directors' Report &
MANAGEMENT DISCUSSION AND ANALYSIS

Dear members

Your Directors have pleasure in presenting Seventeenth Annual Report of the Company together with the Audited Balance Sheet as at March 31, 2018 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, 2018 as compared to the previous financial year are as under:

(₹ in Lacs)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Net Sales / Income	1,63,349.21	1,55,427.61	1,48,759.25	1,34,558.25
Profit before Interest, Depreciation and Tax	52,573.74	41,076.99	32,872.77	18,259.92
Interest & Finance Charges	5,245.74	7,806.14	4,343.37	5,615.49
Depreciation	12,068.65	11,791.15	5,745.45	4,035.36
Profit/(Loss) before Tax	35,259.36	21,479.70	22,783.95	8,609.07
Provision for taxation:				
- Current Tax	7,326.93	4,177.11	4,877.74	1,706.63
- Deferred Tax	(5,685.62)	(2,787.28)	(3,171.44)	(1,100.00)
Net Profit after Tax	33,618.05	20,089.87	21,077.65	8,002.44
Other comprehensive income for the year, net of tax	(28.29)	5.16	(13.18)	9.10
Total comprehensive income for the year	33,589.76	20,095.03	21,064.47	8,011.54
Net profit attributable to:				
Owners of the company	33,065.62	19,472.35	-	-
Non-controlling interest	552.43	617.52	-	-
Total	**33,618.05**	**20,089.87**	-	-
Other Comprehensive Income attributable to:				
Owners of the company	(27.43)	5.93	-	-
Non-controlling interest	(0.86)	(0.77)	-	-
Total	**(28.29)**	**5.16**	-	-
Total Comprehensive Income attributable to:				
Owners of the company	33,038.19	19,478.28	-	-
Non-controlling interest	551.56	616.76	-	-
Total	**33,589.76**	**20,095.03**	-	-
Proposed Dividend:				
Proposed Dividend @ ₹1/- per share	4,192.29	-	4,192.29	-

INDIAN ACCOUNTING STANDARDS

As per notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2017. Accordingly, Financial statements for the year ended 31st March, 2017 have been restated to conform to Ind AS. The reconciliations and descriptions of the effect of the transition from IGAAP to Ind AS have been provided in the notes to accounts in both the Standalone and Consolidated Financial Statements.

OPERATIONAL REVIEW

Despite challenges faced by the economy on account of introduction of Goods & Service Tax (GST) during first two quarters of the financial year, your company has been able to maintain the operational performance. During the year under review, your Company has manufactured 5,15,350

MT of Cement Clinker as against 5,67,241 MT recorded during the FY 2016-17. Company's subsidiary M/s. Star Cement Meghalaya Limited produced 15,41,945 MT of Clinker as against 15,79,345 MT during the FY 2016-17. On consolidated basis total clinker production during the year was at 20,57,295 MT as against 21,46,586 MT during FY 2016-17.

There has been recorded decrease in volume of sales but sharp improvement in profit. 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. It is expected that your Company will be a debt free Company in next year.

In terms of capacity utilization, clinkerization unit of your Company was able to utilize 65.07% of its installed capacity as against 71.60% during the FY 2016-17. Similarly, the capacity utilization of clinkerization unit of its subsidiary M/s. Star Cement Meghalaya Limited was at 88.16% during FY 2017-18 as against 90.30% during the FY 2016-17. On consolidated basis, the capacity utilization of clinkerization units was at 80.96% during the FY 2017-18 as against 84.48% during FY 2016-17.

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 24,07,955 MT (including volume from hired grinding units) as against 27,08,430 MT during the FY 2016-17.

Similarly, your Company has been able to achieve sales volume of 24,04,423 MT of Cement as against 27,37,437 MT during the previous financial year.

Due to sluggish market demand, devastating flood in Bihar, Assam, North Bengal and reverse sand availability in Bihar there was fall in volume of sales and under utilisation of capacity. However, your Company expects to improve its operational performance during the ensuing financial year.

DIVIDEND

Your Directors are pleased to recommend a Final dividend @ 100% i.e., ₹1/- each per Equity Share of Face Value of ₹1/- each (exclusive of applicable Dividend Distribution Tax) for the Financial Year ended 31st March, 2018.The Final dividend, subject to approval of members at the ensuing Annual General Meeting, will be paid within the statutory period.

AMALGAMATION

Your Company has taken a proposal for merger of Megha Technical & Engineers Private Limited, a wholly owned subsidiary Company with the Company with effect from 1st April, 2018, i.e., the Appointed Date. The Scheme is subject to necessary statutory and regulatory approvals including approval of the Hon'ble National Company Law Tribunal. Since both the Companies are engaged in the business of cement manufacturing, upon the scheme becoming effective the business of both the Company can be carried more efficiently and economically as one entity.

INDIAN ECONOMY AND OUTLOOK – AT A GLANCE

Indian economy has been appeared as the fastest growing economy in the world as per report of Central Statistics Office and International Monetary Fund. Over the next 10-15 years, Indian economy is expected to be one of the top 3 economic powers of the world. With the Government's thrust to reform, GDP have increased to 6.6% and it is expected to grow around 7.3% in 2018-19. There has been significant growth in tax collection figures. Foreign Direct Investment reached to USD 208.99 billion during April 2014-December 2017 and foreign exchange reserve was USD 422.53 billion till week ended March 23, 2018.

The Union Budget for the financial year 2018-19 mainly focused on strengthening agricultural sector, health care for under privileged sector, infrastructure development and education of the Country. There has been all time high budget allocations for rail and road sectors and budgetary allocation for infrastructure sector has been set to ₹5.97 lakh crore. Government allocation of ₹4,200 crore towards Green Energy Corridor Project alongwith other wind and solar power projects.

Government initiatives for 'Make in India' and 'Digital India' attracts foreign companies for setting up their business in India. 'Make in India' initiative boost the manufacturing sector as a result helping development of the country. Contributions from the manufacturing sector expected to rise to 25% of GDP from present level of 17%.

With the initiatives of the Government by way of globaisation, digitization and reforms, country's Gross Domestic Product is expected to reach USD 6 trillion by the Financial Year 2027. For the reasons India is expected to be third largest consumer economy in the world.

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. Post deregulation, sector attracted huge investment from the country and abroad and thereby created a large number of direct and indirect employment.

The country has a huge scope for development in cement sector as there are lot of potential for development in housing and construction sector. Government's initiatives for development of 'Smart cities' and 'Housing for all' will

boost the development of the cement sector. Government's focus for development of infrastructure sector is expected to grow cement industry in 6-7%. However, country's per capital consumption of cements still at around 225 kg. The Government has launched missions like the Pradhan Mantri Awas Yojana, Atal Mission for Rejuvination and Urban Transformation and Swachh Bharat Mission in order to ensure living habitation for poor. In view of increasing domestic demand in certain specified sector like industrial construction, commercial construction and housing sector, the capacity of the cement industry of the country is expected to reach 500-600 MTPA by 2025.

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 rest 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).

On the infrastructure fonts, long awaited attention has been given for the development. The total budgetary allocation for the NER for the financial year 2018-19 has been set ₹47,994.88 crores which is significantly higher of ₹7,023.19 crores for the financial year 2017-18. The budget of Development of North Eastern Region (DoNER) Ministry has also been hiked from ₹2,737 crores for the financial year 2017-18 to ₹3,060 crores. As a result, certain mega infrastructure projects, roads, bridges, expansion of existing power projects have been undertaken in the region. A total of 20 major railway projects for laying of 13 new rail lines, gauge conversions, laying of double tracks, construction of new stations have been initiated. The budget also provided ₹1,014.09 crores under UDAN scheme for construction of new and expansion of present and revival of defunct airports, heliports and advanced landing grounds. Under the Bharatmala Pariyojana, construction of 5301 km of roads have been approved and out of which 3,246 km road for development of Economic Corridor in NER. Works for India-Myanmar-Thailand Trilateral Highway has been awarded in December, 2017. New 92 routes will be opened under the UDAN Scheme. Educational and medical facilities have improved a lot in the region during last few years. Connectivity within NER States and with rest of India has also improved with initiatives taken towards infrastructure development. This has resulted into improved purchasing power with people at large in the Region.

The aforesaid developments and initiatives present a promising future for cement industry in the North East Region.

Market Development

North East Market as a strategy continued as focus market for your company. Cement demand was good in 1st quarter but was impacted during the 2nd quarter after implementation of GST. Your company organized seminars for dealers and sub dealers giving training on GST and enabled them to understand the benefits of GST. The Second half of FY 2017-18 was very positive and the Company recorded growth of approximately 7% YOY. Your company was able to maintain volume in NER, and closed a little higher compared to the previous year. During the year under review your company was able to sell 17,51,508 MT of cement in NER market as against 17,39,263 MT during the FY 2016-17. During the year under review around 14 % 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 1,38,508 MT Cement Clinker during the entire year under review as against 51,406 MT recorded in previous year.

As a market leader in NER your company has further consolidated dealers and sub dealer's network. Sub dealers were given status as 'Rising Star' with a nominal security deposit. All such sub dealers are linked with a particular dealer. This exercise is yielding good results and further strengthening our reach throughout our areas of operation.

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 and people in thousands participated in the event with the Honourable Chief Minister of Assam Mr. Sarbananda Sonowal and Bollywood Star Bipasha Basu flagging off the event. The uniqueness was that all participants were offered 50% discounts on groceries to encourage people to participate. The Half Marathon also has a social cause of "Clean India" associated with it. Other initiatives included retail and mass branding initiatives in the form of retail boards, cuboids, hoarding at shop, TV, Radio, Print and OOH ads. To make the brand more visible in remote areas, a block level branding campaign was undertaken through wall wraps, rural vans and rural theatres.

PRODUCTION AND COST DEVELOPMENTS

Fly Ash

Your Company continued to promote environment friendly blended cement using fly ash and produced 17,01,504 MT of Portland Pozzolana Cement (PPC) (including from hired grinding units) on consolidated basis out of total production

of 24,07,955 MT of cement during FY 2017-18. Usage of fly ash in cement is not friendly to environment only but also provides cost optimization. Your Company has been able to utilize the 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 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 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 and Freight

Logistics function faced serious cost pressures during the year under review. Diesel price increased by 17% during the year. Such cost pressures were braved out by re-aligning distribution network resulting in 14% reduction in Wtd. Avg. Lead to 283 KM as against 329 KM during previous year. Wtd. Avg. Freight marginally increase by 1.8% to ₹1,133/- as against ₹1,113/- during previous year.

As a new initiative, cost effective "Inland Water Transport" was used as a pilot project in collaboration with IWAI for transportation of cement from Guwahati plant to various destination. Inauguration of such maverick effort of IWAI and your company was done by The Union Transport Minister Sri Nitin Gadkari and The Chief Minister of Assam Sri Sarbananda Sonowal. Such efforts are being taken forward and more movement by Waterways are undertaken.

Construction of Railway Siding at Guwahati Grinding Unit is at very advance stage and expected to commission by July'18. Once the private siding gets operational, it would have a distinct cost advantage in logistic operations of the company.

KEY PERFORMANCE HIGHLIGHTS

- Consolidated cement production (including purchase from hired grinding units) was at 24.07 Lac MT during the year as against 27.08 Lac MT during the previous financial year.
- Consolidated net sales at ₹1,633.49 Crores during the year under review as compared to ₹1,554.27 Crores during the financial year 2016-17.
- Consolidated EBIDTA was at ₹525.73 Crores during the year under review as compared to ₹410.76 Crores during the immediate previous financial year.
- Consolidated profit before tax during the year 2017-18 was at ₹352.59 Crores as against a profit of ₹214.79 Crores in the year 2016-17, registering a growth of 64%.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

India stood second position in cement producing countries in the world. Country's cement industry is expected to grow at CAGR of 9-10% during the financial year 2014-15 to 2018-19. Per capita cement consumption is much lower than the world per capita consumption. Government several initiatives in the areas of 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. Make in India initiatives, positive moves on the policy front, in areas related to ease of doing business, promoting start-ups, rationalising the tax structure and administration, and opening up more areas for foreign investment through the automatic route will also increase the demand of cement and power.

Cement demand is very much linked to the economic growth and development of infrastructure and housing sector. In case growth rates affected by any unforeseen reasons, cement demand may also be affected. 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 availability to cement plants. Competition from the foreign players may lead to tougher competition to the domestic players. The Company enjoys various subsidies from the Government, roll back of any subsidies may have a negative impact on the profitability.

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.

LISTING OF SHARES AND SHARE CAPITAL

Your Company got listed with National Stock Exchange of India Limited and BSE Limited with effect from 16th June, 2017.

Pursuant to merger of erstwhile Star Ferro and Cement Limited into the Company, the Authorized Share Capital of the Company has increased to ₹83,00,00,000 divided into 83,00,00,000 Equity Shares of ₹1/- each. In line with terms of Scheme of Amalgamation, 29,54,90,077 (Twenty Nine Crore Fifty Four Lakh Ninety Thousand Seventy Seven) equity shares of the Company were allotted on 8th April, 2017 to the shareholders of erstwhile Star Ferro and Cement Limited in the ratio of 1.33 equity shares of ₹1 each of the Company for every 1 (one) equity share of ₹1 each of erstwhile Star Ferro and Cement Limited held by them as on the record date i.e. 3rd April, 2017. After the said allotment the total number of equity shares of the Company has aggregated to 41,92,28,997 of ₹1 each.

The paid up Equity Share Capital of the Company as on March 31, 2018 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.

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**.

MEETINGS OF THE BOARD

During the year six (6) Board Meetings and four (4) 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 06th March, 2018 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 and Stakeholders Relationship 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 share 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

COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India.

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, 2018 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 AND 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. Your Directors have, on the recommendation of the Audit Committee, re-appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as Cost Auditors of the Company for the financial year ended 31st March, 2018 in the Board Meeting held on 30th May, 2017. The remuneration proposed to be paid to them for the financial year 2017-18, as recommended by audit committee, was ratified in the meeting of shareholders held on 11th September, 2017.

M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) have expressed their willingness and confirmed their eligibility to be appointed as Cost Auditors of the Company for ensuing financial year. The Board, on recommendation of the Audit Committee, has appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as Cost Auditors of the Company for the financial year 2018-19 subject to ratification of their remuneration by shareholders in the General Meeting of the Company.

The cost audit report for the Financial Year 2016-17 was filed with the Ministry of Corporate Affairs on 23.09.2017.

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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, your Company has not given any loan to any person falling under ambit of Section 186 of the Companies Act, 2013.

Details of Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and the loans received from the Directors of the Company are given in the notes to the Financial Statements.

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. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. 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:

- Expansion joints of Pre-heater outlet, raw mill inlet duct, coal mill hot air and Coal Mill booster fan inlet replaced resulting in a saving of 1 Kwh /MT of Clinker.
- Replacement of HPSV Light fitting with LED light fittings resultant saving of 1.85 lacs Kwh Per year
- Modification of EBC -05 Belt (Clinker feeding belt) leading to direct saving of drive Power of Clinker Bucket Elevator.
- Modified the shale hopper for easy flow of material to minimize the quality variation.
- Reduce Air requirement in raw mill discharge Bucket Elevator air slide by optimizing air material ratio, resulting one air blower stopped in the circuit.
- Installation of capacitor 50 KVAR in all 3 compressors
- Installation of 100 nos. LED for street lighting reducing wattage from 15 KW to 5 KW

(B) Steps taken toward Technical Absorption:

- National Counsel for cement and building material conducted diagnostic study for minimizing kiln builds ups Cement rotary kiln.
- Online monitoring of all 3 Compressors parameter through Modbus on plant SCADA
- 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 ₹6.38 Lacs and Revenue Expenditure of ₹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 ₹914.60 Lacs (Previous Year ₹1203.01 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. 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

- Bee keeping project has been taken up in Sonapur and Lumshnong area as skill oriented initiative with low investment and high employment potential.
- Pig rearing project was initiated in Lumshnong and Sonapur area. Beneficiary households were supported with low cost pigsty in a shared value mode with distribution of high breed piglets (at free of cost) including training and veterinary support to enable the farmers for earning substantial income.
- Support to Eri Silk farmers in Assam with scientific trainings, linkages with provision of seed, seedling and eggs for silk worm production

- Training in Tailoring and Embroidery were offered to unemployed needy women of Sonapur and Lumshnong area in technical collaboration with M/s Usha International Ltd. for providing professional training.
- Development of backyard ponds to develop as fisheries under Fishery Project of Sonapur area as a source of food security and sustainable livelihood.

HEALTH AND SANITATION

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

- Periodic Health camps were organised to diagnose health problems and patients were supported with 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. Surgeries were carried out free of cost for proper eye care to the neighboring needy people in Assam and Meghalaya.
- Company has made drinking water supply system to the households of Chamata Pathar village

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:

- Supporting one teacher School i.e. Ekal Vidyalaya for augmenting primary education for children of remote areas. The projects aims to reach the education to every doorstep of the country. The Company has contributed to the Gyan Sagar Foundation.
- Company had rendered necessary financial support for hiring teachers.
- Company had taken up students support program targeting to encourage the students to attend their classes on regular basis. Under Students Support Program students were supported with exercise books, dictionaries and pencil boxes etc.
- To promote quality education in and around plant operational area, your company has organised remedial classes for HSLC appearing students
- Company has initiated for developing a computer fitted Bus for ensuring computer literacy among students and youths during journey.

EMERGENCY RELIEF

Your Company has supported the flood affected people by providing foods, drinking water, medicines etc., in Assam, North Bengal 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- 3**.

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

Mr. Manindra Nath Banerjee resigned as Independent Director with effect from 6th September, 2017.

The Board places on record its appreciation for the services rendered by Mr. Banerjee during his tenure with the Company.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 13th November, 2017 appointed Mr. Pramod Kumar Shah (DIN: 00343256) as Additional Director in the Independent category with effect from 13th November, 2017 for a term of 3 years subject to regularization/approval of the shareholders in the ensuing Annual General Meeting.

Mr. Manoj Agarwal resigned as Company Secretary and Key Managerial Personnel with effect from 2nd August, 2017. The Board places on record its appreciation for the services rendered by Mr. Agarwal during his tenure as Company Secretary. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 3rd August, 2017 appointed Mr. Debabrata Thakurta as Company Secretary and Key Managerial Personnel of the Company.

Mr. Dilip Kumar Agarwal resigned as Chief Financial Officer and Key Managerial Personnel with effect from 13th November, 2017. The Board places on record its appreciation for the services rendered by Mr. Agarwal during his tenure with the Company. On the recommendation of the Audit Committee and Nomination and Remuneration Committee, the Board of Directors at its meeting held on 13th November, 2017 appointed Mr. Manoj Agarwal as Chief Financial Officer and Key Managerial Personnel of the Company.

The tenure of Mr. Sajjan Bhajanka, Mr. Rajendra Chamaria and Mr. Sanjay Agarwal, Managing Directors of the Company were due to expire on 31st March, 2018. The Board at its meeting held on 6th February, 2018, on the recommendations of Nomination and Remuneration Committee, re–appointed Mr. Sajjan Bhajanka, Mr. Rajendra Chamaria and Mr. Sanjay Agarwal as the Managing Directors of your Company for further period of three years with effect from 1st April, 2018 subject to necessary approvals of the shareholders at the ensuing Annual General Meeting.

In accordance with the provisions of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Prem Kumar Bhajanka 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. 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 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 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 15,41,945 MT of clinker as against 15,79,345 MT in FY 2016-17.

Megha Technical & Engineers Private Limited is engaged in the manufacture of cement. During the year under review, the Company produced 33,004 MT of Cement.

Meghalaya Power Limited is engaged in generation of Power. During the year under review the Company generated 1,901 KWH Lac 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.

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, 2018 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-4**.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have been prepared in accordance to the requirement 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 upgraded the Company's short term rating to [ICRA]A1+ (pronounced ICRA A one plus) and reaffirmed the long term rating at [ICRA]A+ (pronounced ICRA A plus). The outlook on the long-term rating has been revised from 'Stable' to 'Positive'.

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.

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-5** 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"). 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 AND INDUSTRIAL RELATIONS

Ever since the inception, Star Cement has been a benchmark of unprecedented success over the past decade and the voyage has been momentous with glorious milestones and incredible feats. The company today is not only the market leader and the most preferred brand in North Eastern India, but is also the fastest growing company in Eastern India. Our dedicated Human Capital, best of its kind Practices and Innovative Processes are the cornerstones which have contributed in paving the path to the zenith of success, thus making Star Cement one of the most sought after places to work in the cement sector in Eastern India.

With an objective to develop a strong employer value proposition and enhance the brand awareness and reputation, hiring at leadership positions is being done from other leading Cement Companies .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.

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 and 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.

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: 17 May, 2018

Annexure - 1

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2018

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

I. REGISTRATION AND 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 and 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 and 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-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	12,36,38,920	-	12,36,38,920	29.49	23,65,02,615	-	23,65,02,615	56.41	26.92
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	29,54,75,000	-	29,54,75,000	70.48	5,23,07,675	-	5,23,07,675	12.48	(58.01)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub -total (A) (1)	**41,91,13,920**	**-**	**41,91,13,920**	**99.98**	**28,88,10,290**	**-**	**28,88,10,290**	**68.89**	**(31.09)**
(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)	**41,91,13,920**	**-**	**41,91,13,920**	**99.98**	**28,88,10,290**	**-**	**28,88,10,290**	**68.89**	**(31.09)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	3,01,78,759	-	3,01,78,759	7.20	7.20
b) Banks / FI	-	-	-	-	90,591	-	90,591	0.02	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	1.93
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**3,85,06,154**	**-**	**3,85,06,154**	**9.18**	**9.18**
2. Non-Institutions									
a) Bodies Corporate								-	-
i) Indian	-	-	-	-	1,76,78,266	21,945	1,77,00,211	4.22	4.22
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	-	1,00,000	1,00,000	0.02	1,28,38,718	10,08,756	1,38,47,474	3.30	3.28
ii) Individual shareholders holding nominal share capital in excess of ₹1lakh	-	-	-	-	5,88,39,133	-	5,88,39,133	14.04	14.04
c) Others (specify)									
Non Resident Indians	-	-	-	-	5,26,814	-	5,26,814	0.13	0.13
Foreign Nationals	-	-	-	-	400	-	400	0.00	0.00
Clearing Members	-	-	-	-	7,40,267	-	7,40,267	0.18	0.18
Trusts	-	-	-	-	2,38,673	-	2,38,673	0.06	0.06
NBFCs registered with RBI	-	-	-	-	19,581	-	19,581	0.00	0.00
Sub-total (B)(2)	**-**	**1,00,000**	**1,00,000**	**0.02**	**9,08,81,852**	**10,30,701**	**9,19,12,553**	**21.92**	**21.90**
Total Public shareholding (B) =(B) (1) + (B) (2)	**-**	**1,00,000**	**1,00,000**	**0.02**	**12,93,88,006**	**10,30,701**	**13,04,18,707**	**31.11**	**31.09**
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**41,91,13,920**	**1,00,000**	**41,92,13,920**	**100.00**	**41,81,98,296**	**10,30,701**	**41,92,28,997**	**100.00**	**0.00**

Note: In line with the terms of Scheme of Amalgamtion sanctioned by the National Company Law Tribunal, Guwahati Bench vide its Order dated 7th February, 2017; 29,54,75,000 Equity Shares of ₹1/- each held by erstwhile M/s. Star Ferro and Cement Limited (SFCL) stands cancelled and the members of erstwhile SFCL as on the record date i.e. 3rd April, 2017 were alloted 1.33 equity shares of ₹1/- each fully paid-up in Star Cement Limited for every one equity share of ₹1/- each fully paid up held. Hence the change in shareholding is due to aforesaid allotment of shares.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01-April-2017]			Shareholding at the end of the year [As on 31-March-2018]			% 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	Star Ferro and Cement Ltd.	29,54,75,000	70.48	-	-	-	-	(70.48)
2	Sajjan Bhajanka	3,77,16,950	9.00	-	4,69,08,547	11.19	-	2.19
3	Prem Kumar Bhajanka	41,98,410	1.00	-	3,78,15,053	9.02	-	8.02
4	Rajendra Chamaria	2,87,87,055	6.87	-	2,17,87,055	5.20	-	(1.67)
5	Divya Agarwal	-	-	-	1,92,70,037	4.60	-	4.60
6	Santosh Bhajanka	-	-	-	1,83,69,835	4.38	-	4.38
7	Sanjay Agarwal	20,91,920	0.50	-	1,68,80,135	4.03	-	3.53
8	Sriram Vanijya Pvt. Ltd.	-	-	-	1,13,07,899	2.70	-	2.70
9	Sachin Chamaria	57,25,000	1.37	-	1,07,25,000	2.56	-	1.19
10	Brijdham Merchants Pvt. Ltd.	-	-	-	1,02,99,506	2.46	-	2.46
11	Sumangal International Pvt. Ltd.	-	-	-	1,01,96,844	2.43	-	2.43
12	Sumangal Business Pvt.Ltd.	-	-	-	90,85,549	2.17	-	2.17
13	Sriram Merchants Pvt. Ltd.	-	-	-	89,64,027	2.14	-	2.14
14	Rahul Chamaria	59,25,000	1.41	-	79,25,000	1.89	-	0.48
15	Kamakhya Chamaria	53,49,750	1.28	-	53,49,750	1.28	-	0.00
16	Yash Bhajanka	-	-	-	44,48,561	1.06	-	1.06
17	Laxmi Chamaria	42,80,000	1.02	-	42,80,000	1.02	-	0.00
18	Prahlad Rai Chamaria (HUF)	42,50,000	1.01	-	42,50,000	1.01	-	0.00
19	Renu Chamaria	40,89,894	0.98	-	40,89,894	0.98	-	0.00
20	Kamakhya Chamaria (HUF)	33,00,000	0.79	-	33,00,000	0.79	-	0.00
21	Hari Prasad Agarwal	-	-	-	32,39,560	0.77	-	0.77
22	Rajendra Chamaria (HUF)	32,00,000	0.76	-	32,00,000	0.76	-	0.00
23	Amritansh Chamaria	32,00,000	0.76	-	32,00,000	0.76	-	0.00
24	Kailash Prasad Chamaria	30,72,250	0.73	-	30,72,250	0.73	-	0.00
25	Kailash Prasad Chamaria (HUF)	29,00,000	0.69	-	29,00,000	0.69	-	0.00
26	Gayatri Chamaria	25,70,000	0.61	-	25,70,000	0.61	-	0.00
27	Auroville Investments Pvt. Ltd.	-	-	-	24,53,850	0.59	-	0.59
28	Bhawna Agarwal	-	-	-	23,56,347	0.56	-	0.56
29	Hari Prasad Agarwal	-	-	-	17,36,216	0.41	-	0.41
30	Amit Agarwal	13,75,000	0.33	-	13,75,000	0.33	-	0.00
31	Sonu Kajaria	-	-	-	13,69,913	0.33	-	0.33
32	Sumitra Devi Agarwal	-	-	-	13,42,412	0.32	-	0.32
33	Payal Agrawal	-	-	-	13,30,000	0.32	-	0.32
34	Shraddha Agarwal	-	-	-	10,79,720	0.26	-	0.26
35	Vinay Chamaria	4,25,000	0.10	-	4,25,000	0.10	-	0.00
36	Prahlad Rai Chamaria (HUF)	4,00,000	0.10	-	4,00,000	0.10	-	0.00
37	Rajesh Kumar Agarwal	-	-	-	3,91,149	0.09	-	0.09
38	Prahlad Rai Chamaria	3,18,085	0.08	-	3,18,085	0.08	-	0.00
39	Ratna Chamaira	2,39,606	0.06	-	2,39,606	0.06	-	0.00
40	Rishi Raj Shah	2,25,000	0.05	-	2,25,000	0.05	-	0.00
41	Nancy Choudhary	-	-	-	1,70,000	0.04	-	0.04
42	Keshav Bhajanka	-	-	-	1,63,490	0.04	-	0.04
	Total	41,91,13,920	99.98	-	28,88,10,290	68.89	-	(31.09)

Note: In line with the terms of Scheme of Amalgamtion sanctioned by the National Company Law Tribunal, Guwahati Bench vide its Order dated 7th February, 2017; 29,54,75,000 Equity Shares of ₹1/- each held by erstwhile M/s. Star Ferro and Cement Limited (SFCL) stands cancelled and the members of erstwhile SFCL as on the record date i.e. 3rd April, 2017 were alloted 1.33 equity shares of ₹1/- each fully paid-up in Star Cement Limited for every one equity share of ₹1/- each fully paid up held. Hence the change in shareholding is due to aforesaid allotment of shares.

(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	01.04.2017		3,77,16,950	9.00		
	Changes during the year	08.04.2017	Allot	1,98,04,597	4.72	5,75,21,547	13.72
		22.09.2017	Transfer	(5,63,000)	(0.13)	5,69,58,547	13.59
		27.10.2017	Transfer	(35,00,000)	(0.83)	5,34,58,547	12.75
		19.01.2018	Transfer	(46,00,000)	(1.10)	4,88,58,547	11.65
		15.02.2018	Transfer	(19,50,000)	(0.47)	4,69,08,547	11.19
	At the end of the year	31.03.2018		4,69,08,547	11.19	4,69,08,547	11.19
2	Mr. Sanjay Agarwal						
	At the beginning of the year	01.04.2017		20,91,920	0.50		
	Changes during the year	08.04.2017	Allot	2,23,53,901	5.33	2,44,45,821	5.83
		04.07.2017	Transfer	34,314	0.01	2,44,80,135	5.84
		19.01.2018	Transfer	(64,00,000)	(1.53)	1,80,80,135	4.31
		15.02.2018	Transfer	(12,00,000)	(0.29)	1,68,80,135	4.03
	At the end of the year	31.03.2018		1,68,80,135	4.03	1,68,80,135	4.03
3	Mr. Rajendra Chamaria						
	At the beginning of the year	01.04.2017		2,87,87,055	6.87		
	Changes during the year	03.04.2017	Transfer	(70,00,000)	(1.67)	2,17,87,055	5.20
	At the end of the year	31.03.2018		2,17,87,055	5.20	2,17,87,055	5.20
4	Rajendra Chamaria (HUF)						
	At the beginning of the year	01.04.2017		32,00,000	0.76		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		32,00,000	0.76	32,00,000	0.76
5	Prahlad Rai Chamaria (HUF)						
	At the beginning of the year	01.04.2017		4,00,000	0.10		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		4,00,000	0.10	4,00,000	0.10
6	Prahlad Rai Chamaria (HUF)						
	At the beginning of the year	01.04.2017		42,50,000	1.01		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		42,50,000	1.01	42,50,000	1.01
7	Mr. Prahlad Rai Chamaria						
	At the beginning of the year	01.04.2017		3,18,085	0.08		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		3,18,085	0.08	3,18,085	0.08
8	Ms. Ratna Chamaria						
	At the beginning of the year	01.04.2017		2,39,606	0.06		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		2,39,606	0.06	2,39,606	0.06
9	Ms. Renu Chamaria						
	At the beginning of the year	01.04.2017		40,89,894	0.98		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		40,89,894	0.98	40,89,894	0.98
10	Ms. Kamakhya Chamaria						
	At the beginning of the year	01.04.2017		53,49,750	1.28		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		53,49,750	1.28	53,49,750	1.28

(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
11	Kamakhya Chamaria (HUF)						
	At the beginning of the year	01.04.2017		33,00,000	0.79		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		33,00,000	0.79	33,00,000	0.79
12	Mr. Kailash Prasad Chamaria						
	At the beginning of the year	01.04.2017		30,72,250	0.73		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		30,72,250	0.73	30,72,250	0.73
13	Kailash Prasad Chamaria (HUF)						
	At the beginning of the year	01.04.2017		29,00,000	0.69		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		29,00,000	0.69	29,00,000	0.69
14	Mr. Vinay Chamaria						
	At the beginning of the year	01.04.2017		4,25,000	0.10		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		4,25,000	0.10	4,25,000	0.10
15	Ms. Laxmi Chamaria						
	At the beginning of the year	01.04.2017		42,80,000	1.02		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		42,80,000	1.02	42,80,000	1.02
16	Ms. Gayatri Chamaria						
	At the beginning of the year	01.04.2017		25,70,000	0.61		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		25,70,000	0.61	25,70,000	0.61
17	Mr. Sachin Chamaria						
	At the beginning of the year	01.04.2017		57,25,000	1.37		
	Changes during the year	03.04.2017	Transfer	50,00,000	1.19	1,07,25,000	2.56
	At the end of the year	31.03.2018		1,07,25,000	2.56	1,07,25,000	2.56
18	Mr. Rahul Chamaria						
	At the beginning of the year	01.04.2017		59,25,000	1.41		
	Changes during the year	03.04.2017	Transfer	20,00,000	0.48	79,25,000	1.89
	At the end of the year	31.03.2018		79,25,000	1.89	79,25,000	1.89
19	Mr. Amritansh Chamaria						
	At the beginning of the year	01.04.2017		32,00,000	0.76		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		32,00,000	0.76	32,00,000	0.76
20	Mr. Amit Agarwal						
	At the beginning of the year	01.04.2017		13,75,000	0.33		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		13,75,000	0.33	13,75,000	0.33
21	Mr. Rishi Raj Shah						
	At the beginning of the year	01.04.2017		2,25,000	0.05		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2018		2,25,000	0.05	2,25,000	0.05
22	Star Ferro and Cement Limited						
	At the beginning of the year	01.04.2017		29,54,75,000	70.48		
	Changes during the year	08.04.2017	Allot	(29,54,75,000)	(70.48)	-	-
	At the end of the year	31.03.2018		-	-	-	-

(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
23	Mr. Hari Prasad Agarwal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	32,39,560	0.77	32,39,560	0.77
	At the end of the year	31.03.2018		32,39,560	0.77	32,39,560	0.77
24	Mr. Hari Prasad Agarwal (HUF)						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	20,36,216	0.49	20,36,216	0.49
		15.02.2018	Transfer	(3,00,000)	(0.07)	17,36,216	0.41
	At the end of the year	31.03.2018		17,36,216	0.41	17,36,216	0.41
25	Brijdham Merchants Pvt. Ltd.						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,02,99,506	2.46	1,02,99,506	2.46
	At the end of the year	31.03.2018		1,02,99,506	2.46	1,02,99,506	2.46
26	Auroville Investments Pvt. Ltd.						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	24,53,850	0.59	24,53,850	0.59
	At the end of the year	31.03.2018		24,53,850	0.59	24,53,850	0.59
27	Sumangal International Pvt. Ltd.						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,01,96,844	2.43	1,01,96,844	2.43
	At the end of the year	31.03.2018		1,01,96,844	2.43	1,01,96,844	2.43
28	Sumangal Business Pvt. Ltd.						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	90,85,549	2.17	90,85,549	2.17
	At the end of the year	31.03.2018		90,85,549	2.17	90,85,549	2.17
29	Sriram Vanijya Pvt. Ltd.						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,13,07,899	2.70	1,13,07,899	2.70
	At the end of the year	31.03.2018		1,13,07,899	2.70	1,13,07,899	2.70
30	Sriram Merchants Pvt. Ltd.						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	89,64,027	2.14	89,64,027	2.14
	At the end of the year	31.03.2018		89,64,027	2.14	89,64,027	2.14
31	Mrs. Santosh Bhajanka						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	2,00,15,835	4.77	2,00,15,835	4.77
		27.10.2017	Transfer	(16,46,000)	(0.39)	1,83,69,835	4.38
	At the end of the year	31.03.2018		1,83,69,835	4.38	1,83,69,835	4.38
32	Mr. Prem Kumar Bhajanka						
	At the beginning of the year	01.04.2017		41,98,410	1.00		
	Changes during the year	08.04.2017	Allot	3,71,66,643	8.87	4,13,65,053	9.87
		27.10.2017	Transfer	(5,50,000)	(0.13)	4,08,15,053	9.74
		19.01.2018	Transfer	(30,00,000)	(0.72)	3,78,15,053	9.02
	At the end of the year	31.03.2018		3,78,15,053	9.02	3,78,15,053	9.02
33	Mrs. Bhawna Agarwal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	23,56,347	0.56	23,56,347	0.56
	At the end of the year	31.03.2018		23,56,347	0.56	23,56,347	0.56

(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
34	Mr. Rajesh Kumar Agarwal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	9,91,149	0.24	9,91,149	0.24
		19.01.2018	Transfer	(6,00,000)	(0.14)	3,91,149	0.09
	At the end of the year	31.03.2018		3,91,149	0.09	3,91,149	0.09
35	Mrs. Sumitra Devi Agarwal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	22,29,412	0.53	22,29,412	0.53
		22.09.2017	Transfer	(6,87,000)	(0.16)	15,42,412	0.37
		19.01.2018	Transfer	(2,00,000)	(0.05)	13,42,412	0.32
	At the end of the year	31.03.2018		13,42,412	0.32	13,42,412	0.32
36	Mrs. Payal Agrawal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	13,30,000	0.32	13,30,000	0.32
	At the end of the year	31.03.2018		13,30,000	0.32	13,30,000	0.32
37	Mrs. Sonu Kajaria						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	13,69,913	0.33	13,69,913	0.33
	At the end of the year	31.03.2018		13,69,913	0.33	13,69,913	0.33
38	Mrs. Divya Agarwal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,92,70,037	4.60	1,92,70,037	4.60
	At the end of the year	31.03.2018		1,92,70,037	4.60	1,92,70,037	4.60
39	Mrs. Yash Bhajanka						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	44,48,561	1.06	44,48,561	1.06
	At the end of the year	31.03.2018		44,48,561	1.06	44,48,561	1.06
40	Mrs. Shraddha Agarwal						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	10,79,720	0.26	10,79,720	0.26
	At the end of the year	31.03.2018		10,79,720	0.26	10,79,720	0.26
41	Mrs. Nancy Choudhary						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,87,530	0.04	1,87,530	0.04
		08.12.2017	Transfer	(10,000)	(0.00)	1,77,530	0.04
		24.03.2018	Transfer	(7,530)	(0.00)	1,70,000	0.04
	At the end of the year	31.03.2018		1,70,000	0.04	1,70,000	0.04
42	Mr. Keshav Bhajanka						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,63,490	0.04	1,63,490	0.04
	At the end of the year	31.03.2018		1,63,490	0.04	1,63,490	0.04

Note: In line with the terms of Scheme of Amalgamtion sanctioned by the National Company Law Tribunal, Guwahati Bench vide its Order dated 7th February, 2017; 29,54,75,000 Equity Shares of ₹1/- each held by erstwhile M/s. Star Ferro and Cement Limited (SFCL) stands cancelled and the members of erstwhile SFCL as on the record date i.e. 3rd April, 2017 were alloted 1.33 equity shares of ₹1/- each fully paid-up in Star Cement Limited for every one equity share of ₹1/- each fully paid up held. Hence the change in shareholding is due to aforesaid allotment of shares.

(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	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	41,54,148	0.99	41,54,148	0.99
		01.12.2017	Transfer	(40,35,000)	(0.96)	1,19,148	0.03
		08.12.2017	Transfer	35,35,000	0.84	36,54,148	0.87
	At the end of the year	31.03.2018		36,54,148	0.87	36,54,148	0.87
2	HSBC GLOBAL INVESTMENT FUNDS - ASIA EX JAPAN EQUITY SMALLER COMPANIES						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	31.10.2017	Transfer	44,78,883	1.07	44,78,883	1.07
	At the end of the year	31.03.2018		44,78,883	1.07	44,78,883	1.07
3	MAHABIR PRASAD AGARWAL						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	48,65,328	1.16	48,65,328	1.16
		25.08.2017	Transfer	(2,10,000)	(0.05)	46,55,328	1.11
		01.12.2017	Transfer	(5,00,000)	(0.12)	41,55,328	0.99
		09.02.2018	Transfer	500	0.00	41,55,828	0.99
	At the end of the year	31.03.2018		41,55,828	0.99	41,55,828	0.99
4	BRIJ BHUSHAN AGARWAL						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,15,50,886	2.76	1,15,50,886	2.76
		27.10.2017	Transfer	(8,00,000)	(0.19)	1,07,50,886	2.56
		01.12.2017	Transfer	(5,00,000)	(0.12)	1,02,50,886	2.45
		16.03.2018	Transfer	8,42,000	0.20	1,10,92,886	2.65
	At the end of the year	31.03.2018		1,10,92,886	2.65	1,10,92,886	2.65
5	SUNDARAM MUTUAL FUND A/C SUNDARAM INFRASTRUCTURE ADVANTAGE FUND						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	50,42,059	1.20	50,42,059	1.20
		23.06.2017	Transfer	1,00,000	0.02	51,42,059	1.23
		30.06.2017	Transfer	13,484	0.00	51,55,543	1.23
		07.07.2017	Transfer	1,05,778	0.03	52,61,321	1.25
		14.07.2017	Transfer	2,12,237	0.05	54,73,558	1.31
		21.07.2017	Transfer	1,89,944	0.05	56,63,502	1.35
		28.07.2017	Transfer	3,54,737	0.08	60,18,239	1.44
		04.08.2017	Transfer	1,75,861	0.04	61,94,100	1.48
		11.08.2017	Transfer	2,41,001	0.06	64,35,101	1.53
		18.08.2017	Transfer	1,77,024	0.04	66,12,125	1.58
		25.08.2017	Transfer	26,452	0.01	66,38,577	1.58
		01.09.2017	Transfer	86,182	0.02	67,24,759	1.60
		04.09.2017	Transfer	38,700	0.01	67,63,459	1.61
		08.09.2017	Transfer	3,421	0.00	67,66,880	1.61
		30.09.2017	Transfer	9,033	0.00	67,75,913	1.62
		06.10.2017	Transfer	45,790	0.01	68,21,703	1.63
		13.10.2017	Transfer	4,210	0.00	68,25,913	1.63
		31.10.2017	Transfer	20,00,000	0.48	88,25,913	2.11
		19.01.2018	Transfer	(50,697)	(0.01)	87,75,216	2.09
		23.02.2018	Transfer	(61,902)	(0.01)	87,13,314	2.08
		02.03.2018	Transfer	(1,22,401)	(0.03)	85,90,913	2.05

(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
		23.03.2018	Transfer	36,277	0.01	86,27,190	2.06
		30.03.2018	Transfer	7,636	0.00	86,34,826	2.06
	At the end of the year	31.03.2018		86,34,826	2.06	86,34,826	2.06
6	SBI MAGNUM BALANCED FUND						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.12.2017	Transfer	20,00,000	0.48	20,00,000	0.48
		15.12.2017	Transfer	43,014	0.01	20,43,014	0.49
		22.12.2017	Transfer	48,710	0.01	20,91,724	0.50
		05.01.2018	Transfer	3,52,155	0.08	24,43,879	0.58
		12.01.2018	Transfer	80,347	0.02	25,24,226	0.60
		26.01.2018	Transfer	1,53,50,000	3.66	1,78,74,226	4.26
	At the end of the year	31.03.2018		1,78,74,226	4.26	1,78,74,226	4.26
7	SUMITRA DEVI AGARWAL						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	58,68,491	1.40	58,68,491	1.40
		27.10.2017	Transfer	(5,00,000)	(0.12)	53,68,491	1.28
		01.12.2017	Transfer	(4,50,000)	(0.11)	49,18,491	1.17
		08.12.2017	Transfer	4,50,000	0.11	53,68,491	1.28
		19.01.2018	Transfer	(15,00,000)	(0.36)	38,68,491	0.92
	At the end of the year	31.03.2018		38,68,491	0.92	38,68,491	0.92
8	MITTU AGARWAL						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	97,07,651	2.32	97,07,651	2.32
		27.10.2017	Transfer	(5,04,000)	(0.12)	92,03,651	2.20
		01.12.2017	Transfer	(10,00,000)	(0.24)	82,03,651	1.96
		08.12.2017	Transfer	10,00,000	0.24	92,03,651	2.20
		19.01.2018	Transfer	(14,00,000)	(0.33)	78,03,651	1.86
	At the end of the year	31.03.2018		78,03,651	1.86	78,03,651	1.86
9	SHEETIJ AGARWAL						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,02,69,815	2.45	1,02,69,815	2.45
		28.07.2017	Transfer	(15,000)	(0.00)	1,02,54,815	2.45
		04.08.2017	Transfer	(19,685)	(0.00)	1,02,35,130	2.44
		25.08.2017	Transfer	2,000	0.00	1,02,37,130	2.44
		08.09.2017	Transfer	(14,644)	(0.00)	1,02,22,486	2.44
		15.09.2017	Transfer	(1,544)	(0.00)	1,02,20,942	2.44
		30.09.2017	Transfer	(4,500)	(0.00)	1,02,16,442	2.44
		27.10.2017	Transfer	(10,00,000)	(0.24)	92,16,442	2.20
		09.02.2018	Transfer	2,050	0.00	92,18,492	2.20
		09.03.2018	Transfer	2,000	0.00	92,20,492	2.20
		16.03.2018	Transfer	30,452	0.01	92,50,944	2.21
	At the end of the year	31.03.2018		92,50,944	2.21	92,50,944	2.21
10	SUBHAM AGARWAL						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	1,48,17,793	3.53	1,48,17,793	3.53
		23.06.2017	Transfer	(1,25,000)	(0.03)	1,46,92,793	3.50
		28.07.2017	Transfer	(1,45,000)	(0.03)	1,45,47,793	3.47

(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
		04.08.2017	Transfer	(10,000)	(0.00)	1,45,37,793	3.47
		18.08.2017	Transfer	(1,089)	(0.00)	1,45,36,704	3.47
		22.09.2017	Transfer	(2,90,000)	(0.07)	1,42,46,704	3.40
		27.10.2017	Transfer	(1,348)	(0.00)	1,42,45,356	3.40
		08.12.2017	Transfer	1,61,510	0.04	1,44,06,866	3.44
		23.02.2018	Transfer	6,650	0.00	1,44,13,516	3.44
		09.03.2018	Transfer	(2,000)	(0.00)	1,44,11,516	3.44
		30.03.2018	Transfer	6,367	0.00	1,44,17,883	3.44
	At the end of the year	31.03.2018		1,44,17,883	3.44	1,44,17,883	3.44

Note:

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

2. In line with the terms of Scheme of Amalgamtion sanctioned by the National Company Law Tribunal, Guwahati Bench vide its Order dated 7th February, 2017; 29,54,75,000 Equity Shares of ₹1/- each held by erstwhile M/s. Star Ferro and Cement Limited (SFCL) stands cancelled and the members of erstwhile SFCL as on the record date i.e. 3rd April, 2017 were alloted 1.33 equity shares of ₹1/- each fully paid-up in Star Cement Limited for every one equity share of ₹1/- each fully paid up held. Hence the change in shareholding is due to aforesaid allotment of shares.

(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	01.04.2017		3,77,16,950	9.00		
	Changes during the year	08.04.2017	Allot	1,98,04,597	4.72	5,75,21,547	13.72
		22.09.2017	Transfer	(5,63,000)	(0.13)	5,69,58,547	13.59
		27.10.2017	Transfer	(35,00,000)	(0.83)	5,34,58,547	12.75
		19.01.2018	Transfer	(46,00,000)	(1.10)	4,88,58,547	11.65
		15.02.2018	Transfer	(19,50,000)	(0.47)	4,69,08,547	11.19
	At the end of the year	31.03.2018		4,69,08,547	11.19	4,69,08,547	11.19
2	Mr. Sanjay Agarwal, Managing Director						
	At the beginning of the year	01.04.2017		20,91,920	0.50		
	Changes during the year	08.04.2017	Allot	2,23,53,901	5.33	2,44,45,821	5.83
		04.07.2017	Transfer	34,314	0.01	2,44,80,135	5.84
		19.01.2018	Transfer	(64,00,000)	(1.53)	1,80,80,135	4.31
		15.02.2018	Transfer	(12,00,000)	(0.29)	1,68,80,135	4.03
	At the end of the year	31.03.2018		1,68,80,135	4.03	1,68,80,135	4.03
3	Mr. Rajendra Chamaria, Managing Director						
	At the beginning of the year	01.04.2017		2,87,87,055	6.87		
	Changes during the year	03.04.2017	Transfer	(70,00,000)	(1.67)	2,17,87,055	5.20
	At the end of the year	31.03.2018		2,17,87,055	5.20	2,17,87,055	5.20
4	Mr. Prem Kumar Bhajanka, Non-Executive Director						
	At the beginning of the year	01.04.2017		41,98,410	1.00		
	Changes during the year	08.04.2017	Allot	3,71,66,643	8.87	4,13,65,053	9.87
		27.10.2017	Transfer	(5,50,000)	(0.13)	4,08,15,053	9.74
		19.01.2018	Transfer	(30,00,000)	(0.72)	3,78,15,053	9.02
	At the end of the year	31.03.2018		3,78,15,053	9.02	3,78,15,053	9.02

(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
5	Mr. Pankaj Kejriwal, Non-Executive Director						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	4,522	0.00	4,522	0.00
	At the end of the year	31.03.2018		4,522	0.00	4,522	0.00
6	Mr. Mangilal Jain, Independent Director						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	4,655	0.00	4,655	0.00
	At the end of the year	31.03.2018		4,655	0.00	4,655	0.00
7	Mrs. Plistina Dkhar (Independent Director w.e.f. 08.04.2017)						
	At the beginning of the year	08.04.2017	Allot	997	0.00	997	0.00
	Changes during the year				No changes during the year		
	At the end of the year	31.03.2018		997	0.00	997	0.00
8	Mr. Santanu Ray (Independent Director w.e.f. 08.04.2017)						
	At the beginning of the year	08.04.2017		-	-		
	Changes during the year				No changes during the year		
	At the end of the year	31.03.2018		-	-	-	-
9	Mrs. Ibaridor Katherine War (Independent Director w.e.f. 08.04.2017)						
	At the beginning of the year	08.04.2017		-	-		
	Changes during the year				No changes during the year		
	At the end of the year	31.03.2018		-	-	-	-
10	Mr. Manindra Nath Banerjee (Independent Director upto 06.09.2017)						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year				No changes during the year		
	At the end of the year	06.09.2017		-	-	-	-
11	Mr. Pramod Kumar Shah (Independent Director w.e.f. 13.11.2017)						
	At the beginning of the year	13.11.2017		-	-		
	Changes during the year				No changes during the year		
	At the end of the year	31.03.2018		-	-	-	-
12	Mr. Sanjay Kumar Gupta, Chief Executive Officer						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	47,879	0.01	47,879	0.01
	At the end of the year	31.03.2018		47,879	0.01	47,879	0.01
13	Mr. Dilip Kumar Agarwal (Chief Financial Officer upto 13.11.2017)						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	5,519	0.00	5,519	0.00
	At the end of the year	13.11.2017		5,519	0.00	5,519	0.00
14	Mr. Manoj Agarwal (Company Secretary upto 02.08.2017 and Chief Financial Officer w.e.f 13.11.2017)						
	At the beginning of the year	01.04.2017		-	-		
	Changes during the year	08.04.2017	Allot	7037	0.00	7,037	0.00
		08.12.2017	Transfer	(2,800)	(0.00)	4,237	0.00
	At the end of the year	31.03.2018		4,237	0.00	4,237	0.00
15	Mr. Debabrata Thakurta (Company Secretary w.e.f. 03.08.2017)						
	At the beginning of the year	03.08.2017		-	-		
	Changes during the year				No changes during the year		
	At the end of the year	31.03.2018		-	-	-	-

Note: In line with the terms of Scheme of Amalgamtion sanctioned by the National Company Law Tribunal, Guwahati Bench vide its Order dated 7th February, 2017; 29,54,75,000 Equity Shares of ₹1/- each held by erstwhile M/s. Star Ferro and Cement Limited (SFCL) stands cancelled and the members of erstwhile SFCL as on the record date i.e. 3rd April, 2017 were alloted 1.33 equity shares of ₹1/- each fully paid-up in Star Cement Limited for every one equity share of ₹1/- each fully paid up held. Hence the change in shareholding is due to aforesaid allotment of shares

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	33,123.64	27,643.90	-	60,767.54
ii) Interest due but not paid	-	1,416.36	-	1,416.36
iii) Interest accrued but not due	0.10	-	-	0.10
Total (i+ii+iii)	33,123.74	29,060.26	-	62,184.00
Change in Indebtedness during the financial year				
* Addition	8,945.15	1,335.00	-	10,280.15
* Reduction	(21,910.49)	(8,552.26)	-	(30,462.75)
Net Change	(12,965.34)	(7,217.26)	-	(20,182.60)
Indebtedness at the end of the financial year				
i) Principal Amount	20,158.30	21,843.00	-	42,001.30
ii) Interest due but not paid	-	784.36	-	784.36
iii) Interest accrued but not due	-	1.27	-	1.27
Total (i+ii+iii)	**20,158.30**	**22,628.63**	**-**	**42,786.92**

** 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
	Name	Sajjan Bhajanka	Sanjay Agarwal	Rajendra Chamaria	(₹/Lac)
	Designation	MD	MD	MD	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.00	60.00	66.00	186.00
	(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)	60.00	60.00	66.00	186.00
	Ceiling as per the Act			10 % of the Net profit i.e ₹2277.75 Lacs	

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Name	Mangilal Jain	Manindra Nath Banerjee (up to 06.09.2017)	Santanu Ray (w.e.f 08.04.2017)	Plistina Dkhar (w.e.f 08.04.2017)	Ibaridor Katherine War (w.e.f 08.04.2017)	Pramod Kumar Shah (w.e.f. 13.11.2017)	(₹/Lac)
1	Independent Directors							
	Fee for attending board/ committee meetings	1.57	0.50	0.65	0.30	0.30	0.60	3.92
	Commission	-		-		-		-
	Others, please specify	-		-		-		-
	Total (1)	1.57	0.50	0.65	0.30	0.30	0.60	3.92
2	Other Non-Executive Directors							
	Fee for attending board/ committee meetings	-		-				-
	Commission	-		-		-		-
	Others, remuneration paid in professional capacity	-		-				-
	Total (2)	-		-		-		-
	Total (B)=(1+2)	1.57	0.50	0.65	0.30	0.30	0.60	3.92
	Total Managerial Remuneration							189.92
	Overall Ceiling as per the Act					11% of the Net Profit i.e ₹2505.52 Lacs		

* No remumeration is paid to Mr. Prem Kumar Bhajanka & Mr. Pankaj Kejriwal

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

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel					Total Amount
	Name	Sanjay Kumar Gupta	Dilip Kumar Agarwal	Manoj Agarwal	Manoj Agarwal	Debabrata Thakurta	(₹/Lac)
	Designation	CEO	CFO**	CS#	CFO##	CS*	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	114.90	46.41	20.19	22.64	13.34	217.48
	(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	114.90	46.41	20.19	22.64	13.34	217.48

** Ceased to be CFO w.e.f. 13.11.2017
# Served as Company Secretary upto 02.08.2017
Appointed as CFO w.e.f. 13.11.2017
* Appointed w.e.f. 03.08.2017

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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 2018

[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, 2018, 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, 2018, 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

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder

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

   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

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

c) The Meghalaya Clinker Cess Act, 2015;

d) The Environment (Protection) Act, 1986;

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

f) The Air (Prevention and Control of Pollution) Act, 1974;

g) The Legal Metrology Act, 2009;

h) The Explosives Rules, 2008;

i) The Meghalaya Cement Cess Rules, 2011;

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 obtained trading and listing approval from the National Stock Exchange of India Limited and the BSE Limited and the shares of the Company are listed with effect from 16th June, 2017.

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: 17 May, 2018
Place: Kolkata

Annexure - 1

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: 17 May, 2018
Place: Kolkata

Annexure - 3

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: ₹6,224.00 lacs
4. Prescribed CSR expenditure (2% of amount): ₹124.48 lacs
5. Details of CSR activities/projects undertaken during the year:
   a) Total amount to be spent for the financial year: ₹124.48 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 and providing non-formal primary education through cost effective One Teacher school (O.T.S.) i.e. Ekal Vidyalaya to rural and tribal people and through Gyan Sagar Foundation	Education	In various parts of India	130.00	130.00	130.00	Through implementing agency and direct
2.	Providing various student support programme	Education	Assam and Meghalaya	10.86	10.86	10.86	Direct – Through the registered trust
3.	Promoting health care including preventive health care, sanitation programs and organizing medical camps	Health and sanitation	Assam and Meghalaya	21.30	21.30	21.30	Direct – Through the registered trust
4.	Relief to Flood affected people	Disaster Relief	Assam and West Bengal	22.41	22.41	22.41	Direct – Through the registered trust
5.	Rural Development programmes	Enhancing vocational skills	Assam and Meghalaya	38.40	38.40	38.40	Direct – Through the registered trust
	Total			222.97	222.97	222.97	

*Details of implementing Agency/Trust: Friends of Tribal Society / 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: 17 May, 2018

Sanjay Kumar Gupta
Chief Executive Officer

Sanjay Agarwal
Chairman – CSR Committee

Annexure - 4

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 and surplus	27,526.18	57,262.37	11,025.41	-	-
5	Total assets	30,607.69	84,400.16	26,805.87	24.42	12.33
6	Total Liabilities	30,607.69	84,400.16	26,805.87	24.42	12.33
7	Investments	10,316.91	-	-	-	8.50
8	Turnover	2,070.98	50,055.78	11,486.79	-	-
9	Profit before taxation	327.23	11,308.87	1,054.27	-	(0.34)
10	Provision for taxation	97.97	4.74	(77.85)	-	-
11	Profit after taxation	229.26	11304.13	1132.12	-	(0.34)
12	Proposed Dividend	-	4174.49	-	-	-
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

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Chairman & Managing Director
DIN:00246171

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Place: Kolkata
Date: 17 May, 2018

Annexure - 5

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 and Key Managerial Personnel	Designation	Percentage Increase in Remuneration	Ratio to median remuneration**
Mr. Sajjan Bhajanka	Managing Director	Nil	17.98:1
Mr. Sanjay Agarwal	Managing Director	Nil	17.98:1
Mr. Rajendra Chamaria	Managing Director	Nil	19.78:1
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. Manindra Nath Banerjee*	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	25	-
Mr. Dilip Kumar Agarwal*#	Chief Financial Officer	NA	-
Mr. Manoj Agarwal#	Chief Financial Officer	NA	-
Mr. Manoj Agarwal*#	Company Secretary	NA	-
Mr. Debabrata Thakurta*#	Company Secretary	NA	-

*Mr. Manindra Nath Banerjee, Independent Director resigned with effect from 6th September, 2017, Mr. Dilip Kumar Agarwal resigned as Chief Financial Officer with effect from 13th November, 2017 and Mr. Manoj Agarwal resigned as Company Secretary with effect from 02nd August, 2017 and was appointed as Chief Financial Officer with effect from 13th November, 2017. Mr. Pramod Kumar Shah was appointed as Additional Director in the Independent category with effect from 13th November, 2017. Mr. Debabrata Thakurta was appointed as Comapny Secretary with effect from 3rd August, 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 year, the same is not comparable.

(ii) **Percentage increase in the median remuneration of employees in the Financial Year:** 4.16%

(iii) **The number of permanent employees on the roll of the Company :** 590

(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 2017 -18 was 8% while the average percentile increase in the Managerial remuneration was NIL

(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	114.90	Permanent	CA, CWA	22	10.03.2003	48	Vinay Cement Limited	0.01	None
2	Mr. Jyoti Swaroop Agarwal	President - Sales & Marketing	108.18	Permanent	B.Com; M.Com	35	27.03.2006	58	Ambuja Cement	NIL	None
3	Mr. Shouvik Chakraborty	Senior General Manager - Sales	51.55	Permanent	BE; MBA	19	01.09.2010	42	Adhunik Cement Limited	NIL	None
4	Mr. Surya Prakash Shrimali	Assistant Vice President	48.70	Permanent	B. Sc.	38	10.12.2008	63	ZPCL, Zambia (South Africa)	NIL	None
5	Mr. Prakash Chandra Panda	Assistant Vice President (HR and Admin)	47.44	Permanent	B.SC, MBA, LLB	26	09.12.2014	49	Reliance Communications Limited	NIL	None
6	Mr. Manoj Agarwal	Chief Financial Officer	42.83	Permanent	CA, CS, LLB	23	27.07.2009	47	Reliance Retail Limited	0.00	None
7	Mr. Rajesh Kumar	General Manager (IT)	42.67	Permanent	B.com, M.com, M. Tech	23	05.01.2015	44	Jindal Stainless Limited	NIL	None
8	Mr. Rajesh Srivastava	General Manager-Sales	40.03	Permanent	B.A.	20	05.08.2006	46	Ultra tech Cement Limited	NIL	None
9	Mr. Ranjit Kumar Gupta	General Manager	39.97	Permanent	B.Com	24	14.07.2014	50	Dentsu Creative Impact Limited	NIL	None
10	Mr. Nirmal Kumar Agarwal	Deputy General Manager	37.71	Permanent	B.Com, CA	16	18.10.2005	36	Ultra Tech Cement Limited	NIL	None

For and on behalf of the Board

Sajjan Bhajanka
Chairman
DIN:00246043

Date : 17 May, 2018
Place: Kolkata

Report on Corporate Governance

FOR THE YEAR 2017-18

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. The Board members are expert in different disciplines of corporate working i.e. finance, accounts, banking, technical, marketing, administration, etc. 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.

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. Sanjay Agarwal	Managing Director	Promoter – Executive
Mr. Rajendra Chamaria	Vice-Chairman & 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. Manindra Nath Banerjee#	Director	Independent
Mr. Santanu Ray	Director	Independent
Mrs. Plistina Dkhar	Director	Independent
Mrs. Ibaridor Katherine War	Director	Independent
Mr. Pramod Kumar Shah*	Director	Independent

*Mr. Pramod Kumar Shah was appointed as an Additional Director of the Company w.e.f. 13th November, 2017 in the Independent category.

#Mr. Manindra Nath Banerjee resigned from the Company w.e.f. 06th September, 2017

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 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) **
Mr. Sajjan Bhajanka	6	4
Mr. Sanjay Agarwal	6	1
Mr. Rajendra Chamaria	3	-
Mr. Prem Kumar Bhajanka	6	-

Name of the Director	Number of Directorship of Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **
Mr. Pankaj Kejriwal	3	-
Mr. Mangilal Jain	9	8 (4 as Chairman)
Mr. Manindra Nath Banerjee##	4	5 (3 as Chairman)
Mr. Santanu Ray	7	6 (3 as Chairman)
Mrs. Plistina Dkhar	4	-
Mrs. Ibaridor Katherine War	1	-
Mr. Pramod Kumar Shah#	6	5 (3 as Chairman)

#Mr. Pramod Kumar Shah was appointed as Additional Director of the Company w.e.f. 13th November, 2017 in the Independent category.

Mr. Manindra Nath Banerjee resigned from the Company w.e.f. 06th September, 2017

* 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.

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 in 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

Six Board Meetings were held during the Financial Year 2017-18 and the gap between two meetings did not exceed 120 days. The Meetings were held on 08th April, 2017; 30th May, 2017; 03rd August, 2017; 11th September, 2017; 13th November, 2017 and 06th February, 2018. The attendance at the Board Meetings during the financial year 2017-18 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended	Last AGM Attended
Mr. Sajjan Bhajanka	6	Yes
Mr. Sanjay Agarwal	5	No
Mr. Rajendra Chamaria	2	No
Mr. Pankaj Kejriwal	1	No
Mr. Prem Kumar Bhajanka	2	No
Mr. Mangilal Jain	6	Yes
Mr. Manindra Nath Banerjee#	3	No
Mr. Santanu Ray	4	Yes
Mrs. Plistina Dkhar	2	Yes
Mrs. Ibaridor Katherine War	2	No
Mr. Pramod Kumar Shah*	2	No

*Mr. Pramod Kumar Shah was appointed as an Additional Director of the Company w.e.f. 13th November, 2017 in the Independent category.

Mr. Manindra Nath Banerjee resigned with effect from 6th September, 2017.

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 06th March, 2018 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 judgement. 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 Annual General Meeting.

COMMITTEES OF THE BOARD

Currently, the Board has four committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility 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. 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 four times during the Financial Year 2017-18. 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 30th May, 2017; 3rd August, 2017; 13th November, 2017 and 06th February, 2018.

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	4
Mr. Manindra Nath Banerjee#	Member – Independent , Non-Executive	2
Mr. Pramod Kumar Shah*	Member – Independent , Non-Executive	2
Mr. Sajjan Bhajanka	Member - Non-Independent, Executive	4

*Mr. Pramod Kumar Shah was appointed as Additional Director of the Company w.e.f. 13th November, 2017 in the Independent category.

Mr. Manindra Nath Banerjee resigned with effect from 6th September, 2017.

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 of 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

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 to be paid to the Executive Directors is recommended by the 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 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. Manindra Nath Banerjee #	Independent, Non-Executive	Member
Mr. Pramod Kumar Shah*	Independent, Non-Executive	Member
Mr. Prem Kumar Bhajanka	Non-Independent, Non-Executive	Member

*Mr. Pramod Kumar Shah was appointed as an Additional Director of the Company w.e.f. 13th November, 2017 in the Independent category.

Mr. Manindra Nath Banerjee resigned with effect from 6th September, 2017.

Meetings and Attendance:

The Remuneration Committee meetings were held on 07th April, 2017; 30th May, 2017; 03rd August, 2017; 13th November, 2017 and 06th February, 2018 during the Financial Year 2017-18. 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 2017-18 is provided below:

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees (₹)	No. of Shares held as on 31.03.2018
1.	Mr. Sajjan Bhajanka	Chairman & Managing Director	60,00,000	-	4,69,08,547
2.	Mr. Sanjay Agarwal	Managing Director	60,00,000	-	1,68,80,135
3.	Mr. Rajendra Chamaria	Vice - Chairman & Managing Director	66,00,000	-	2,17,87,055
4.	Mr. Prem Kumar Bhajanka	Director	-	-	3,78,15,053
5.	Mr. Pankaj Kejriwal	Director	-	-	4,522

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees (₹)	No. of Shares held as on 31.03.2018
6.	Mr. Mangilal Jain	Independent Director	-	1,57,500	4,655
7.	Mr. Manindra Nath Banerjee #	Independent Director	-	50,000	-
8.	Mr. Santanu Ray	Independent Director	-	65,000	-
9.	Mrs. Plistina Dkhar	Independent Director	-	30,000	997
10.	Mrs. Ibaridor Katherine War	Independent Director	-	30,000	-
11.	Mr. Pramod Kumar Shah *	Independent Director	-	60,000	-

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

*Mr. Pramod Kumar Shah was appointed as Additional Director of the Company w.e.f. 13th November, 2017 in the Independent category.

Mr. Manindra Nath Banerjee resigned with effect from 6th September, 2017.

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 and transmission of shares, issue of duplicate share certificate, consolidation of shares, demat, remat, split and 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.

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

Name of the Member	Category	Designation	No. of Committee Meetings Attended
Mr. Manindra Nath Banerjee#	Non-Executive, Independent	Chairman	2
Mr. Mangilal Jain	Non-Executive, Independent	Chairman	6
Mr. Sajjan Bhajanka	Executive, Non-Independent	Member	8
Mr. Sanjay Agarwal	Executive, Non-Independent	Member	8

Mr. Manindra Nath Banerjee resigned with effect from 6th September, 2017

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Stakeholder Relationship Committee meetings were held on 20th July, 2017; 24th August, 2017; 14th September, 2017; 23rd November, 2017; 5th December, 2017; 19th December, 2017, 10th January, 2018 and 27th February, 2018 during the Financial Year 2017-18.

Status of Pending Complaints:

The Company has received 8 (eight) Complaints during the Financial Year 2017-18. 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

During the Financial Year 2017-18, CSR Committee Meeting was held on 06th February, 2018 where all the members were present.

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 Independent	Member	1

Meetings and Attendance:

The Corporate Social Responsibility Committee met once on 06th February, 2018 during the Financial Year 2017-18. 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

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. 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
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.
2014-15	'Star Club', Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210	26th May, 2015 at 03:30 P.M.

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

AGM	Date	Matter
14th	26.05.2015	1. Giving Loans/ Guarantees or providing securities for and on behalf of Subsidiary Companies and / or making investments in such Subsidiary Companies 2. Re-appointment of Mr. Sajjan Bhajanka as Managing Director 3. Re-appointment of Mr. Sanjay Agarwal as Managing Director 4. Re-appointment of Mr. Rajendra Chamaria as Managing Director 5. Enhancement of Borrowing Power 6. Creation of charges or mortgages and hypothecations
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

During the year, no resolution has been passed through the exercise of Postal Ballot.

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.
- 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.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.
- 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.pdf

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, 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.

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	31st July, 2018 at 2:00 P.M.
Venue	Star Club, Village : Lumshnong, PO : Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210
Dates of Book Closure	25th July, 2018 to 31st July, 2018 (both days inclusive)

Financial Calendar (for the year 2018-19)

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, 2018	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2018	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2018	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2019	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

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

The Company has paid listing fees to NSE and BSE for the year 2018 – 19.

Annual Custody/Issuer fee for the year 2017-18 has been paid by the Company to NSDL and CDSL. Bills for the year 2018-19 has been received and is paid by the Company to CDSL but Bill from NSDL for the year 2018-19 is yet to be received.

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 2017-18 are as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
April 2017	-	-	-	-	-	-
May 2017	-	-	-	-	-	-
June 2017 *	132.00	109.15	4,06,704	130.20	106.15	18,50,172
July 2017	131.90	116.30	5,00,766	132.80	117.00	25,25,055
August 2017	135.00	108.00	6,15,774	135.00	107.00	28,06,574
September 2017	116.70	103.80	2,14,986	116.25	102.35	33,91,431
October 2017	123.70	102.00	12,93,637	124.00	102.30	1,65,05,076
November 2017	129.65	110.00	8,51,374	130.00	108.90	59,62,754
December 2017	142.75	117.15	8,93,182	142.45	117.60	74,52,156
January 2018	151.35	121.00	18,27,926	151.90	120.10	3,16,18,197
February 2018	133.55	113.20	22,78,549	133.70	112.65	50,84,430
March 2018	128.00	107.00	2,76,255	128.30	110.10	15,93,249

*The Company got listed on 16th June, 2017 with The National Stock Exchange of India Limited (NSE) and BSE Limited, hence the data from the date of listing and onwards given.

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 2017	29,918.40	1.00	-	-
May 2017	31,145.80	4.10	-	-
June 2017	30,921.61	(0.72)	118.55	-
July 2017	32,514.94	5.15	127.35	7.42
August 2017	31,730.49	(2.41)	111.25	(12.64)
September 2017	31,283.72	(1.41)	106.10	(4.63)
October 2017	33,213.13	6.17	117.80	11.03
November 2017	33,149.35	(0.19)	120.50	2.29
December 2017	34,056.83	2.74	132.20	9.71
January 2018	35,965.02	5.60	126.85	(4.05)
February 2018	34,184.04	(4.95)	126.30	(0.43)
March 2018	32,968.68	(3.56)	115.60	(8.47)

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

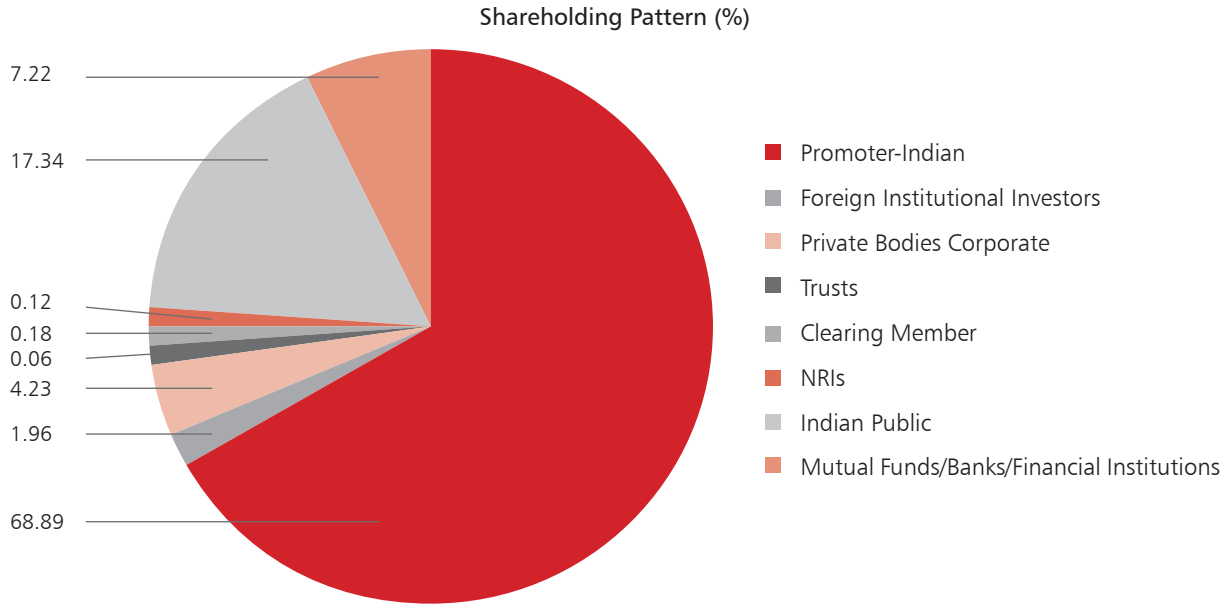
Share Transfer System

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, 2018

Shareholding	Total No. of Shareholders	%	No. of Shares	%
1- 500	14,103	76.75	16,34,658	0.39
501-1000	1,620	8.82	12,83,948	0.31
1001-5000	1,871	10.18	42,18,799	1.00
5001-10000	357	1.94	26,94,404	0.64
10001- 20000	149	0.81	21,89,132	0.52
20001 and above	276	1.50	40,72,08,056	97.14
Total	18,376	100	41,92,28,997	100

Shareholding Pattern as on 31st March, 2018



Category	Number of Shareholders*	Number of Shares	% of total Share Capital
Promoter and Promoter Group	41	28,88,10,290	68.89
Foreign Institutional Investors	14	82,36,804	1.96
Bodies Corporate	382	1,77,19,792	4.23
Trusts	8	2,38,673	0.06
Clearing Member	107	7,40,267	0.18
NRIs/ Foreign Nationals	469	5,27,214	0.12
Individual	16,873	7,26,86,607	17.34
Mutual Funds/Banks/Financial Institutions	6	3,02,69,350	7.22
TOTAL	17,900	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).

41,81,98,296 Ordinary Shares of the Company representing 99.76% of the Company's share capital are dematerialised as on 31st March, 2018.

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.

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: 17 May, 2018

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, 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, 2018.

Place: Kolkata
Dated: 17 May, 2018

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, 2018 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: 17 May, 2018

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, 2018, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

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: 17 May, 2018

Independent Auditors' Report

To
The Members of
STAR CEMENT LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Star Cement Limited (the "Company"), which comprise the Standalone Balance Sheet as at March 31, 2018, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

Management's Responsibility 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We have conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date

opening Balance Sheet as at April 1,2016 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor, Kailash B. Goel & Co. whose report for the year ended March 31, 2017 and March 31, 2016 dated May 30, 2017 and May 2, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 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 purpose of our audit;

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

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Cash Flows Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the accompanying standalone Ind AS financial statements comply with the 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 March 31 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31 2018, 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.

   (g) 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements-Refer note 40 to the standalone Ind AS 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 were no amounts which were 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 : 17 May, 2018

Annexure A to Independent Auditors' Report

Referred to in Independent Auditors' Report of even date to the members of Star Cement Limited on the financial statements for the year ended March 31, 2018

i. In respect of the Company's Property, plant & equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant & equipment.

(b) The Property, plant & equipment of the Company are physically verified by the management according to a phased programme on a rotational basis, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

(c) 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, service tax, goods and service tax, value added tax, excise duty, 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, service tax, value added tax, goods and service tax, excise duty, cess and other material statutory dues in arrears as at March 31, 2018 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 (₹ Lakh)	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, Shiilong
The Central Excise Act, 1944	Excise Duty	57.18	2009-10 & 2013-14	Commissioner (Appeals)
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
West Bengal Tax On Entry Of Goods Into Local Areas Act, 2012.#	Entry Tax	634.07	Apr-'13 to June'17	Kolkata High Court

#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.

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

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Place : Kolkata
Date : 17 May, 2018

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 Limited ("the Company") as of March 31, 2018 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 ("the 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 the 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. 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 our judgement, 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 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 unauthorised 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 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 March 31, 2018, 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 : 17 May, 2018

Standalone Balance Sheet as at March 31, 2018

(₹ in Lacs)

	Note No.	31-Mar-18	31-Mar-17	01-Apr-16
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	27,350.78	28,538.56	26,332.34
(b) Capital work-in-progress		2,639.69	4,624.15	4,071.93
(c) Intangible assets	3.1	18.91	12.49	12.28
(d) Investment in subsidiaries	4	23,744.65	23,744.65	23,724.62
(e) Financial assets				
(i) Investments	5	139.29	140.30	140.25
(ii) Loans	7	142.81	137.94	125.22
(iii) Other financial assets	6	-	-	48.20
(f) Deferred tax assets (net)	8	13,557.18	10,378.66	9,283.47
(g) Non current tax assets (net)	9	62.05	16.02	9.02
(h) Other non-current assets	10	2,830.73	3,518.85	3,401.20
Total non-current assets		**70,486.09**	**71,111.62**	**67,148.53**
Current assets				
(a) Inventories	11	12,226.59	6,203.17	8,506.31
(b) Financial assets				
(i) Trade receivables	12	12,710.24	12,327.42	23,005.56
(ii) Cash and cash equivalents	13	641.63	881.93	807.85
(iii) Other Bank balances (other than (ii) above)	14	114.88	377.18	70.66
(iv) Loans	15	44.07	145.32	157.95
(v) Other financial assets	16	35.00	35.00	35.00
(c) Other current assets	17	72,370.57	67,641.19	50,222.20
Total current assets		**98,142.98**	**87,611.21**	**82,805.53**
Total assets		**1,68,629.07**	**1,58,722.83**	**1,49,954.06**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	18	4,192.29	4,192.14	4,192.14
(b) Other equity	19	79,648.64	58,584.32	50,572.78
Total equity		**83,840.93**	**62,776.46**	**54,764.92**
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	28,143.38	36,528.94	28,364.17
(ii) Other financial liabilities	21	8,945.72	8,706.97	7,327.41
(b) Employee benefit obligations	22	100.04	71.67	67.84
(c) Other non current liabilities	23	-	1,630.29	2,115.08
Total non-current liabilities		**37,189.14**	**46,937.87**	**37,874.50**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	24	10,111.69	20,997.98	22,805.76
(ii) Trade payables		15,842.97	7,414.28	14,747.34
(iii) Other financial liabilities	25	14,144.09	15,934.72	15,275.44
(b) Employee benefit obligation	26	239.18	250.11	221.35
(c) Other current liabilities	27	6,535.40	3,753.60	4,141.99
(d) Current tax liabilities (net)	28	725.67	657.81	122.76
Total current liabilities		**47,599.00**	**49,008.50**	**57,314.64**
Total liabilities		**84,788.14**	**95,946.37**	**95,189.14**
Total equity and liabilities		**1,68,629.07**	**1,58,722.83**	**1,49,954.06**
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 **D. K. Chhajer & Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Standalone Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Lacs)

	Note No.	31-Mar-18	31-Mar-17
INCOME			
Revenue from operations	29	1,48,374.70	1,34,317.59
Other income	30	384.55	240.66
Total revenue		**1,48,759.25**	**1,34,558.25**
EXPENSES			
Cost of materials consumed	31	47,832.72	41,849.87
Purchase of traded goods		10,336.80	17,549.11
(Increase)/decrease in inventories	32	316.27	(98.26)
Excise duty		1,993.10	5,906.21
Employee benefit expenses	33	6,375.15	7,006.10
Finance costs	34	4,343.37	5,615.49
Depreciation and amortisation expenses	35	5,745.45	4,035.36
Other expenses	36	49,032.44	44,085.30
Total expenses		**1,25,975.30**	**1,25,949.18**
Profit before tax		**22,783.95**	**8,609.07**
Tax expenses	37		
- Current tax		4,877.74	1,706.63
- Deferred tax		(3,171.44)	(1,100.00)
Total tax expenses		**1,706.30**	**606.63**
Profit for the year		**21,077.65**	**8,002.44**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	39	(20.25)	13.92
Deferred tax on above		7.07	(4.82)
Other comprehensive income for the year (net of tax)		**(13.18)**	**9.10**
Total comprehensive income for the year		**21,064.47**	**8,011.54**
Earnings per equity share (Face Value of ₹ 1 each)	38		
Basic earning per share (In ₹)		5.03	1.91
Diluted earning per share (In ₹)		5.03	1.91
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 **D. K. Chhajer & Co.**
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
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Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Standalone Cash Flow Statement for the year ended 31 March 2018

(₹ in Lacs)

		31-Mar-18	31-Mar-17
A	Cash flow from operating activities		
	Net Profit/(Loss) before Tax	22,783.95	8,609.07
	Adjustments for :		
	Depreciation and amortisation (Ref note 35)	5,745.45	4,035.36
	(Profit)/ Loss on Sale of Property, Plant & Equipment		(5.73)
	Interest Income (Ref note 30)	(144.59)	(169.46)
	Finance Costs (Ref note 34)	4,343.37	5,615.49
	Allowance for Bad and Doubtful Debts	19.89	(16.53)
	Operating Profit before working Capital changes	**32,748.07**	**18,068.20**
	Adjustments for :		
	(Increase)/Decrease in Trade receivables	(1,850.89)	10,694.66
	(Increase)/Decrease in Inventories	(6,023.42)	2,303.14
	(Increase)/Decrease in Loans	1,358.14	48.11
	(Increase)/Decrease in Other assets	(8,391.99)	(17,658.41)
	Increase /(Decrease) in trade and other payables	7,799.79	(3,736.44)
	Increase /(Decrease) in Other Liabilities and Provisions	3,261.55	(140.95)
	Cash Generated from Operations	**28,901.25**	**9,578.31**
	Income Tax Paid	(4,250.00)	(1,105.00)
	Net Cashflow from Operating Activities	**24,651.25**	**8,473.31**
B	Cash flow from Investing Activities		
	(Purchase)/sale of Property, Plant & Equipment (including WIP)	(2,211.64)	(7,436.72)
	Fixed Deposits/Margin Money Given/(Repaid)	262.30	(258.33)
	(Purchase)/Sale of Investments	-	(32.96)
	Interest Received	145.58	127.49
	Net Cash used in Investing Activities	**(1,803.76)**	**(7,600.52)**
C	Cash Flow from Financing Activities		
	Interest paid	(4,337.38)	(5,631.69)
	Proceeds from /(Repayment of) Long Term Borrowings / Liabilities	(8,517.95)	6,640.74
	Proceeds from /(Repayment of) Short Term Borrowings	(10,232.46)	(1,807.76)
	Net Cash used in Financing Activities	**(23,087.79)**	**(798.71)**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**(240.30)**	**74.08**
	Cash and Cash Equivalents (Ref Note 13)		
	Opening Balance	**881.93**	**807.85**
	Closing Balance	**641.63**	**881.93**

Note:

Significant non-cash movement in borrowings during the year include new finance leases of ₹ 34.80 Lacs.
The accompanying notes are an integral part of the financial statements.

As per our report of the even date

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

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Standalone Statement of Changes in Equity for the year ended 31 March 2018

A. Equity share capital

(₹ in Lacs)

Particulars	Amount
As at 1 April, 2016	4,192.14
Changes in equity share capital	-
As at 31 March, 2017	4,192.14
Changes in equity share capital	0.15
As at 31 March, 2018	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, 2016	0.15	643.53	3,187.83	46,741.27	50,572.78
Profit for the year (a)	-	-	-	8,002.44	8,002.44
Other comprehensive income \(loss) (net of tax) (b)	-	-	-	9.10	9.10
Total comprehensive income for the year (a+b)	-	-	-	8,011.54	8,011.54
Balance as at 31 March, 2017	0.15	643.53	3,187.83	54,752.81	58,584.32

(₹ 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 (a)	-	-	-	21,077.65	21,077.65
Other comprehensive income \(loss) (net of tax) (b)	-	-	-	(13.18)	(13.18)
Total comprehensive income for the year (a + b)	-	-	-	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

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

As per our report of the even date

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

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Notes to Standalone Financial Statements

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 Companies Act, 1956. 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 other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS. Refer note 48 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

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 lakhs 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.

Notes to Standalone Financial Statements *(Contd.)*

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the policy of accounting of exchange differences arising on reporting of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of first Ind AS financial reporting period i.e. 1st April, 2017 in keeping with the previous GAAP, as set out below:

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 equipments are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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 depreciate 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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets

Notes to Standalone Financial Statements *(Contd.)*

recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.6 Research and Development Expenditure

Revenue expenditure is charged to the Statement of Profit & Loss and capital expenditure is added to the cost of property, plant & 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 / 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 Account as deduction from related item of expenditure. Grants related to assets which are recognized in the Statement of 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.

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 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.

Notes to Standalone Financial Statements *(Contd.)*

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 investment 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 and 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 and 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 *(Contd.)*

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 Company 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 and 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.

Notes to Standalone Financial Statements *(Contd.)*

1.19 Borrowing

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 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 income 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.

Notes to Standalone Financial Statements *(Contd.)*

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 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales are recognised when substantial risk and rewards of ownership are transferred to customer. Generally, sales take place when goods are dispatched or delivery is handed over to transporter.

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 of 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 transfered to retained earning.

(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.

Notes to Standalone Financial Statements *(Contd.)*

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.

2. RECENT ACCOUNTING DEVELOPMENTS

Standards issued but not yet effective

Ind AS 115:- Revenue from contracts with customers

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115.

The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

Ind AS 21:- Foreign currency transactions and advance consideration

Management has assessed the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance. The Company expects this change to impact its accounting for revenue contracts involving advance payments in foreign currency.

The Company intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

Notes to Standalone Financial Statements *(Contd.)*

3. Property, plant and equipment

(₹ in Lacs)

Particulars	Land & Site Development	Factory Building	Non Factory Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross Carrying Value										
At 1 April, 2016 (Deemed Cost)	3,892.72	4,157.73	2,176.81	14,955.17	247.97	78.28	95.96	591.09	136.61	26,332.34
Additions	817.55	469.07	366.74	4,878.60	45.88	26.16	45.91	228.52	22.66	6,901.08
Disposals/deductions/ adjustments	-	14.53	-	0.16	-	4.96	1.50	19.99	-	41.15
At 31 March, 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
Accumulated Depreciation										
At 1 April, 2016	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	393.52	354.92	3,500.87	64.57	35.86	60.93	204.99	41.41	4,657.08
Disposals/deductions/ adjustments	-	-	-	0.04	-	0.24	0.05	3.03	-	3.36
At 31 March, 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
Net Carrying Value										
At 1 April, 2016	3,892.72	4,157.73	2,176.81	14,955.17	247.97	78.28	95.96	591.09	136.61	26,332.34
At 31 March, 2017	4,710.27	4,218.75	2,188.63	16,332.78	229.28	63.86	79.49	597.64	117.85	28,538.56
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

3.1 Intangible assets

(₹ in Lacs)

Particulars	Intangible Assets
Gross Carrying Value	
At 1 April, 2016 (Deemed Cost)	12.28
Additions	12.53
Disposals/deductions/adjustments	-
At 31 March, 2017	24.80
Additions	17.14
Disposals/deductions/adjustments	-
At 31 March, 2018	41.94
Accumulated Depreciation	
At 1 April, 2016	-
Charge for the year	12.31
Disposals/deductions/adjustments	-
At 31 March, 2017	12.31
Charge for the year	10.72
Disposals/deductions/adjustments	-
At 31 March, 2018	23.03
Net Carrying Value	
At 1 April, 2016	12.28
At 31 March, 2017	12.49
At 31 March, 2018	18.91

a. During the year Company has sold/ discarded Property, Plant and Equipment amounting to ₹ 26.70 Lacs (31 March 2017 - ₹ 26.62 Lacs)

b. During the year ending 31 March 2018 foreign exchange gain/(loss) of ₹ 1.91 Lacs (31 March 2017 - ₹ 14.53 Lacs) is added to factory building in accordance with para 46A of AS-11 (Previous GAAP), since the Company has applied the exemption under Ind AS 101 and accordingly opted to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statement.

c. For Property, plant and equipment existing as on 1 April 2016, i.e. date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost (refer note no 48 (A.1.1) IND AS Exemption applied.

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 4 - Investment in subsidiary	31-Mar-18	31-Mar-17	01-Apr-16
Investment in Subsidiaries - Unquoted			
Megha Technical & Engineers Private Limited	2,734.64	2,734.64	2,734.64
2,73,46,400 (2,73,46,400 as at 31 March 2017, 2,73,36,400 as at 1 April 2016) Equity Shares of ₹ 10/- each fully paid up			
Star Century Global Cement Private Limited	20.03	20.03	-
300 (300 as at 31 March 2017, Nil as at 1 April 2016) Equity share of $ 100 each fully paid up.			
Star Cement Meghalaya Limited	17,414.67	17,414.67	17,414.67
2,60,88,656 (2,60,88,656 as at 31 March 2017, 2,60,88,656 as at 1 April 2016) Equity Shares of ₹ 10 each fully paid up			
Meghalaya Power Limited	3,568.31	3,568.31	3,568.31
87,36,620 (87,36,620 as at 31 March 2017, 87,36,620 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
NE Hills Hydro Limited	7.00	7.00	7.00
70,000 (70,000 as at 31 March 2017, 70,000 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
	23,744.65	23,744.65	23,724.62

(₹ in Lacs)

Note: 5 - Investments - non-current	31-Mar-18	31-Mar-17	01-Apr-16
Investment at FVTPL			
Investment in Unquoted Equity Instruments			
Adonis Vyapaar Private Limited	33.32	33.31	30.19
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Apanapan Viniyog Private Limited	33.93	34.93	30.80
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Ara Suppliers Private Limited	34.94	33.92	44.15
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Arham Sales Private Limited	33.94	33.93	30.80
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Investment in Quoted Equity Instruments			
Reliance Power Limited	3.16	4.21	4.31
8,743 (8,743 as at 31 March 2017, 8,743 as at 1 April 2016) Equity Shares of ₹ 10/- each fully paid up			
	139.29	140.30	140.25

Total non-current investments			
Aggregate amount of quoted investments and market value thereof	3.16	4.21	4.31
Aggregate amount of unquoted investments	136.13	136.09	135.94
	139.29	140.30	140.25

(₹ in Lacs)

Note: 6 - Other financial assets - non-current	31-Mar-18	31-Mar-17	01-Apr-16
Others			
Balance with banks held as margin money deposits with original maturity of more than 12 months	-	-	48.20
	-	-	48.20

6.1 The bank balance disclosed above represents margin money against bank guarantee.

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 7 Loans	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
Security deposits	142.81	137.94	125.22
	142.81	137.94	125.22

(₹ in Lacs)

Note: 8 - Deferred tax assets (net)	31-Mar-18	31-Mar-17	01-Apr-16
Deferred tax liability			
Borrowing	11.66	13.69	8.09
	11.66	13.69	8.09
Deferred tax assets			
Gratuity & leave encashment	82.46	9.44	19.55
Trade receivable	9.65	5.61	11.03
Property, plant and equipment	495.53	169.91	306.18
Deferred guarantee income	-	-	18.98
Business loss carried forward	-	-	41.19
MAT credit entitlement	12,981.20	10,207.39	8,894.63
	13,568.84	10,392.35	9,291.56
Deferred tax assets (net)	13,557.18	10,378.66	9,283.47

(₹ in Lacs)

Note: 9 - Non current tax assets (net)	31-Mar-18	31-Mar-17	01-Apr-16
Advance income tax (net of provision for taxation of ₹ 1238.67 Lacs for 31 March 2018, ₹ 1238.67 Lacs for 31 March 2017 and Nil for 01 April 2016)	62.05	16.02	9.02
	62.05	16.02	9.02

(₹ in Lacs)

Note: 10 - Other non-current assets	31-Mar-18	31-Mar-17	01-Apr-16
Deposit with statutory authorities			
Unsecured, considered good	75.46	75.02	80.02
Capital advances			
Secured, considered good	-	61.28	-
Unsecured, considered good	2,755.27	3,382.55	3,321.18
	2,830.73	3,518.85	3,401.20

(₹ in Lacs)

Note: 11 - Inventories	31-Mar-18	31-Mar-17	01-Apr-16
Raw materials (including in transit as at 31 March 2018 - ₹ 257.53 Lacs, 31 March 2017 - ₹ 100.02 Lacs and 1 April 2016 - ₹ 210.30 Lacs)	4,601.11	799.82	1,729.64
Work - in - progress	37.37	22.66	27.09
Finished goods (including in transit as at 31 March 2018 - ₹ 505.55 Lacs, 31 March 2017 - ₹ 484.49 Lacs and 1 April 2016 - ₹ 605.28 Lacs)	2,062.96	2,393.94	2,291.25
Stock in trade (including in transit as at 31 March 2018 - Nil, 31 March 2017 - Nil and 1 April 2016 - ₹ 38.39 Lacs)	76.10	36.48	348.74
Fuels, packing materials, etc.	3,613.61	965.82	2,127.60
Stores & spares parts	1,835.44	1,984.45	1,981.99
	12,226.59	6,203.17	8,506.31

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 12 - Trade receivables	31-Mar-18	31-Mar-17	01-Apr-16
Secured, considered good	4,546.69	4,145.07	4,540.20
Unsecured, considered good	8,163.55	8,182.35	18,465.36
Considered doubtful	65.42	45.52	62.06
Less: Allowance for doubtful debts	(65.42)	(45.52)	(62.06)
	-	-	-
	12,710.24	12,327.42	23,005.56

(₹ in Lacs)

Note: 13 - Cash and cash equivalents	31-Mar-18	31-Mar-17	01-Apr-16
Cash in hand	70.13	68.91	64.64
Stamp paper in hand	0.20	165.86	-
Cheques in hand	160.08	148.77	72.66
Balance with Banks			
- In current accounts/cash credit accounts	411.22	498.39	670.55
	641.63	881.93	807.85

(₹ in Lacs)

Note: 14 - Other - Bank balances other than Note 13 above	31-Mar-18	31-Mar-17	01-Apr-16
On unpaid dividend account	1.65	1.65	1.65
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months	113.23	375.53	69.01
	114.88	377.18	70.66

14.1 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.

(₹ in Lacs)

Note: 15 - Loans	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
Security deposits	44.07	145.32	157.95
	44.07	145.32	157.95

(₹ in Lacs)

Note: 16 - Other current financial assets	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
Advances recoverable from an associate	35.00	35.00	35.00
	35.00	35.00	35.00

(₹ in Lacs)

Note: 17 - Other current assets	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
- Advances to suppliers	1,646.57	391.62	340.77
- Advances to employees	78.71	66.64	70.55
- Balances with statutory/government authorities	9,151.81	3,540.07	2,645.63
- Subsidies /incentives receivable from central/state governments	58,360.38	61,094.65	44,828.42
- Advances for services & expenses	2,929.65	2,362.66	2,185.00
- Prepaid expenses	203.45	185.55	151.83

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 17 - Other current assets *(Contd.)*	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered doubtful			
- Doubtful advances	3.93	7.09	8.08
Less: Provision for bad & doubtful advances	(3.93)	(7.09)	(8.08)
	72,370.57	67,641.19	50,222.20

(₹ in Lacs)

Note: 18 - Equity share capital	31-Mar-18	31-Mar-17	01-Apr-16
Authorized capital	8,300.00	8,300.00	8,300.00
83,00,00,000 (83,00,00,000 as at 31 March 2017, 83,00,00,000 as at 1 April 2016) Equity Shares of ₹ 1/- each fully paid)			
Issued, subscribed & fully paid -up shares	4,192.29	4,192.14	4,192.14
41,92,28,997 (41,92,13,920 as at 31 March 2017, 41,92,13,920 as at 1 April 2016) Equity Shares of ₹ 1/- each fully paid)	4,192.29	4,192.14	4,192.14

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.

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	No of Shares
At the beginning of the year	41,92,13,920	41,92,13,920	41,92,13,920
Issued during the year	15,077	-	-
Outstanding at the end of the year	41,92,28,997	41,92,13,920	41,92,13,920

c Shares held by Holding Company

Name of the holding Company	No of Shares	No of Shares	No of Shares
Star Ferro and Cement Limited (refer note - 18.1)	-	29,54,75,000	29,54,75,000

d 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	No of Shares % of holding
Star Ferro and Cement Limited (refer note- 18.1)	-	29,54,75,000	29,54,75,000
	-	70.48%	70.48%
Sajjan Bhajanka	4,69,08,547	3,77,16,950	3,56,25,000
	11.19%	9.00%	8.50%
Prem Bhajanka	3,78,15,053	-	-
	9.02%	-	-
Rajendra Chamaria	2,17,87,055	3,19,87,055	2,75,65,140
	5.20%	7.63%	6.58%

Notes-

18.1 29,54,75,000 Equity Shares amounting to ₹ 2954.75 Lacs was cancelled upon allotment of shares pursuant to Scheme of Amalgamation.

18.2 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 Standalone Financial Statements *(Contd.)*

Note: 19 - Other equity

(₹ in Lacs)

Share capital-pending allotment	31-Mar-18	31-Mar-17	01-Apr-16
15,077 Equity Shares of ₹ 1/- each was allotted as per scheme of amalgamation	-	0.15	0.15
	-	0.15	0.15

(₹ in Lacs)

Reserve and surplus	31-Mar-18	31-Mar-17
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
Retain Earning		
Opening Balance	54,752.81	46,741.27
Profit /(loss) for the year	21,077.65	8,002.44
Other comprehensive income		
Remeasurements of post-employment benefit obligations (net of tax)	(13.18)	9.10
	75,817.28	54,752.81
Total reserves and surplus	79,648.64	58,584.17
Total other equity	79,648.64	58,584.32

Nature and purpose of reserves

Capital Reserve

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve. (Refer amalgamation Note : 45)

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.

(₹ in Lacs)

Note: 20 - Borrowings	31-Mar-18	31-Mar-17	01-Apr-16
Term loans (secured)			
Rupee loans from banks [Refer note (a) below]	9,591.86	10,342.29	13,824.66
Rupee loans from a financial institution [Refer note (b) below]	1,875.01	2,437.51	3,000.00
Rupee loan from a body corporate [Refer note (c) below]	-	6,999.28	-
Foreign currency loan from a bank [Refer note (a) below]	401.26	1,255.86	2,158.90
Loans from related party (unsecured)			
- From a subsidiary	13,860.75	13,400.00	13,208.00

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 20 - Borrowings *(Contd.)*	31-Mar-18	31-Mar-17	01-Apr-16
- from directors	6,766.61	6,524.37	2,256.66
Other loans (secured)			
-Hire purchase finance from banks [Refer note (e) below]	178.47	226.61	127.69
	32,673.96	41,185.92	34,575.91
Less: Current maturities of long term borrowings	(4,530.58)	(4,656.98)	(6,211.74)
	28,143.38	36,528.94	28,364.17

Notes-

a) Rupee term loan of ₹ 3780.38 Lacs (31st March 2017: ₹ 2,662.54 Lacs) from a bank is repayable in 16 equal quarterly instalments commencing from June 2018. The Loans is secured by pari passu first charge on Property, plant & 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 ₹ 5811.48 Lacs as on 31st March 2018 from a Bank is repayable in further 5 equal half yearly instalments being next instalment falling due in June 2018. The loan is secured by pari passu first charge on the Property, plant & 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.

Rupee Term Loan of Nil (31 March '2017 - Nil, 1st April 2016 ₹ 2185.58 Lacs) from a bank was repayable in further 5 equal quarterly instalments ending on June, 2017. The Loans was secured by pari passu first charge on Property, plant & 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 2017: ₹ 2,992.25 Lacs; 01 April 2016: 6,639.08 Lacs) was repayable in 7 quarterly instalments ending on December 2019. These loans has been fully repaid in FY 2017-18.

Rupee Term loan of Nil (31 March 2017: ₹ 4,687.50 Lacs; 01 April 2016: 5,000.00 Lacs) was repayable in 16 equal quarterly instalments commencing from June 2017 and ending on March 2021. This loan has been fully repaid in FY 2017-18.

Foreign Currency loan of ₹ 401.26 (31 March 2017: ₹ 1,255.86 Lacs; 01 April 2016: 2,158.90 Lacs) is repayable in 7 quarterly instalments ending on December 2019.

These loans are secured by pari passu first charge on Property, plant & equipment and pari passu second charge on current assets of the Company's cement grinding unit at Guwahati, Assam. The term loans are also secured by personal guarantees of some of the directors of the Company.

b) Rupee term loan of ₹ 1875.01 Lacs (31 March 2017: ₹ 2,437.51 Lacs; 1 April 2016: 3,000.00 Lacs) is repayable in equal 10 quarterly instalment ending on September 2020.

The loan is to be secured by first charge on Property, plant & equipment of Megha Technical & Engineers Private Limited, a wholly owned subsidiary of the Company. Pending security creation, the loan is temporarily secured by personal guarantee of some of the directors of the Company as on 31 March 2018.

c) As on 31 March 2017, Rupee term loan of ₹ 6,999.28 Lacs from a body corporate was repayable in 8 equal half Yearly instalments commencing from December 2017. This loan has been fully repaid in FY 2017-18. The loan was secured by pari passu first charge on the Property, plant & 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. The loan was also secured by personal guarantee of one of the director of the Company 1 April 2016.

d) Hire purchase finance is secured by hypothecation of respective vehicles and is repayable within four 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.

f) Terms loans from related party (subsidiary Company and directors) are long term in nature i.e. payable in 5 years.

(₹ in Lacs)

Note: 21 - Other financial liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Security deposit	8,945.72	8,706.97	7,327.41
	8,945.72	8,706.97	7,327.41

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 22 - Employee benefit obligations	31-Mar-18	31-Mar-17	01-Apr-16
Provisions for employee benefits			
- Gratuity	100.04	71.67	67.84
	100.04	71.67	67.84

(₹ in Lacs)

Note: 23 Other non current liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Deferred government grant	-	1,630.29	2,115.08
	-	1,630.29	2,115.08

(₹ in Lacs)

Note: 24 - Borrowings	31-Mar-18	31-Mar-17	01-Apr-16
Secured			
Working capital facilities from banks [Refer note (a) below]			
- Cash credit	8,111.69	11,208.25	10,603.63
Unsecured			
Short term loan [Refer note (b) below]			
- From banks	2,000.00	9,135.90	9,245.23
- Foreign currency demand loan from a bank	-	-	2,956.90
Secured			
Payable on bill discounting	-	653.83	-
	10,111.69	20,997.98	22,805.76

Notes-

(a) Working Capital facilities of ₹ 3,004.82 Lacs (31 March 2017: ₹ 4,056.60 Lacs, 1 April 2016: ₹ 2,131.82 Lacs) from banks are secured by pari passu first charge on current assets and second pari passu charge on Property, plant & equipment of the Company's cement plant at Lumshnong, Meghalaya.

Working capital facilities of ₹ 5,106.87 Lacs (31 March 2017: ₹ 7,151.65 Lacs, 1 April 2016: ₹ 8,471.81 Lacs) from banks are secured by pari passu first charge on current assets and pari passu second charge on Property, plant & 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) Short term loan from banks as on 31 March 2018 is due for repayment in April 2018 (31 March 2017: June, 2017, 1 April 2016: June, 2016). Foreign Currency demand loan from a bank outstanding on 1 April 2016 was paid in September, 2016.

(c) Bill discounting is to be settled within a period of 90 days.

(₹ in Lacs)

Note: 25 - Other financial liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Current maturities of long term borrowings	4,530.58	4,656.98	6,211.74
Interest accrued but not due on borrowings	1.27	0.10	0.93
Unclaimed dividend	1.65	1.65	1.65
Other payables			
- Creditors for capital goods	16.60	1,477.97	150.79
- Salary and bonus to employees	200.93	176.72	205.99
- Retention money	173.42	240.69	300.62
- Other liabilities	9,219.64	9,380.61	8,403.72
	14,144.09	15,934.72	15,275.44

25.1 Amount to be transferred to the Investor Education and Protection Fund shall be determined on the respective due date.

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 26 - Employee benefit obligation	31-Mar-18	31-Mar-17	01-Apr-16
Provisions for employee benefits			
- Leave encashment	194.63	207.68	187.59
- Gratuity	44.55	42.43	33.76
	239.18	250.11	221.35

(₹ in Lacs)

Note: 27 - Other current liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Current Portion of Deferred government grant	-	484.79	633.89
Statutory liabilities (including excise duty on finished goods Nil as at 31 March 2018, ₹ 162.11 Lacs as at 31 March 2017 and ₹ 58.85 Lacs as at 1 April 2016)	5,160.95	1,949.06	1,317.20
Advances from customer	1,374.45	1,319.75	2,136.05
Deferred guarantee income	-	-	54.85
	6,535.40	3,753.60	4,141.99

(₹ in Lacs)

Note: 28 - Current tax liabilities (net)	31-Mar-18	31-Mar-17	01-Apr-16
Provision for taxation(net of advance income tax as at 31 March 2018, ₹ 7063.97 Lacs, ₹ 2131.72 Lacs as at 31 March 2017 and ₹ 2115.49 Lacs as at 1 April 2016)	725.67	657.81	122.76
	725.67	657.81	122.76

(₹ in Lacs)

Note: 29 - Revenue from operations	31-Mar-18	31-Mar-17
Sale of products		
Domestic	1,47,711.25	1,33,480.45
Export	395.66	354.23
	1,48,106.91	1,33,834.68
Other operating income		
Shortage recovery of cement & clinker	177.69	341.30
Others	90.10	141.61
Revenue from operation	1,48,374.70	1,34,317.59

(₹ in Lacs)

Note: 30 - Other income	31-Mar-18	31-Mar-17
Interest income on:		
Bank deposits	77.86	67.49
Others	67.72	60.00
Fair Value of Equity Instrument	(0.99)	(12.88)
- Amortisation of deferred income	-	54.85
- Miscellaneous income	239.96	71.20
	384.55	240.66

(₹ in Lacs)

Note: 31 - Cost of materials consumed	31-Mar-18	31-Mar-17
Inventory at the beginning of the year	799.82	1,729.64
Add: Purchases	51,634.01	40,920.05
	52,433.83	42,649.69
Less :Inventory at the end of the year	4,601.11	799.82
	47,832.72	41,849.87

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 32 - (Increase)/decrease in inventories	31-Mar-18	31-Mar-17
Work in process		
Opening stock	22.66	27.09
Closing stock	37.37	22.66
	(14.71)	4.43
Finished goods		
Opening stock	2,393.94	2,291.25
Closing stock	2,062.96	2,393.94
	330.98	(102.69)
	316.27	**(98.26)**

(₹ in Lacs)

Note: 33 - Employee benefit expenses	31-Mar-18	31-Mar-17
Salaries & wages	5,881.02	6,479.87
Contribution to provident fund and other funds	208.80	231.41
Welfare expenses	285.33	294.82
	6,375.15	**7,006.10**

(₹ in Lacs)

Note: 34 - Finance costs	31-Mar-18	31-Mar-17
Interest expense		
- On loan measured at amortised cost	4232.71	5356.64
Exchange fluctuation (gain)/loss to the extent considered as an adjustment to borrowing costs	-	53.84
Other finance costs	110.66	205.01
	4,343.37	**5,615.49**

34.1 The capitalisation rate used to determine the borrowing cost of ₹ 5.99 Lacs capitalised during the year ended 31st March, 2017 is the weighted average interest rate applicable to the entity's specified borrowings i.e 8.45%.

(₹ in Lacs)

Note: 35 - Depreciation and amortisation expenses	31-Mar-18	31-Mar-17
Deprecation on Property, Plant and Equipment	5,734.82	4,023.19
Amortisation of intangible Assets	10.72	12.31
	5,745.54	**4,035.50**
Less: Transferred to capital work in Progress	0.09	0.14
	5,745.45	**4,035.36**

35.1 Depreciation is net off increase of ₹ 367.98 Lacs for the year ended 31 March, 2018 (decrease of ₹ 633.89 Lacs for the year ended 31 March, 2017) on account of amortisation of Government Grant.

(₹ in Lacs)

Note: 36 - Other expenses	31-Mar-18	31-Mar-17
Consumption of stores & spares	543.97	506.17
Packing materials	3,898.65	3,434.14
Power & fuel	10,781.07	8,948.00
Repairs & maintenance		
- Building	117.47	110.50
- Plant & machinery	369.94	461.01
- Others	160.65	154.38
Heavy vehicle / equipment running expenses	245.62	413.88
Excise duty variation on opening/closing stock	-	139.46

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 36 - Other expenses *(Contd.)*	31-Mar-18	31-Mar-17
Travelling and conveyance	639.80	855.25
Insurance	151.65	182.07
Rent, rates & taxes	681.19	1,609.55
Research & development expenses	34.43	56.25
Charity & donation	450.37	363.59
Miscellaneous expenses [Refer Note. 47(e)]	1,752.64	1,644.85
CSR expenses [Refer Note. 47(d)]	222.97	76.17
Advertisement & publicity	2,055.61	1,717.78
Outward freight charges	24,994.98	21,268.05
Sales promotion expenses	540.68	787.87
Commission & incentives	1,390.75	1,356.33
	49,032.44	44,085.30

Note: 37 - Tax expenses

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
(a) Current tax		
Current tax on profits for the year	4,877.74	1,706.63
Total current tax expense	4,877.74	1,706.63
(b) Deferred tax		
Deferred tax	(3,171.44)	(1,100.00)
Total deferred income tax expense/(benefit)	(3,171.44)	(1,100.00)
Tax expenses	1,706.30	606.63

37.1. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
Profit before tax	22,783.95	8,609.07
Tax at the Indian tax rate of 34.608% (31 March 2017 - 34.608%)	7,885.07	2,979.43
Item not deductible / taxable under tax	(88.07)	759.73
Additional deductions under various provision of tax (net)	(6,091.68)	(3,132.53)
Impact of change in tax rate during the year	0.98	-
Tax expenses	1,706.30	606.63

37.2. The Tax Rate used for the year 2016-17 and 2017-18 reconcilation above is the Corporate tax rate of 34.608% (30%+ surcharge @12% + education cess @3%) payable on taxable profits under the Income Tax Act, 1961.

Note: 38 - Earnings per share

(a) Basic earnings per share

Particulars	31-Mar-18	31-Mar-17
Basic earnings per share attributable to the equity holders of the Company (in ₹)	5.03	1.91

(b) Diluted earnings per share

Particulars	31-Mar-18	31-Mar-17
Diluted earnings per share attributable to the equity holders of the Company (in ₹)	5.03	1.91

Notes to Standalone Financial Statements *(Contd.)*

Note: 38 - Earnings per share *(Contd.)*

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basic earnings per share	21,077.65	8,002.44
Diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	21,077.65	8,002.44

(d) Weighted average number of equity shares used as the denominator

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	41,92,28,997	41,92,13,920
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	41,92,28,997	41,92,13,920

Note : 39 - 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-18	31-Mar-17	01-Apr-16
Leave obligations not expected to be settled within the next 12 months	165.50	178.19	162.78

(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 2016	259.78	(158.18)	101.60
Current service cost	58.46	-	58.46
Interest expense/(income)	20.74	(12.65)	8.09
Total amount recognised in profit or loss	79.20	(12.65)	66.54
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	5.49	5.49
Actuarial (gain)/loss from change in financial assumptions	16.73	-	16.73
Actuarial (gain)/loss from unexpected experience	(36.14)	-	(36.14)
Total amount recognised in other comprehensive income	(19.41)	5.49	(13.92)

Notes to Standalone Financial Statements *(Contd.)*

Note : 39 - Employees benefit obligations *(Contd.)*

(₹ in Lacs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Employer contributions/ premium paid	-	(40.13)	(40.13)
Benefit paid	(14.53)	14.53	-
31 March 2017	305.04	(190.95)	114.10

(₹ 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

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Discount rate	7.75%	7.50%	8.00%
Expected return on plan asset	7.75%	7.50%	8.00%
Salary growth rate	6.00%	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%	1% to 8%
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table	IALM (2006-08) Table

(iii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	Impact on defined benefit obligation			
	31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(317.12)	378.10	(272.81)	342.62
Salary growth rate (-/+ 1%)	375.10	(317.98)	337.96	(275.81)
Withdrawal rate (-/+ 1%)	349.07	(341.09)	308.40	(302.30)

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

Notes to Standalone Financial Statements *(Contd.)*

Note : 39 - Employees benefit obligations *(Contd.)*

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 sensitivity 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 Company does not have any liberty to manage the funds provided to insurance Companies. 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 salary 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 2019 are ₹ 109.36 Lacs.

The weighted average duration of the defined benefit obligation is 4.94-6.15 years(31 March 2017: 7.91-9.48 years, 1 April 2016: 7.73-9.55 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 2018	18.00	120.23	127.49
31 March 2017	34.10	12.62	258.33
1 April 2016	32.06	17.58	210.14

Notes to Standalone Financial Statements *(Contd.)*

Note : 40 - Contingent liability & commitments

(₹ in Lacs)

Sl. No	Particulars	31-Mar-18	31-Mar-17	01-Apr-16
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	236.26	125.23
2	Claims against the Company not acknowledge as debts – excise VAT/income tax matters/royalty etc.	504.13	676.27	666.29
3	Bill of exchange discounted with banks (Refer note c)	-	-	17.22
4	Duty saved under EPCG scheme	46.65	46.65	46.65
5	Letters of credit issued by bank	58.26	106.35	162.22
6	Solvent surety furnished to excise department against differential excise duty refund	1,318.08	1,268.09	920.20

Note: Based on legal opinion / decisions in similar cases, the Management believes that the Company has a fair chance of favourable 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 2017- ₹ 127.80 Lac, 1 April 2016 - ₹ 223.19 Lacs) has been recognised 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 2017 - ₹ 793.54 Lacs, 1 April 2016 - Nil) have been recognized as revenue in the books of accounts.

(c) Para B2 of Ind AS 101 states that except as permitted, a first time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs. As a result, no impact has been taken as on 1 April 2016.

Note : 41 - Financial instruments by category

(₹ in Lacs)

Particulars	31-Mar-18			31-Mar-17			01-Apr-16		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investment in equity instruments	139.29	-	-	140.30	-	-	140.25	-	-
Security deposits	-	-	186.88	-	-	283.25	-	-	283.17
Long term deposit with bank	-	-	-	-	-	-	-	-	48.20
Trade receivables	-	-	12,710.24	-	-	12,327.42	-	-	23,005.56
Cash and cash equivalent	-	-	641.63	-	-	881.93	-	-	807.85
Balance with banks	-	-	114.88	-	-	377.18	-	-	70.66
Recoverable from related parties	-	-	35.00	-	-	35.00	-	-	35.00
	139.29	-	13,688.63	140.30	-	13,904.79	140.25	-	24,250.43
Financial liabilities									
Borrowing	-	-	42,785.65	-	-	62,183.90	-	-	57,381.66
Security deposit	-	-	8,945.72	-	-	8,706.97	-	-	7,327.41
Trade payable	-	-	15,842.97	-	-	7,414.28	-	-	14,747.34
Creditors for capital goods	-	-	16.60	-	-	1,477.97	-	-	150.79
Salary and Bonus to employees	-	-	200.93	-	-	176.72	-	-	205.99
Retention Money	-	-	173.42	-	-	240.69	-	-	300.62
Other Liabilities	-	-	9,222.56	-	-	9,382.36	-	-	8,406.29
	-	-	77,187.84	-	-	89,582.89	-	-	88,520.10

Notes to Standalone Financial Statements *(Contd.)*

Note : 41 - Financial instruments by category *(Contd.)*

(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-18			31-Mar-17			01-Apr-16		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets									
Investment in equity instruments	3.16	-	136.13	4.21	-	136.09	4.31	-	135.94
Total financial assets	**3.16**	**-**	**136.13**	**4.21**	**-**	**136.09**	**4.31**	**-**	**135.94**

(iv) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	31-Mar-18		31-Mar-17		01-Apr-16	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Security Deposits and margin money	142.81	142.81	137.94	137.94	173.41	173.41
Total financial assets	**142.81**	**142.81**	**137.94**	**137.94**	**173.41**	**173.41**
Financial liabilities						
Borrowings	178.48	181.43	226.61	230.55	127.69	130.65
Security deposits	8,706.97	8,706.97	8,706.97	8,706.97	7,327.41	7,327.41
Total financial liabilities	**8,885.45**	**8,888.40**	**8,933.58**	**8,937.52**	**7,455.10**	**7,458.06**

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.

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.

Notes to Standalone Financial Statements *(Contd.)*

Note : 42 - 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-18	31-Mar-17
(i) Equity shares		
Final dividend for the year ended 31 March 2017 of Nil (1st April 2016 – Nil) per fully paid share	-	-
(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	-

Note : 43 - 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.	Aging 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 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

Notes to Standalone Financial Statements *(Contd.)*

Note : 43 - Financial risk management *(Contd.)*

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, 2018	7,921.04	3,573.33	725.48	555.80	(65.42)	12,710.24
As on 31 March, 2017	8,257.63	2,897.37	814.20	403.75	(45.52)	12,327.42
As on 1 April, 2016	13,507.29	8,042.99	1,129.15	388.19	(62.06)	23,005.56

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 only with approved counterparties in accordance with the Company'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 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 at 31 March 2018, 31 March 2017 and 1 April 2016 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 Company maintains sufficient cash and liquid investments available to meet its obligation.

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-18	31-Mar-17	01-Apr-16
- Expiring within one year (bank overdraft and other facilities)	11,861.35	8,691.75	7,296.37
	11,861.35	8,691.75	7,296.37

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.

(Contd.)

Note : 43 - Financial risk management *(Contd.)*

(₹ 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	-	42,819.21
Interest on borrowing	2,603.58	4,062.08	50.96	-	6,716.61
Trade payables	15,842.97	-	-	-	15,842.97
Other payables	9612.24	-	-	-	9612.24
Total financial liabilities	**42,701.05**	**31,290.99**	**998.98**	**-**	**74,991.03**

(₹ in Lacs)

Contractual maturities of financial liabilities - 31 March, 2017*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	25,654.97	11,028.65	25,539.84	-	62,223.47
Interest on borrowing	4,048.05	5,969.41	2,281.19	-	12,298.64
Trade payables	7,414.28	-	-	-	7,414.28
Other payables	11,277.64	-	-	-	11,277.64
Total financial liabilities	**48,394.94**	**16,998.06**	**27,821.03**	**-**	**93,214.03**

(₹ in Lacs)

Contractual maturities of financial liabilities - 1 April, 2016*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	29,017.49	8,841.41	19,546.13	-	57,405.03
Interest on borrowing	3,618.11	5,054.36	3,758.42	-	12,430.90
Trade payables	14,747.34	-	-	-	14,747.34
Other payables	9,062.77	-	-	-	9,062.77
Total financial liabilities	**56,445.71**	**13,895.77**	**23,304.55**	**-**	**93,646.03**

*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 international customers 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.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:-

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Financial assets	-	-	-
Financial liabilities	401.26	1,255.86	5,115.79
Net exposure to foreign currency risk	**(401.26)**	**(1,255.86)**	**(5,115.79)**

Notes to Standalone Financial Statements *(Contd.)*

Note : 43 - Financial risk management *(Contd.)*

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lacs)

Particulars	Impact on profit before tax	
	31-Mar-18	31-Mar-17
USD sensitivity		
INR appreciates by 10% (2017: 10%)*	40.13	125.59
INR depreciates by 10% (2017: 10%)*	(40.13)	(125.59)

*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 2018, 31 March 2017 and 1 April 2016, 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-18	31-Mar-17	01-Apr-16
Variable rate borrowings	40,640.73	50,708.02	50,405.03
Fixed rate borrowings	2,178.48	11,515.45	7,000.00
Total borrowings	**42,819.21**	**62,223.47**	**57,405.03**

(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-18	31-Mar-17
Interest expense rates – increase by 50 basis points (2017: 50 bps)*	(203.20)	(253.54)
Interest expense rates – decrease by 50 basis points (2017: 50 bps)*	203.20	253.54

*Holding all other variables constant

(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.

Notes to Standalone Financial Statements *(Contd.)*

Note : 43 - Financial risk management *(Contd.)*

Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Company's equity.

(₹ in Lacs)

Particulars	Impact on profit before tax	
	31-Mar-18	31-Mar-17
Increase by 5% (2017: 5%)*	8.34	7.69
Decrease by 5% (2017: 5%)*	(8.34)	(7.69)

*Holding all other variables constant

Note : 44 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Current			
Financial assets			
First charge			
Trade receivables	12,710.24	12,327.42	23,005.56
Inventory	12,226.59	6,203.17	8,506.31
Cash & cash equivalents	641.63	881.93	807.85
Bank balances	114.88	377.18	70.66
Other financial assets	79.07	180.32	192.95
Other current assets	72,370.57	67,641.19	50,222.20
Total current assets	98,142.98	87,611.22	82,805.52
Non-Current			
First charge			
Property, plant and equipment	30,009.38	33,175.20	30,416.55
Total non-currents assets	30,009.38	33,175.20	30,416.55
Total assets pledged as security	1,28,152.36	1,20,786.42	1,13,222.07

Note : 45 - Scheme of Amalgamation

(a) Pursuant to the Scheme of Amalgamation ("The Scheme") between Star Ferro and Cement Limited (SFCL) and the Company as approved by the National Company Law Tribunal, Guwahati Bench at Guwahati vide its order dated 7th February, 2017, all the assets and liabilities of SFCL have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from 1st April, 2016 being the appointed date. The said order of the National Company Law Tribunal has been filed with the Registrar of Companies on 22nd February, 2017, the effective date of the scheme and accordingly, the Scheme of Amalgamation has been given effect to in these accounts. The said amalgamation has been accounted for under the "Pooling of Interest Method" as prescribed under the order.

(b) Details of Assets and Liabilities along with value of each of the assets and liabilities being transferred under the Scheme of Amalgamation are as under:

(₹ in Lacs)

Particulars	Amount
ASSETS	
Non-Current Assets	
Deferred Tax Asset (Net)	44.56
Current Assets	
Cash and Cash equivalents	72.02
Short Term Loans and Advances	4.10
Total Assets	120.68
Total Liabilities	
Non-Current liabilities	
Long Term Provisions	10.50

Notes to Standalone Financial Statements *(Contd.)*

Note : 45 - Scheme of Amalgamation *(Contd.)*

(₹ in Lacs)

Particulars	Amount
Current liabilities	
Other Current Liabilities	7.88
Short Term Provisions	0.43
Total Liabilities	18.81

(c) Pursuant to the Scheme, the difference between book value of assets and liabilities transferred from the SFCL being ₹ 101.87 Lacs, has been credited to Shareholders' Fund of the Company as under:

(₹ in Lacs)

Particulars	Amount
Share Capital - Pending Allotment	0.15
Capital Reserve	643.53
General Reserve	(632.17)
Surplus As Per Profit and Loss	90.36
	101.87

(i) Pursuant to the said Scheme of Amalgamation, the Company is to issue 29,54,90,077 no of Equity Shares in the ratio of 1.33 Equity Shares of face value of each ₹ 1/- to the shareholders of SFCL in lieu of 1 (one) Equity Share of face value of each ₹ 1/- held by them in SFCL as fully paid – up. Upon such allotment of shares, 29,54,75,000 no. of Equity Shares held by SFCL shall stand cancelled.

(ii) Consequent to the allotment of new shares as per the Scheme of Amalgamation, Current share capital of the Company will increase by ₹ 0.15 Lac.

Note : 46 - Related party disclosures

A.	Names of the related parties where control exists	Nature of relationship
	Star Ferro and Cement Limited(SFCL)	Holding Company (upto 31.03.16)
	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 (w.e.f 20.06.16)
B	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 Limited (PCWL)	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 13.11.2017
	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 *(Contd.)*

Details of transactions between the Company and related parties and the status of outstanding balance as at 31 March 2018, 31 March 2017 and 1 April 2016.

(₹ in Lacs)

Types of Transactions	Subsidiaries			Enterprises influenced by KMP			Key Management Personnel and their relatives		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
1. Purchase Transactions									
SCFL	-	-	-	48.50	42.93	-	-	-	-
MPL	4,027.29	3,555.38	-	-	-	-	-	-	-
SCML	40,236.23	27,625.06	-	-	-	-	-	-	-
2. Sale Transactions									
MTEPL	4.94	20.21	-	-	-	-	-	-	-
SCML	86.82	70.96	-	-	-	-	-	-	-
MPL	9.24	9.14	-	-	-	-	-	-	-
CPIL	-	-	-	21.36	2.63	-	-	-	-
3. Services Rendered									
MTEPL	0.77	6.57	-	-	-	-	-	-	-
4. Service Received									
SCML	82.54	63.01	-	-	-	-	-	-	-
5. Loan Taken									
MTEPL	425.00	200.00	-	-	-	-	-	-	-
Mr. Sanjay Agarwal	-	-	-	-	-	-	-	2,500.00	-
Mr. Sajjan Bhajanka	-	-	-	-	-	-	-	1,700.00	-
6. Loan & advances Given									
SCGCPL	-	3.50	-	-	-	-	-	-	-
7. Loan & advances repaid									
MTEPL	490.00	1,150.00	-	-	-	-	-	-	-
Mr. Prem Kumar Bhajanka	-	-	-	-	-	-	-	150.00	-
8. Interest Paid									
MTEPL	1,034.53	1,308.05	-	-	-	-	-	-	-
Mr. Prem Kumar Bhajanka	-	-	-	-	-	-	172.80	202.87	-
Mr. Sajjan Bhajanka	-	-	-	-	-	-	139.91	42.56	-
Mr.Sanjay Agarwal	-	-	-	-	-	-	205.75	59.42	-
9. Remuneration Paid									
Mr. Sajjan Bhajanka	-	-	-	-	-	-	60.00	60.00	-
Mr.Rajendra Chamaria	-	-	-	-	-	-	66.00	66.00	-
Mr.Sanjay Agarwal	-	-	-	-	-	-	60.00	60.00	-
Mr. Sanjay Kumar Gupta	-	-	-	-	-	-	114.90	91.98	-
Mr.Rahul Chamaria	-	-	-	-	-	-	30.00	30.00	-
Mr. Sachin Chamaria	-	-	-	-	-	-	30.00	26.50	-
Mr. Dilip Kumar Agarwal	-	-	-	-	-	-	46.41	52.96	-
Mr. Manoj Agarwal	-	-	-	-	-	-	42.83	48.31	-
Mr. Debabrata Thakurta	-	-	-	-	-	-	13.34	-	-
10. Investment made									
SCGCPL	-	20.03	-	-	-	-	-	-	-

Notes to Standalone Financial Statements *(Contd.)*

(₹ in Lacs)

Types of Transactions	Subsidiaries			Enterprises influenced by KMP			Key Management Personnel and their relatives		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
11. Balance Outstanding									
(a) Creditors									
MPL	453.63	325.85	344.16	-	-	-	-	-	-
SCML	6933.21	746.06	1,537.99	-	-	-	-	-	-
(b) Debtors									
MPL	-	-	1.98	-	-	-	-	-	-
(c) Advance :(Given)									
PCWL	-	-	-	35.00	35.00	35.00	-	-	-
SCGCPL	3.50	3.50	-	-	-	-	-	-	-
(d) Loans :(Taken)									
MTEPL	13,860.75	13,400.00	13,208.00	-	-	-	-	-	-
Mr. Prem Kumar Bhajanka	-	-	-	-	-	-	2,255.52	2,232.58	2,256.66
Mr. Sanjay Agarwal	-	-	-	-	-	-	2,685.18	2,553.48	-
Mr. Sajjan Bhajanka	-	-	-	-	-	-	1,825.91	1,738.30	-
(e) Guarantees Obtained									
Mr. Sajjan Bhajanka	-	-	-	-	-	-	29,976.27	40,772.40	41,206.92
Mr. Rajendra Chamaria	-	-	-	-	-	-	28,101.26	31,335.61	36,206.92
Mr. Sanjay Agarwal	-	-	-	-	-	-	29,976.27	33,773.12	39,206.92
Mr. Prem Kumar Bhajanka	-	-	-	-	-	-	28,101.26	31,335.61	36,206.92
(f) Guarantees Provided									
MTEPL	-	-	1,800.00	-	-	-	-	-	-
SCML	-	-	8,654.77	-	-	-	-	-	-
(g) Investments:									
MTEPL	2,734.64	2,734.64	2,734.64	-	-	-	-	-	-
SCML	17,414,67	17,414,67	17,414.67	-	-	-	-	-	-
MPL	3,568.31	3,568.31	3,568.31	-	-	-	-	-	-
NE Hills Hydro	7.00	7.00	7.00	-	-	-	-	-	-
SCGCPL	20.03	20.03	-	-	-	-	-	-	-

(c) Key management personnel compensation

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
Short-term employee benefits	403.48	379.25
Post-employment benefits *	-	-
Long-term employee benefits*	-	-
Total compensation	**403.48**	**379.25**

*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.

Notes to Standalone Financial Statements *(Contd.)*

Note : 47 - 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-18	31-Mar-17	01-Apr-16
(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.	0.01	0.01	0.01
(ii) Amount paid to the suppliers beyond the respective appointed date.	0.16	0.27	0.58
(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, 2018 is ₹ 80.40 Lac (31 March 2017: ₹ 109.31 Lacs, 1 April 2016 ₹ 120.38 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-18	31-Mar-17
(i)	India	1,47,979.04	1,33,963.36
(ii)	Nepal	295.18	304.58
(iii)	Bhutan	100.48	49.65
	Total	1,48,374.70	1,34,317.59

(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 ₹ 124.48 Lacs, (31 March, 2017 ₹ 57.04 Lacs)

Notes to Standalone Financial Statements *(Contd.)*

Note : 47 - Other notes *(Contd.)*

Amount spent during the year on:

(₹ in Lacs)

Particulars	2017-18	2016-2017
Education	140.86	33.27
Preventive healthcare and Sanitation	21.30	17.49
Flood Relief	22.41	-
Rural Development Programs	38.40	25.41
	222.97	76.17

(e) Payment to Auditor

(₹ in Lacs)

Particulars	2017-18	2016-2017
As Auditor		
- Statutory Audit Fees	9.00	9.00
- Tax Audit Fees	-	2.00
In Other Capacity		
Certification Fees and other services.	3.60	2.68
Total	12.60	13.68

Note : 48 - First-time adoption of Ind AS

I - Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1, have been applied in preparing the financial statements from the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set below are the applicable Ind AS optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except whether the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/arrangements.

Notes to Standalone Financial Statements *(Contd.)*

Note : 48 - First-time adoption of Ind AS *(Contd.)*

A.1.3 Investments in subsidiaries

In financial statements, a first-time adopter that subsequently measures an investment in a subsidiary at cost, may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its opening Ind AS balance sheet. Selection of fair value or previous GAAP carrying amount for determining deemed cost can be done for each subsidiary

Accordingly, the Company has elected to measure all of its investment in subsidiary at their previous GAAP carrying value.

A.1.4 Long Term Foreign Currency Monetary Items

Ind AS 101 allows that a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

Accordingly, the Company has elected to continue the following policy adopted by it under the previous GAAP for accounting for exchange differences arising from translation of aforesaid long-term foreign currency monetary items.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

The Company estimates in accordance with Ind ASs at the date of transition shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exits at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 109 requires entity to derecognize a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset as and the transfer qualifies for derecognition. Para B2 of Ind AS 101 states that except as permitted, a first time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition.

As a result, trade receivables increased by ₹ 653.84 Lacs as at 31 March 2017 with a corresponding impact on current borrowings. Accordingly, the said adjustment has no impact on either equity and profit or loss for the year ended 31 March 2017.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.4 Cash flow Statements

The transition from Indian GAAP to Ind AS has no material impact on the Cash flow Statement.

Notes to Standalone Financial Statements *(Contd.)*

Note : 48 - First-time adoption of Ind AS *(Contd.)*

II - Reconciliation

Reconciliation of equity as at 31 March 2017

(₹ in Lacs)

Particulars	Note	Amount
Total equity (shareholder's fund) as per previous GAAP		64,609.01
Adjustments:		
Fair value of equity instrument	1	(12.88)
Amortisation of deferred guarantee income	2	54.85
Interest expense recognised as per effective interest rate	3	(1.04)
Transaction cost on borrowing recognised as per EIR approach	3	32.52
Government grant	4	(2,748.99)
Amortisation of government grant	4	633.89
Deferred tax asset/(liability) on adjustments	7	209.10
Total adjustments		(1,832.54)
Total Equity as per Ind AS		62,776.46

Reconciliation of equity as at 1 April 2016

(₹ in Lacs)

Particulars	Note	Amount
Total equity (shareholder's fund) as per previous GAAP		57,198.69
Fair valuation of investment	1	(13.56)
Transaction cost on borrowing recognised as per EIR approach	3	23.37
Fair valuation of guarantee income	2	(54.85)
Government grant	4	(2,748.99)
Amalgamation adjustment	5	101.87
Deferred tax asset/(liability) on adjustments	7	258.39
Total adjustments		(2,433.77)
Total Equity as per Ind AS		54,764.92

Reconciliation of total comprehensive income as at 31 March 2017

(₹ in Lacs)

Particulars	Note	Amount
Profit as per previous GAAP		7,308.45
Fair value of equity instrument	1	(12.88)
Amortisation of deferred guarantee income	2	54.85
Interest expense recognised as per effective interest rate	3	(1.04)
Transaction cost on borrowing recognised as per EIR approach	3	17.23
Amortisation of government grant	4	633.89
Remeasurement of post employee benefit obligations	6	(13.92)
Tax effect on adjustments	7	15.86
Profit after tax as per Ind AS		8,002.44
Other comprehensive (net of tax)		9.10
Total comprehensive income as per Ind AS		8,011.54

Notes to Standalone Financial Statements *(Contd.)*

Note : 48 - First-time adoption of Ind AS *(Contd.)*

C. Notes to first-time adoption:

Note 1 : Investments in equity shares

The Company holds investment in equity shares of entities other than in subsidiaries, associate and joint venture. Under previous GAAP such investments were measured at cost.

As per Ind AS 109, these investments has been measured at fair value. The Company has categorised these investments as fair value through profit or loss (FVTPL) and any changes in fair value of those investment has been recognised in profit or loss.

Note 2 : Financial Gurantee Contract

The Company has given guarantee on behalf of its subsidiary. As per Ind AS 109, the Company has recognised a guarantee fee income for giving guarantee on behalf of subsidiary for loans taken by subsidiaries.

Note 3 : Borrowings at effective interest rate

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Hence the Company has measured its borrowing as per the above requirement of Ind AS 109 by adjusting the transaction cost with borrowing and interest expense has been recognised as per effective interest rate.

Note 4 : Government grant

As per Ind AS 20, government grants related to assets, shall be presented in the Balance Sheet by setting up the grant as deferred income. Hence the Company has accounted the government grant received towards assets as per the requirement of Ind AS 20 by creating a deferred government grant. In subsequent year this deferred government grant has been amortised over the useful life of the assets.

Note 5 : Amalgamation adjustment

As mentioned in note 45, pursuant to the Scheme of Amalgamation ("The Scheme") between Star Ferro and Cement Limited (SFCL) and the Company as approved by the National Company Law Tribunal, Guwahati Bench at Guwahati vide its order dated 7th February, 2017, all the assets and liabilities of SFCL have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from 1st April, 2016 being the appointed date.

Note 6 : Employee benefit obligation

In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the profit or loss under the previous GAAP.

Notes to Standalone Financial Statements *(Contd.)*

Note : 48 - First-time adoption of Ind AS *(Contd.)*

Note 7 : Deferred tax

The various transitional adjustments lead to different temporary differences. According to the accounting policies in Note 1, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 8 : Bill Discounting

Ind AS 109 requires entity to derecognize a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset as and the transfer qualifies for derecognition. Para B2 of Ind AS 101 states that except as permitted, a first time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs.

Note 9 : Retained earnings

Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 10 : Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

49. Previous year's figures have been regrouped and/or rearranged wherever necessary, to confirm to current year Classification.

50. The financial statements are approved by the audit committee at its meeting held on 17th May, 2018 and by the Board of Directors on the same date.

As per our report of the even date

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

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Independent Auditors' Report

To
The Members of
STAR CEMENT LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Star Cement Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015, as amended, and other accounting principles generally accepted in India.

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 the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements that give a true and fair view andare free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements,whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness ofthe accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements and other financial information in respect of two subsidiaries (NE Hills Hydro Ltd. & Star Century Global Cement Pvt. Ltd.) whose Ind AS financial statement reflect total assets of ₹ 36.75 Lakhs as at March 31, 2018, total revenues of Nil, total net loss of ₹ 0.34 lakhs and total Comprehensive loss of ₹ 0.21 lakhs for the year ended on that date as considered in the consolidated Ind AS financial statements. The above financial information are before giving effect to any consolidation adjustments. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

One of the subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditor under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of this subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor Kailash B. Goel & Co. whose report for the year ended March 31, 2017 and March 31, 2016 dated May 30, 2017 and May 2, 2016 respectively expressed an unmodified opinion on those Consolidated Financial Statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by us.

Our report is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statement and the other financial information of subsidiaries,as noted in the 'Other Matters' paragraph, we report that:

   (a) We/The other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements,

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (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 Cash Flows Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

   (e) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India,, refer to our separate Report in "Annexure A"; and

   (f) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

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

      i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer note 44(i) to the consolidated Ind AS financial statements.

      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

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

Niraj K Jhunjhunwala
Partner
Membership No. 057170

Place : Kolkata
Date : 17 May, 2018

Annexure "A" to the Independent Auditors' Report

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 March 31, 2018, 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 subsidiary companies, which are companies 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 ("the 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, 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 .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 auditors' judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies 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 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 unauthorised 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies 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 March 31, 2018, 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.

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 : 17 May, 2018

Consolidated Balance Sheet as at March 31, 2018

(₹ in Lacs)

	Note No.	31-Mar-18	31-Mar-17	01-Apr-16
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	78,452.76	86,307.17	91,897.57
(b) Capital work-in-progress		3,573.89	5,486.52	4,897.05
(c) Intangible assets	3.1	20.74	15.69	15.99
(d) Financial assets				
(i) Investments	4	144.13	145.01	144.87
(ii) Loans	5	147.81	144.53	135.33
(iii) Other financial assets	6	28.43	28.14	54.86
(e) Deferred tax assets (net)	7	23,291.94	17,649.89	14,921.46
(f) Non-current tax assets (net)	8	559.25	267.31	293.90
(g) Other non-current assets	9	4,726.61	5,447.81	5,284.47
Total non-current assets		1,10,945.56	1,15,492.07	1,17,645.50
Current assets				
(a) Inventories	10	29,460.34	16,122.45	20,916.41
(b) Financial assets				
(i) Trade receivables	11	14,646.94	13,777.85	25,250.03
(ii) Cash and cash equivalents	12	1,863.61	1,628.21	2,377.45
(iii) Bank balances (other than (ii) above)	13	114.88	379.77	70.66
(iv) Loans	14	553.48	490.07	552.50
(v) Other financial assets	15	35.00	35.00	35.00
(c) Other current assets	16	92,951.18	1,00,098.00	79,596.21
Total current assets		1,39,625.43	1,32,531.35	1,28,798.26
Total assets		2,50,570.99	2,48,023.42	2,46,443.76
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	17	4,192.29	4,192.14	4,192.14
(b) Other equity	18	1,43,442.85	1,10,404.81	90,926.52
Equity attributable to owners of Star Cement Limited		1,47,635.14	1,14,596.95	95,118.66
Non controlling interest		6,211.35	5,659.78	5,043.03
Total equity		1,53,846.49	1,20,256.73	1,00,161.69
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	19,879.77	37,153.13	38,168.15
(ii) Other financial liabilities	20	9,007.80	9,649.24	8,919.20
(b) Employee benefit obligations	21	201.73	127.95	111.49
(c) Other non current liabilities	22	1,805.95	7,255.96	9,052.58
Total non-current liabilities		30,895.25	54,186.28	56,251.42
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	23	13,291.89	30,065.17	36,474.61
(ii) Trade payables		18,894.41	9,377.93	14,038.73
(iii) Other financial liabilities	24	22,484.38	26,084.89	31,868.64
(b) Employee benefit obligation	25	334.01	366.99	315.27
(c) Other current liabilities	26	9,776.57	6,669.25	6,956.32
(d) Current tax liabilities (net)	27	1,047.99	1,016.18	377.08
Total current liabilities		65,829.25	73,580.41	90,030.65
Total liabilities		96,724.50	1,27,766.69	1,46,282.07
Total equity and liabilities		2,50,570.99	2,48,023.42	2,46,443.76
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 D. K. Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Lacs)

	Note No.	31-Mar-18	31-Mar-17
INCOME			
Revenue from operations	28	1,62,910.69	1,55,183.94
Other income	29	438.52	243.67
Total income		**1,63,349.21**	**1,55,427.61**
EXPENSES			
Cost of materials consumed	30	21,244.97	25,097.05
Purchase of traded goods		4,968.74	10,141.83
(Increase)/decrease in inventories	31	756.85	(1,209.36)
Excise duty		1,457.76	2,403.71
Employee benefit expenses	32	10,735.89	11,861.41
Finance costs	33	5,245.73	7,806.14
Depreciation and amortisation expenses	34	12,068.65	11,791.15
Other expenses	35	71,611.26	66,055.98
Total expenses		**1,28,089.85**	**1,33,947.91**
Profit before tax		**35,259.36**	**21,479.70**
Tax expenses			
- Current tax	36	(7,326.93)	(4,177.11)
- Deferred tax		5,685.62	2,787.28
Total tax expense		**(1,641.31)**	**(1,389.83)**
Profit for the year		**33,618.05**	**20,089.87**
Share of non controlling interest		552.43	617.52
Profit for the year (after non controlling interest)		**33,065.62**	**19,472.35**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	37	(43.02)	7.87
Changes in fair value of FVOCI equity instruments		0.12	0.10
Deferred tax relating to these items		14.61	(2.81)
Other comprehensive income for the year, net of tax		**(28.29)**	**5.16**
Share of non controlling interest		(0.86)	(0.77)
Other comprehensive income for the year, net of tax (after non controlling interest)		**(27.43)**	**5.93**
Share of non controlling interest		551.56	616.75
Total comprehensive income for the year		**33,589.76**	**20,095.03**
Total comprehensive income for the year (after non controlling interest)		**33,038.20**	**19,478.28**
Earnings Per equity share (face value of ₹1 each)	38		
Basic earning per share (in ₹)		7.89	4.64
Diluted earning per share (in ₹)		7.89	4.64
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 D. K. Chhajer & Co.
Chartered Accountants
Firm Registration No.: 304138E

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Consolidated Cash Flow Statement for the year ended 31 March 2018

(₹ in Lacs)

		31-Mar-18	31-Mar-17
A	Cash flow from operating activities		
	Net Profit/(Loss) before Tax	35,259.36	21,479.70
	Adjustments for :		
	Depreciation and amortisation (Ref note 34)	12,068.65	11,791.15
	(Profit)/ Loss on Sale of Property, Plant & Equipment	(12.31)	(39.56)
	Interest Income (Ref note 29)	(438.52)	(243.67)
	Finance Costs (Ref note 33)	5,245.73	7,806.14
	Income TAx /Mat Credit Entitlement for Earlier year	-	(753.03)
	Others	0.75	0.39
	Allowance for Bad and Doubtful Debts (Net of adjustments)	31.73	-
	Operating Profit before working Capital changes	52,155.39	40,041.12
	Adjustments for :		
	(Increase)/Decrease in Trade receivables	(900.82)	11,472.18
	(Increase)/Decrease in Inventories	(13,337.88)	4,793.96
	(Increase)/Decrease in Loans	(5,716.67)	82.07
	(Increase)/Decrease in Other assets	8,940.92	(20,573.28)
	Increase /(Decrease) in trade and other payables	(1,456.04)	(3,310.01)
	Increase /(Decrease) in Other Liabilities and Provisions	9,016.96	318.74
	Cash Generated from Operations	48,701.86	32,824.78
	Income Tax Paid	(6,640.00)	(2,820.00)
	Net Cashflow from Operating Activities	42,061.86	30,004.78
B	Cash flow from Investing Activities		
	Investment in Unquoted Equity Instruments	-	(12.93)
	(Purchase)/sale of Property, Plant & Equipment (including WIP)	(3,238.19)	(8,901.67)
	Fixed Deposits/Margin Money Given/(Repaid)	264.58	(282.39)
	Interest Received	439.52	256.55
	Net Cash used in Investing Activities	(2,534.09)	(8,940.44)
C	Cash Flow from Financing Activities		
	Interest paid	(5,222.27)	(7,797.39)
	Proceeds from /(Repayment of) Long Term Borrowings / Liabilities	(17,296.82)	(7,606.74)
	Proceeds from /(Repayment of) Short Term Borrowings	(16,773.28)	(6,409.44)
	Net Cash used in Financing Activities	(39,292.37)	(21,813.57)
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	235.40	(749.23)
	Cash and Cash Equivalents (Ref note 12)		
	Opening Balance	1,628.21	2,377.45
	Closing Balance	1,863.61	1,628.21

Note:
Significant non-cash movement in borrowings during the year include new finance leases of ₹ 532.79 Lacs.
The accompanying notes are an integral part of the financial statements.

As per our report of the even date

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

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

A. Equity share capital

(₹ in Lacs)

Particulars	Amount
As at 1 April, 2016	4,192.14
Changes in equity share capital	-
As at 31 March, 2017	4,192.14
Changes in equity share capital	0.15
As at 31 March, 2018	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, 2016	0.15	655.17	3,187.83	87,077.81	5.57	90,926.53	5,043.03	95,969.56
Profit for the year (a)	-	-	-	19,472.35	-	19,472.35	617.52	20,089.87
Other comprehensive income /(loss) (net of tax) (b)	-	-	-	5.83	0.10	5.93	(0.77)	5.16
Total comprehensive income for the year (a + b)	-	-	-	19,478.18	0.10	19,478.28	616.75	20,095.03
Balance as at 31 March, 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

(₹ 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 31 March, 2018	-	655.17	3,187.83	1,39,594.06	5.79	1,43,442.85	6,211.35	1,49,654.20

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

As per our report of the even date

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

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

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Chairman & Managing Director
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Notes to Consolidated Financial Statements

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 other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the Group under Ind AS. Refer note 46 for an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

The accounting policies are consistently followed by the Group and changes in accounting policy are separately disclosed.

Notes to Consolidated Financial Statements *(Contd.)*

(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 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.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the policy of accounting of exchange differences arising on reporting of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of first Ind AS financial reporting period i.e. April, 2017 in keeping with the previous GAAP, as set out below:

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.

Transition to Ind AS

Notes to Consolidated Financial Statements *(Contd.)*

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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.

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.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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

Notes to Consolidated Financial Statements *(Contd.)*

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 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.

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

Notes to Consolidated Financial Statements *(Contd.)*

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.

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

Notes to Consolidated Financial Statements *(Contd.)*

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.

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

Notes to Consolidated Financial Statements *(Contd.)*

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 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales are recognised when substantial risk and rewards of ownership are transferred to customer. Generally, sales take place when goods are dispatched or delivery is handed over to transporter.

Interest income is recognized 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.

(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

Notes to Consolidated Financial Statements *(Contd.)*

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

(i) Ind AS 115:- Revenue from contracts with customers

The Group is in the process of assessing the detailed impact of Ind AS 115. Presently, the Group is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Group's revenue recognition for product sales. Consistent with the current practice, recognition of revenue will continue to occur at a point in time when products are dispatched to customers, which is also when the control of the asset is transferred to the customer under Ind AS 115.

The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

(ii) Ind AS 21:- Foreign currency transactions and advance consideration

Management has assessed the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance. The Group expects this change to impact its accounting for revenue contracts involving advance payments in foreign currency.

The Group intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

Notes to Consolidated Financial Statements *(Contd.)*

3. Property, plant and equipment

(₹ in Lacs)

Particulars	Land & Site Development	Factory Building	Non Factory Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross Carrying Value										
At 1 April, 2016 (Deemed cost)	7,043.34	13,464.90	4,958.59	64,093.36	311.88	93.09	130.54	1,508.21	293.68	91,897.59
Addition	1,668.05	503.00	506.13	5,555.97	56.54	32.69	62.93	346.53	40.20	8,772.05
Disposals/deductions/ adjustment	-	31.38	1.91	191.34	0.01	5.89	3.23	32.00	-	265.77
At 31 March, 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
Addition	329.89	134.34	707.84	3,057.21	37.44	24.36	27.16	882.39	17.29	5,217.92
Disposals/deductions/ adjustment Disposals	-	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
Accumulated Deprecation										
At 1 April, 2016	-	-	-	-	-	-	-	-	-	-
charge for the year	-	1,281.14	809.98	11,204.93	83.99	43.06	84.89	509.56	88.94	14,106.50
Disposals/deductions/ adjustment	-	-	-	2.68	-	1.16	1.74	4.23	-	9.81
At 31 March, 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/ adjustment	-	-	-	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
Net Carrying Value										
At 1 April, 2016	7,043.34	13,464.90	4,958.59	64,093.36	311.88	93.09	130.54	1,508.21	293.68	91,897.57
At 31 March, 2017	8,711.39	12,655.38	4,652.83	58,255.73	284.42	77.99	107.09	1,317.40	244.94	86,307.17
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

3.1 Intangible assests

(₹ in Lacs)

Particulars	Intangible Assets
Gross Carrying Value	
At 1 April, 2016 (Deemed cost)	15.99
Addition	13.87
Disposals/deductions/adjustment	-
At 31 March, 2017	29.86
Addition	17.91
Disposals/deductions/adjustment	-
At 31 March, 2018	47.77
Accumulated Amortisation	
At 1 April, 2016	-
charge for the year	14.17
Disposals/deductions/adjustment	-
At 31 March, 2017	14.17
charge for the year	12.85
Disposals/deductions/adjustment	-
At 31 March, 2018	27.02
Net Carrying Value	
At 1 April, 2016	15.99
At 31 March, 2017	15.69
At 31 March, 2018	20.74

a. During the year Company has sold/ discarded of Property, plant & equipment amounting to ₹ 80.88 Lacs (31 March 2017 - ₹ 100.45 Lacs)

b. During the year ending 31 March 2018 foreign exchange gain/(loss) of ₹ (25.69) Lacs (31 March 2017 - ₹ (178.44 Lacs) is adjusted to Property, Plant & Equipment in accordance with para 46A of AS-11 since the Company has applied the exemption under Ind AS 101 as per which it opted to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements.

c. For Property, plant and equipment and intangible assets existing as on 1 April 2016, i.e. date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost (refer note 47 (A.1.1) Ind AS Exemption applied.

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 4 - Investment	31-Mar-18	31-Mar-17	01-Apr-16
Investment at FVTPL			
Unquoted Equity Instruments			
Ribhoi Engineering Company Private Limited			
27,000 (27,000 as at 31 March 2017, 27,000 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up	8.50	8.37	8.28
Adonis Vyapaar Pvt. Ltd.	32.42	32.41	29.29
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Apanapan Viniyog Pvt. Ltd.	33.03	34.03	29.90
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Ara Suppliers Pvt Ltd	33.98	32.97	43.19
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Arham Sales Pvt. Ltd.	33.04	33.02	29.90
3,55,509 (3,55,509 as at 31 March 2017, 3,23,190 as at 1 April 2016) Equity Share of ₹ 10 each fully paid up			
Quoted Equity Instruments			
Reliance Power Limited	3.16	4.21	4.31
8,743 (8,743 as at 31 March 2017, 8,743 as at 1 April 2016) Equity Shares of ₹ 10/- each fully paid up			
	144.13	145.01	144.87
Aggregate Market value of Quoted investment	3.16	4.21	4.31
Aggregate amount of Unquoted investments	140.97	140.80	140.56
	144.13	145.01	144.87

(₹ in Lacs)

Note: 5 Loans	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
Security deposits	147.81	144.53	135.33
	147.81	144.53	135.33

(₹ in Lacs)

Note: 6 Other financial assets	31-Mar-18	31-Mar-17	01-Apr-16
Balance with banks held as margin money deposits with original maturity of more than 12 months	28.43	28.14	54.86
	28.43	28.14	54.86

6.1 The bank balance disclosed above represents margin money against bank guarantee.

(₹ in Lacs)

Note: 7 - Deferred tax assets (net)	31-Mar-18	31-Mar-17	01-Apr-16
Deferred tax liabilities			
- Borrowings	15.47	24.18	27.21
- Property, plant and equipment	951.24	1,345.70	955.50
Gross deferred tax liabilities	966.71	1,369.88	982.71
Deferred tax assets			
- MAT credit entitlement	23,780.22	18,711.95	15,512.24
- Gratuity & leave encashment	97.26	20.53	23.70
- Adjustments on Consolidation	371.52	281.68	312.64
- Trade receivable	9.65	5.61	11.03

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 7 - Deferred tax assets (net) *(Contd.)*	31-Mar-18	31-Mar-17	01-Apr-16
- Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowable for tax purposes upon payments	-	-	3.37
- Business loss carried forward	-	-	41.19
Gross deferred tax assets	24,258.65	19,019.77	15,904.17
Deferred tax assets (net)	**23,291.94**	**17,649.89**	**14,921.46**

7.1 Deferred Tax Assets of ₹ 44.56 Lacs transferred to the company pursuant to the Scheme of Amalgamation (Ref note 39)

(₹ in Lacs)

Note: 8 - Non current tax assets (net)	31-Mar-18	31-Mar-17	01-Apr-16
Advance income tax (net of provision for taxation of ₹ 6574.74 Lacs, ₹ 3775.08 Lacs as on 31 March 2017 and ₹ 2967.63 Lacs as on 1 April 2016)	559.25	267.31	293.90
	559.25	**267.31**	**293.90**

(₹ in Lacs)

Note: 9 - Other non-current assets	31-Mar-18	31-Mar-17	01-Apr-16
Capital advances			
Secured, considered good	-	61.28	-
Unsecured, considered good	4,608.68	5,269.04	5,169.37
Unsecured, considered good			
Deposits with statutory authority	117.51	117.07	114.68
Unammortised Expenses	0.42	0.42	0.42
	4,726.61	**5,447.81**	**5,284.47**

(₹ in Lacs)

Note: 10 Inventories	31-Mar-18	31-Mar-17	01-Apr-16
Raw materials [including in transit-₹ 257.53 Lacs, 31 March 2017: ₹100.02 Lacs, 1 April 2016: ₹ 210.30 Lacs]	5,360.69	2,863.54	2,798.85
Work - in - progress	167.15	182.59	226.39
Finished goods [including in transit-₹ 505.55 Lacs, 31 March 2017: ₹ 611.29 Lacs, 1 April 2016: ₹ 846.31 Lacs] and Power inventory (with MeSCL) ₹ 1977.17 Lacs (31 March 2017: ₹ 2,535.58 Lacs, 1 April 2016: ₹1,183.99 Lacs)	5,277.37	5,657.00	4,403.85
Stock in Trade [including in transit-Nil , 31 March 2017: Nil, 1 April 2016: ₹ 38.39 Lacs]	76.10	181.26	348.74
Fuels, packing materials, etc.	15,161.66	3,630.71	9,289.51
Stores & Spares parts	3,417.37	3,607.35	3,849.07
	29,460.34	**16,122.45**	**20,916.41**

(₹ in Lacs)

Note: 11 - Trade receivables	31-Mar-18	31-Mar-17	01-Apr-16
Secured considered good	4,570.21	5,321.53	5,010.39
Unsecured considered good	10,076.73	8,456.32	20,239.64
Unsecured considered doubtful	155.64	123.90	140.44
Less: Allowance for doubtful debts	(155.64)	(123.90)	(140.44)
	14,646.94	**13,777.85**	**25,250.03**

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 12 - Cash and cash equivalents	31-Mar-18	31-Mar-17	01-Apr-16
Cash in hand	101.36	100.57	81.39
Stamp paper in hand	0.20	165.87	-
Cheques In hand	528.60	440.96	1,118.84
Balance with banks			
- In current accounts/cash credit accounts	1,233.45	920.81	1,177.22
	1,863.61	1,628.21	2,377.45

(₹ in Lacs)

Note: 13 - Bank balances (other than note 12 above)	31-Mar-18	31-Mar-17	01-Apr-16
Unpaid dividend account	1.65	1.65	1.65
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months.	113.23	378.12	69.01
	114.88	379.77	70.66

13.1 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.

(₹ in Lacs)

Note: 14 - Loans	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured Considered Good			
Security deposits	553.48	490.07	552.50
Total	553.48	490.07	552.50

(₹ in Lacs)

Note: 15 - Other financial assets	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
Advances to a related party	35.00	35.00	35.00
	35.00	35.00	35.00

(₹ in Lacs)

Note: 16 - Other current assets	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured, considered good			
Advance to supplier	1,839.08	391.62	790.79
Unamortized expenses	0.33	0.34	-
Advances for services & expenses	3,602.88	3,692.28	2,359.06
Prepaid expenses	376.83	390.62	304.40
Subsidies / incentives receivable from central / state governments	74,129.67	90,202.69	71,996.63
Balance with statutory / government authorities	12,860.60	5,288.06	3,978.62
Advance to employees	90.09	80.69	89.50
Income tax refund receivable	51.70	51.70	77.21
Unsecured, considered doubtful			
Advances to employees/suppliers	15.30	18.46	18.60
Less: Provision for bad & doubtful advances	(15.30)	(18.46)	(18.60)
	92,951.18	1,00,098.00	79,596.21

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 17 - Equity share capital	31-Mar-18	31-Mar-17	01-Apr-16
Authorised Capital	8,300.00	8,300.00	8,300.00
83,00,00,000 (83,00,00,000 as at 31.03.17, 83,00,00,000 as at 01.04.16) Equity Shares of ₹1/- each fully paid			
Issued, Subscribed & fully Paid -up shares	4,192.29	4,192.14	4,192.14
41,92,28,997 (41,92,13,920 as at 31.03.17, 41,92,13,920 as at 01.04.16) Equity Shares of ₹1/- each fully paid	4,192.29	4,192.14	4,192.14

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	No of Shares
At the beginning of the year	41,92,13,920	41,92,13,920	41,92,13,920
Issued during the year	15,077	-	-
Outstanding at the end of the year	41,92,28,997	41,92,13,920	41,92,13,920

c. Shares held by Holding Company

Name of the holding company	No of Shares	No of Shares	No of Shares
Star Ferro and Cement Limited	-	29,54,75,000	29,54,75,000

d. 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	No of Shares % of holding
Star Ferro and Cement Limited (Ref note 17.1)	-	29,54,75,000	29,54,75,000
	-	70.48%	70.48%
Sajjan Bhajanka	4,69,08,547	3,77,16,950	3,56,25,000
	11.19%	9.00%	8.50%
Prem Bhajanka	3,78,15,053	-	-
	9.02%	-	-
Rajendra Chamaria	2,17,87,055	3,19,87,055	2,75,65,140
	5.20%	7.63%	6.58%

17.1 29,54,75,000 Equity Shares amounting to ₹ 2954.75 Lacs was cancelled upon allotment of shares pursuant to Scheme of Amalgamation (Ref Note 39)

17.2 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 *(Contd.)*

(₹ in Lacs)

Note: 18 Share capital-pending allottment	31-Mar-18	31-Mar-17	01-Apr-16
15,077 Equity Shares of ₹ 1/- each was alloted as per Scheme of Amalgamation	-	0.15	0.15
	-	0.15	0.15

(₹ in Lacs)

Reserve and surplus	31-Mar-18	31-Mar-17
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 during the year	-	-
	3,187.83	3,187.83
Retained earnings		
Opening balance	1,06,555.99	87,077.81
Profit/(loss) for the year	33,065.62	19,472.35
Amount available for appropriation	1,39,621.61	1,06,550.16
Items of other comprehensive income directly recognised in retained earnings		
Remeasurements net of post-employment benefit obligations (net of tax)	(27.55)	5.83
	1,39,594.06	1,06,555.99
Total reserves and surplus	1,43,437.06	1,10,398.99

(₹ in Lacs)

Other reserves	31-Mar-18	31-Mar-17
Equity Instruments through Other Comprehensive Income		
Opening balance	5.67	5.57
Change in fair value of FVOCI equity instruments	0.12	0.10
	5.79	5.67
Total other equity	1,43,442.85	1,10,404.81

Nature and purpose of reserves

Capital reserve

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve. (Refer amalgamation Note : 39)

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 *(Contd.)*

(₹ in Lacs)

Note: 19 - Borrowings	31-Mar-18	31-Mar-17	01-Apr-16
Term loans (secured)			
- Rupee Loans from banks	12,737.22	19,230.95	30,378.99
- Rupee Loan from a financial Institution	1,875.01	2,437.51	3,000.00
- Rupee Loan from a body corporate	-	8,506.30	2,895.02
- Foreign Currency loan from banks	7,045.49	12,128.42	18,514.61
Loans from a related party (unsecured)			
- From directors	7,629.84	7,344.74	2,256.66
Other loans (secured)			
- Hire Purchase Finance from a Body Corporate	178.48	-	0.14
- Hire purchase finance from banks	483.76	358.90	380.93
	29,949.80	50,006.82	57,426.35
Less: Current maturities of long term borrowings	(10,070.03)	(12,853.69)	(19,258.20)
	19,879.77	**37,153.13**	**38,168.15**

Notes-

a Rupee term loan of ₹ 3,780.38 Lacs (31 March 2017 : ₹2,662.54 Lacs) from a bank is repayable in 16 equal quarterly instalments commencing from June 2018. The Loans is 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 ₹ 5,811.48 Lacs as on 31 March 2018 from a Bank is repayable in further 5 equal half yearly instalments being next instalment falling due in June 2018. The loan is 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.

Rupee Term Loan of Nil (31 March 2017 - Nil, 1 April 2016 ₹ 2,185.58 Lacs) from a bank was repayable in further 5 equal quarterly instalments ending on June, 2017. The Loans were 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 2017 : ₹2,992.25 Lacs; 1 April 2016: 6,639.08 Lacs) was repayable in 7 quarterly instalments ending on December 2019. These loans has been fully repaid in FY 2017-18. Rupee Term loan of NIL (31 March 2017 : ₹ 4,687.50 Lacs; 1 April 2016 : ₹ 5,000.00 Lacs) was repayable in 16 equal quarterly instalments commencing from June 2017 and ending on March 2021. This loan has been fully repaid in FY 2017-18.

Foreign Currency loan of ₹ 401.26 Lacs (31 March 2017 : ₹ 1,255.86 Lacs; 1 April 2016 : ₹2,158.90 Lacs) is repayable in 7 quarterly instalments ending on December 2019. These loans are 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 are also secured by personal guarantees of some of the directors of the Company.

b Rupee term loan of ₹1,875.01 Lacs (31 March 2017 : ₹2,437.51 Lacs; 1 April 2016 : ₹3,000.00 Lacs) is repayable in equal 10 quarterly instalment ending on September 2020. The loan is to be secured by first charge on Property, plant and equipment of Megha Technical and Engineers Private Limited, a wholly owned subsidiary of the Company. Pending security creation, the loan is temporarily secured by personal guarantee of some of the directors of the company as on 31 March 2018.

c As on 31 March 2017, Rupee term loan of ₹ 6,999.28 Lacs from a body corporate was repayable in 8 equal half Yearly instalments commencing from December 2017. This loan has been fully repaid in FY 2017-18. 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. The loan was also secured by personal guarantee of one of the director of the company 1 April 2016.

Notes to Consolidated Financial Statements *(Contd.)*

Note: 19 - Borrowings *(Contd.)*

d Rupee Term Loans of ₹ 3,145.36 Lacs (31 March 2017: ₹7,563.87 Lacs; 1 April 2016 : ₹14,707.61 Lacs) from Banks and NIL (31 March 2017 : ₹ 1,507.02 Lacs; 1 April 2016 : ₹2,895.02 Lacs) from Body Corporate are repayable in further 7 unequal quarterly instalments ending on December 2019. Foreign Currency Loan of ₹2,214.57 Lacs (31 March 2017: ₹3,951.57 Lacs; 1 April 2016 : ₹6,186.10 Lacs) are repayable in further 7 unequal quarterly instalments ending on December 2019. The loans are secured by pari passu first charge on Property, plant and equipment and pari passu second charge on current assets of the Company's subsidiary clinker plant at Lumshnong, Meghalaya.

e Rupee Term Loan 31 March,2018 : Nil (31 March 2017 : ₹1,324.79 Lacs,1 April 2016 : ₹1,846.72 Lacs) from a bank which was repayable in March 2020 has been paid prepaid by the Company's subsidiary power plant in the financial year 2017-18. Foreign currency loan 31 March, 2018 : ₹4,429.66 Lacs, (31 March 2017 : ₹ 6,920.99 Lacs, 1 April 2016 : ₹ 10,169.62 Lacs) from a bank is repayable in further 7 quarterly installments ending on December 2019. These loans from bank are secured by pari passu first charge on the Property, plant and equipment and pari passu second charge on the 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.

f Terms loans from directors of the Company and one of its subsidiaries are long term in nature i.e. payable in 5 years.

g Hire purchase finance is secured by hypothecation of respective vehicles /equipments of the Company and its subsidiaries and is repayable within four years having varying date of payment.

h The Company and its subsidiaries does not have any continuing defaults in repayment of loans and interest as at reporting period.

Note: 20 Other financial liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Security deposit	9,007.80	9,649.24	8,919.20
	9,007.80	9,649.24	8,919.20

(₹ in Lacs)

Note: 21 Employee benefit obligations	31-Mar-18	31-Mar-17	01-Apr-16
Non Current Liabilities :-			
Provisions for employee benefits			
- Gratuity	201.73	127.95	111.49
	201.73	127.95	111.49

(₹ in Lacs)

Note: 22 Other non current liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Deferred government grant	1,805.95	7,255.96	9,052.58
	1,805.95	7,255.96	9,052.58

(₹ in Lacs)

Note: 23 - Borrowings	31-Mar-18	31-Mar-17	01-Apr-16
Working capital facilities from banks (Secured)			
- Cash credit	11,291.89	18,275.43	20,022.49
Short term loan (unsecured)			
- From banks	2,000.00	11,135.90	11,245.23
- Foreign currency demand Loan from banks	-	-	2,956.89
- From a body corporate	-	-	2,250.00
Payable on bill discounting (Secured)	-	653.84	-
	13,291.89	30,065.17	36,474.61

Notes to Consolidated Financial Statements *(Contd.)*

Note: 23 - Borrowings *(Contd.)*

a Working Capital facilities of ₹ 3004.82 Lacs (31 March 2017: ₹ 4,056.60 Lacs, 1 April 2016: ₹ 2,131.82 Lacs) from banks are secured by pari passu first charge on current assets and second pari passu charge on property, plant & 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 Working capital facilities of ₹ 5106.87 Lacs (31 March 2017: ₹ 7,151.65 Lacs, 1 April 2016: ₹ 8,471,81 Lacs) from banks are secured by pari passu first charge on current assets and pari passu second charge on property, plant & 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.

c Working capital facilities from banks ₹ 1602.50 Lacs (31 March 2017: ₹ 5,609.44 Lacs, 1 April 2016: ₹ 5,640.34 Lacs) are secured by pari passu first charge on current assets and pari passu second charge on property, plant & equipment of the company's subsidiary clinker unit at Lumshnong, Meghalaya.

d Working capital facilities from Banks of ₹ 1577.71 Lacs (31 March 2017: ₹ 1,457.75 Lacs, 1 April 2016: ₹ 2,581.89 Lacs) are Secured by Pari Passu first charge on current assets and pari passu second charge on property, plant & 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 As on 1, April, 2016, working capital facilities of ₹ 1,196.63 Lacs were secured by first charge on current assets and second charge on property, plant & equipment of the company's subsidiary cement grinding unit at Lumshnong, Meghalaya. The working capital facilities was also by guaranteed by the company.

f Short term loan from banks as on 31 March 2018 is due for repayment in April 2018 (31 March 2017: June, 2017, 1 April 2016: June, 2016). Foreign Currency demand loan from a bank oustanding on 1 April 2016 was paid in September, 2016.

g Short Term loan from Bank of subsidiaries Nil (31 March 2017:₹ 2,000.00 Lacs; 1 April 2016:₹ 2,000.00 Lacs) was repayable within 3 months.

h Short Term loan from Body Corporate Nil (31 March 2017: Nil; 1 April 2016: ₹ 2,250.00 Lacs) was repaid in two equal instalment in April 2016 and October 2016.

(₹ in Lacs)

Note: 24 Other financial liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Current maturities of long-term borrowings	10,070.03	12,853.69	19,258.20
Interest accrued but not due on borrowings	13.16	23.65	138.87
Retention money	221.49	288.07	373.64
Security deposit	14.91	15.79	16.45
Creditors for capital goods	16.60	1,477.97	150.79
Unclaimed dividend	1.65	1.65	1.65
Other liabilities	11,856.38	11,131.30	11,630.37
Salary and bonus to employees	290.16	292.77	298.67
	22,484.38	26,084.89	31,868.64

24.1 Amount to be transferred to the Investor Education and Protection Fund shall be determined on the respective due date.

(₹ in Lacs)

Note: 25 - Employee benefit obligation	31-Mar-18	31-Mar-17	01-Apr-16
Provisions for employee benefits			
- Leave encashment	272.89	290.85	264.98
- Gratuity	61.12	76.14	50.29
	334.01	366.99	315.27

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 26 - Other current liabilities	31-Mar-18	31-Mar-17	01-Apr-16
Statutory Liabilities (including excise duty on finished goods Nil, ₹ 216.80 Lacs as at 31.03.17, ₹ 73.37 Lacs as at 1 April, 2016)	7,454.75	2,932.62	2,069.20
Advances from customer	1,728.30	1,765.07	2,186.02
Other liabilities	178.68	174.96	371.71
Current portion of deferred government grant	414.84	1,796.60	2,329.39
	9,776.57	6,669.25	6,956.32

(₹ in Lacs)

Note: 27 Current tax liabilities (net)	31-Mar-18	31-Mar-17	01-Apr-16
Provision for taxation (net of advance tax of ₹ 9718.97 Lacs, ₹ 5078.73 Lacs for 31 March 2017 and ₹ 3277.33 Lacs for 1 April 2016)	1,047.99	1,016.18	377.08
	1,047.99	1,016.18	377.08

(₹ in Lacs)

Note: 28 Revenue from operations	31-Mar-18	31-Mar-17
Sale of products		
Domestic	1,55,817.13	1,52,165.22
Export	6,277.81	2,392.49
	1,62,094.94	1,54,557.71
Other operating income		
Shortage recovery of cement & clinker	186.04	398.56
Others	629.71	227.67
	1,62,910.69	1,55,183.94

(₹ in Lacs)

Note: 29 Other income	31-Mar-18	31-Mar-17
Interest income from financial instrument measured at amortised cost		
- Bank deposits	77.97	67.85
- others	87.81	75.84
Other gains/(loss)		
- Fair value of equity instrument	(1.01)	(12.88)
- Miscellaneous income	273.75	112.86
	438.52	243.67

(₹ in Lacs)

Note: 30 Cost of materials consumed	31-Mar-18	31-Mar-17
Inventory at the beginning of the year	2,863.54	2,798.85
Add: Purchases	24,103.89	25,161.74
	26,967.43	27,960.59
Less :Inventory at the end of the year	5,722.46	2,863.54
	21,244.97	25,097.05

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 31 (Increase)/decrease in inventories	31-Mar-18	31-Mar-17
Work in progress		
Opening stock	182.60	226.39
Closing stock	167.15	182.60
	(15.45)	(43.79)
Finished goods		
Opening stock	5,657.00	4,403.85
Closing stock	4,915.60	5,657.00
	(741.40)	1,253.15
	756.85	(1,209.36)

(₹ in Lacs)

Note: 32 Employee benefit expenses	31-Mar-18	31-Mar-17
Salaries & wages	10,022.04	11,054.57
Contribution to provident & other funds	308.39	338.52
Welfare expenses	405.46	468.32
	10,735.89	11,861.41

(₹ in Lacs)

Note: 33 - Finance costs	31-Mar-18	31-Mar-17
Interest expense		
- On loans measured at amortised cost	5,068.85	7434.11
Exchange Fluctuation (Gain)/loss to the extent considered as an adjustment to borrowing costs	-	53.84
Other finance costs	176.88	318.19
	5,245.73	7,806.14

33.1 The capitalisation rate used to determine the borrowing costs of ₹ 5.99 Lacs capitalised during the year ended 31 March, 2017 is the weighted average interest rate applicable to the entity's specified borrowings i.e 8.45%.

(₹ in Lacs)

Note: 34 Depreciation and amortisation expenses	31-Mar-18	31-Mar-17
Deprecation on Property, plant & equipment	12,055.89	11,777.12
Amortisation of Intangible Assets	12.85	14.17
	12,068.74	11,791.29
Less: Transferred to Capital work in Progress	0.09	0.14
	12,068.65	11,791.15

34.1 Depreciation is net off amortisation of Government Grant of ₹ 943.84 Lacs as at 31.03.18 and ₹ 2,329.39 Lacs as at 31.03.17.

(₹ in Lacs)

Note: 35 Other expenses	31-Mar-18	31-Mar-17
Consumption of Stores & Spares	862.76	758.44
Packing Materials	3,962.38	3,962.14
Power & Fuel	21,604.47	19,158.76
Repairs & Maintenance		
- Building	268.30	271.55
- Plant & Machinery	1,410.08	1,758.73
- Others	243.52	267.83
Heavy Vehicle / Equipment Running Expenses	996.06	1,058.62

Notes to Consolidated Financial Statements *(Contd.)*

(₹ in Lacs)

Note: 35 Other expenses	31-Mar-18	31-Mar-17
Excise duty variation on opening/closing stock	-	122.64
Travelling and Conveyance	787.57	1,085.12
Insurance	295.41	344.23
Rent, Rates & Taxes	1,002.46	2,490.47
Research & Development Expenses	46.36	74.42
Charity & Donation	779.82	862.77
Miscellaneous Expenses	2,417.25	2,364.86
CSR Expenses [Ref Note 44(iii)]	545.38	210.14
Advertisement & Publicity	2,076.10	1,771.58
Outward Freight Charges	32,250.55	26,985.58
Sales Promotion Expenses	591.81	1,012.38
Commission & Incentives	1,470.98	1,495.72
	71,611.26	66,055.98

Note: 36 Income Tax expenses

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
a) Current tax		
Current tax on profits for the year	7,326.93	4,177.11
Total current tax expense	7,326.93	4,177.11
b) Deferred tax		
Deferred tax benefit	(5,685.62)	(2,787.28)
Total deferred income tax expense/(benefit)	(5,685.62)	(2,787.28)
Tax expenses	1,641.31	1,389.83

36.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
Profit before income tax expense	35,259.36	21,479.70
Tax at the Indian tax rate of 34.608% (2016-2017 - 34.608%)	12,202.56	7,433.69
Item not deductible / taxable under tax	(612.67)	996.17
Additional deductions under various provision of tax (net)	(9,633.08)	(7,408.74)
Impact of change in tax rate during the year	(13.64)	-
Tax credit of earlier years reversed	-	358.96
Difference in tax rates	(5.06)	(7.89)
Others	(296.81)	17.63
Tax expenses	1,641.31	1,389.83

36.2. The Tax Rate used for the year 2016-17 and 2017-18 reconcilation above is the Corporate tax rate of 34.608% (30%+ surcharge @12% + education cess @3%) payable on taxable profits under the Income Tax Act, 1961.

Notes to Consolidated Financial Statements *(Contd.)*

Note: 37 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-18	31-Mar-17	01-Apr-16
Leave obligations not expected to be settled within the next 12 months	237.18	246.52	227.25

(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 2016	409.53	(247.75)	161.78
Current service cost	84.86	-	84.86
Interest expense/(income)	32.70	(19.82)	12.88
Total amount recognised in profit or loss	**117.57**	**(19.82)**	**97.75**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	6.40	6.40
Actuarial (gain)/loss from change in financial assumptions	26.46	-	26.46
Actuarial (gain)/loss from unexpected experience	(40.73)	-	(40.73)
Total amount recognised in other comprehensive income	**(14.27)**	**6.40**	**(7.87)**
Employer contributions/ premium paid	(2.16)	(47.58)	(49.74)
Benefit paid	(27.07)	29.23	2.16
31 March 2017	483.59	(279.51)	204.09

(₹ 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)	262.85

Notes to Consolidated Financial Statements *(Contd.)*

Note: 37 Disclosure as per Ind AS 19, 'Employees Benefit' as regards defined benefit scheme (Gratuity) *(Contd.)*

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Discount rate	7.75%	7.50%	8.00%
Expected return on plan asset	7.75%	7.50%	8.00%
Salary growth rate	6.00%	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%	1% to 8%
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table	IALM (2006-08) Table

(iii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	Impact on defined benefit obligation			
	31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(504.00)	600.65	(432.63)	543.16
Salary growth rate (-/+ 1%)	597.29	(504.97)	536.37	(437.10)
Withdrawal rate (-/+ 1%)	555.08	(541.51)	488.91	(479.24)

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 an insurance company 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.

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 salary of the plan participants will increase the plan liability.

Notes to Consolidated Financial Statements *(Contd.)*

Note: 37 Disclosure as per Ind AS 19, 'Employees Benefit' as regards defined benefit scheme (Gratuity) *(Contd.)*

(vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2019 are ₹ 11.60 Lacs.

The weighted average duration of the defined benefit obligation is 5.14 years (31 March 2017: 9.45 years, 1 April 2016 : 9.61 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 2018	30.53	194.40	214.27
31 March 2017	59.75	25.88	397.97
1 April 2016	54.19	23.58	331.77

Note: 38 Earnings per share

(a) Basic earnings per share

Particulars	31-Mar-18	31-Mar-17
Basic earnings per share attributable to the equity holders (in ₹)	7.89	4.64

(b) Diluted earnings per share

Particulars	31-Mar-18	31-Mar-17
Diluted earnings per share attributable to the equity holders (in ₹)	7.89	4.64

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17
Profit attributable to equity holders used in calculating basic earnings per share	33,065.62	19,472.35
Profit attributable to equity holders used in calculating diluted earnings per share	33,065.62	19,472.35

(d) Weighted average number of equity shares used as the denominator

Particulars	31-Mar-18	31-Mar-17
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	41,92,29,057	41,92,13,980
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	41,92,29,057	41,92,13,980

Note : 39 - Scheme of Amalgamation

(a) Pursuant to the Scheme of Amalgamation ("The Scheme") between Star Ferro and Cement Limited (SFCL) and the Company as approved by the National Company Law Tribunal, Guwahati Bench at Guwahati vide its order dated 7th February, 2017, all the assets and liabilities of SFCL have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from 1st April, 2016 being the appointed date. The said order of the National Company Law Tribunal has been filed with the Registrar of Companies on 22nd February, 2017, the effective date of the scheme and accordingly, the Scheme of Amalgamation has been given effect to in these accounts. The said amalgamation has been accounted for under the "Pooling of Interest Method" as prescribed under the order.

(b) Details of Assets and Liabilities along with value of each of the assets and liabilities being transferred under the Scheme of Amalgamation are as under:

Notes to Consolidated Financial Statements *(Contd.)*

Note : 39 - Scheme of Amalgamation *(Contd.)*

(₹ in Lacs)

Particulars	Amount
ASSETS	
Non-Current Assets	
Deferred Tax Asset (Net)	44.56
Current Assets	
Cash and Cash equivalents	72.02
Short Term Loans and Advances	4.1
Total Assets	120.68
Total Liabilities	
Non-Current liabilities	
Long Term Provisions	10.5
Current liabilities	
Other Current Liabilities	7.88
Short Term Provisions	0.43
Total Liabilities	18.81

(c) Pursuant to the Scheme, the difference between book value of assets and liabilities transferred from the SFCL being ₹ 101.87 Lacs, has been credited to Shareholders' Fund of the Company as under:

(₹ in Lacs)

Particulars	Amount
Share Capital - Pending Allotment	0.15
Capital Reserve	643.53
General Reserve	(632.17)
Surplus As Per Statement of P&L	90.36
	101.87

(i) Pursuant to the said Scheme of Amalgamation, the Company is to issue 29,54,90,077 no of Equity Shares in the ratio of 1.33 Equity Shares of face value of each ₹ 1/- to the shareholders of SFCL in lieu of 1 (one) Equity Share of face value of each ₹ 1/- held by them in SFCL as fully paid – up. Upon such allotment of shares, 29,54,75,000 no. of Equity Shares held by SFCL shall stand cancelled.

(ii) Consequent to the allotment of new shares as per the Scheme of Amalgamation, Current share capital of the Company will increase by ₹ 0.15 Lac.

Note : 40 - Financial instruments by category

(₹ in Lacs)

Particulars	31-Mar-18			31-Mar-17			01-Apr-16		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments	144.13	-	-	145.01	-	-	144.87	-	-
Security deposits	-	-	701.29	-	-	634.60	-	-	687.83
Balance with banks held as margin money deposits with original maturity of more than 12 months	-	-	28.43	-	-	28.14	-	-	54.86
Advances recoverable from a related party	-	-	35.00	-	-	35.00	-	-	35.00
Trade receivables	-	-	14,646.94	-	-	13,777.85	-	-	25,250.03
Cash and cash equivalents	-	-	1,863.61	-	-	1,628.21	-	-	2,377.46
Other bank balances	-	-	114.88	-	-	379.77	-	-	70.66
	144.13	-	17,390.15	145.01	-	16,483.57	144.87	-	28,475.82

Notes to Consolidated Financial Statements *(Contd.)*

Note : 40 - Financial instruments by category *(Contd.)*

(₹ in Lacs)

Particulars	31-Mar-18			31-Mar-17			01-Apr-16		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial liabilities									
Borrowings	-	-	33,171.66	-	-	67,218.30	-	-	74,642.77
Security deposit	-	-	9,022.71	-	-	9,665.03	-	-	8,935.65
Trade payables	-	-	18,894.41	-	-	9,377.93	-	-	14,038.73
Current maturities of long-term borrowings	-	-	10,070.03	-	-	12,853.69	-	-	19,258.20
Interest accrued but not due on borrowings	-	-	13.16	-	-	23.65	-	-	138.87
Retention money	-	-	221.49	-	-	288.07	-	-	373.64
Creditors for capital goods	-	-	16.60	-	-	1,477.97	-	-	150.79
Unclaimed dividend	-	-	1.65	-	-	1.65	-	-	1.65
Other liabilities	-	-	11,856.38	-	-	11,131.30	-	-	11,630.37
Salary and bonus to employees	-	-	290.16	-	-	292.77	-	-	298.67
	-	-	83,558.25	-	-	1,12,330.35	-	-	1,29,469.33

(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-18			31-Mar-17			01-Apr-16		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets									
Investment in equity instruments	3.16	-	140.97	4.21	-	140.80	4.31	-	140.56
Total financial assets	3.16	-	140.97	4.21	-	140.80	4.31	-	140.56

Notes to Consolidated Financial Statements *(Contd.)*

Note : 40 - Financial instruments by category *(Contd.)*

(iv) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	31-Mar-18		31-Mar-17		01-Apr-16	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Security deposits and margin money	176.24	176.24	172.67	172.67	190.18	190.18
Total financial assets	**176.24**	**176.24**	**172.67**	**172.67**	**190.18**	**190.18**
Financial liabilities						
Borrowings	662.24	676.90	358.89	363.92	381.07	385.94
Security deposits	9,007.80	9,007.80	9,649.24	9,649.24	8,919.20	8,919.20
Total financial liabilities	**9,670.04**	**9,684.70**	**10,008.13**	**10,013.15**	**9,300.28**	**9,305.14**

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.

Note : 41 - 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-18	31-Mar-17
(i) Equity shares		
Final dividend for the year ended 31 March 2017: NIL (1 April 2016: NIL) per fully paid share	-	-
(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	-

Notes to Consolidated Financial Statements *(Contd.)*

Note : 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 (loss allowance provision)	Net carrying amount of trade receivables
As on 31 March, 2018	9,498.62	3,857.40	865.09	581.47	(155.64)	**14,646.94**
As on 31 March, 2017	8,276.85	4,230.59	407.29	987.02	(123.90)	**13,777.85**
As on 1 April, 2016	13,507.72	10,187.11	1,131.34	564.30	(140.44)	**25,250.03**

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 2018, 31 March 2017 and 1 April 2016 is the carrying amounts as illustrated in Note 40.

Notes to Consolidated Financial Statements *(Contd.)*

Note : 42 - Financial risk management *(Contd.)*

(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 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	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Floating Rate			
- Expiring within one year (bank overdraft and other facilities)	22,481.15	15,424.57	9,877.51
	22,481.15	15,424.57	9,877.51

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, 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	12,401.19	-	-	-	12,401.19
Total financial liabilities	56,720.51	21,067.37	998.99	-	78,786.87

(₹ in Lacs)

Contractual maturities of financial liabilities - 31 March, 2017*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	42,918.87	24,262.77	12,960.22	-	80,141.86
Interest on borrowing	4,441.24	4,775.26	1,217.30	-	10,433.80
Trade payables	9,377.93	-	-	-	9,377.93
Other payables	13,207.55	-	-	-	13,207.55
Total financial liabilities	69,945.59	29,038.02	14,177.52	-	1,13,161.14

Notes to Consolidated Financial Statements *(Contd.)*

Note : 42 - Financial risk management *(Contd.)*

(₹ in Lacs)

Contractual maturities of financial liabilities - 1 April, 2016*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	54,536.04	25,576.19	12,670.61	-	92,782.84
Interest on borrowing	6,047.71	4,665.35	1,163.29	-	11,876.35
Trade payables	14,038.73	-	-	-	14,038.73
Other payables	12,471.57	-	-	-	12,471.57
Total financial liabilities	**87,094.05**	**30,241.54**	**13,833.90**	**-**	**1,31,169.49**

*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 international customers 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.

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-18	31-Mar-17	01-Apr-16
Financial assets	1,280.08	2.84	32.30
Financial liabilities	7,057.04	12,155.53	21,520.33
Net exposure to foreign currency risk	**(5,776.96)**	**(12,152.69)**	**(21,488.03)**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lacs)

Particulars	Impact on profit before tax	
	31-Mar-18	31-Mar-17
Sensitivity		
INR appreciates by 10% (2017: 10%)	577.70	1,215.27
INR depreciates by 10% (2017: 10%)	(577.70)	(1,215.27)

*Holding all other variables constant

(ii) Interest rate risk

Notes to Consolidated Financial Statements *(Contd.)*

Note : 42 - Financial risk management *(Contd.)*

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 2018, 31 March 2017 and 1 April 2016, 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-18	31-Mar-17	01-Apr-16
Variable rate borrowings	40,625.85	66,494.13	82,476.37
Fixed rate borrowings	2,662.24	13,647.73	11,503.23
Total borrowings	**43,288.08**	**80,141.86**	**93,979.60**

(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-18	31-Mar-17
Interest expense rates – increase by 50 basis points (2017: 50 bps)	(203.13)	(332.47)
Interest expense rates – decrease by 50 basis points (2017: 50 bps)	203.13	332.47

*Holding all other variables constant

(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-18	31-Mar-17
Increase by 5% (2017: 5%)	7.21	7.25
Decrease by 5% (2017: 5%)	(7.21)	(7.25)

*Holding all other variables constant

Notes to Consolidated Financial Statements *(Contd.)*

Note : 43 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in Lacs)

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Current			
Financial assets			
First charge			
Trade receivables	14,646.94	13,777.85	25,250.03
Inventories	29,460.34	16,122.45	20,916.41
Cash and cash equivalents	1,863.61	1,628.21	2,377.45
Bank balances	114.88	379.77	70.66
Other financial assets	588.48	525.07	587.50
Other current assets	92,951.17	1,00,098.00	79,596.21
Total current assets	1,39,625.43	1,32,531.35	1,28,798.26
Non Current			
First charge			
Property, plant and equipment	82,047.39	91,809.38	96,810.61
Total non-currents assets	82,047.39	91,809.38	96,810.61
Total assets pledged as security	2,21,672.82	2,24,340.73	2,25,608.87

Note : 44 -(i) - Contingent liability & commitments

(₹ in Lacs)

Sl. No	Particulars	31-Mar-18	31-Mar-17	01-Apr-16
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	236.26	125.23
2	Claims against the company not acknowledge as debts – excise VAT/income tax matters/royalty etc.	1,176.14	1,209.66	1,072.18
3	Bill of exchange discounted with banks (Refer note c)	-	-	17.22
4	Duty saved under EPCG scheme	1,042.98	1,198.77	1,198.77
5	Letters of credit issued by bank	58.26	106.35	162.22
6	Solvent surety furnished to excise department against differential excise duty refund	3,172.52	2,909.40	2,131.40
7	Cross Subsidy charges against Power Purchase from IEX	-	-	30.10

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 the 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 ₹ 1.62 Lacs (31 March 2017- ₹ 127.80 Lac, 1 April 2016 - ₹ 223.19 Lacs) has been recognised in the books of accounts.

(b) Against the 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 ₹ 146.78 (31 March 2017 - ₹ 3,176.53 Lacs, 1 April 2016 - ₹ Nil) have been recognized as revenue in the book of accounts.

Notes to Consolidated Financial Statements *(Contd.)*

Note : 44 -(i) - Contingent liability & commitments *(Contd.)*

(c) Para B2 of Ind AS 101 states that except as permitted, a first time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs. As a result, no impact has been taken as on 1 April 2016.

Note : 44 -(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, 2018 of the Company and its subsidiaries is ₹ 566.78 Lacs, (31 March 2017 : ₹ 740.43 Lacs ,1 April 2016 : ₹ 691.68 Lacs).

Note : 44 -(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 ₹ 324.36 Lacs (2016-17 : ₹ 178.16 Lacs)

Amount spent during the year on:

(₹ in Lacs)

Sl. No	Particulars	2017-18	2017-18
1	Education	436.33	116.05
2	Preventive healthcare and Sanitation	21.30	38.90
3	Rural Development Programmes	62.86	51.95
4	Flood Relief	22.41	-
5	Livelihood & skill Building	2.47	3.24
		545.38	210.14

Note : 45 - Related party disclosures

A.	Names of the related parties	Nature of relationship
	Star Ferro and Cement Limited (SFCL)	Holding Company (upto 31.03.16)
	Other related parties	
I.	Enterprises influenced by KMP	
	Century Plyboards (India) Limited (CPIL)	Enterprises influenced by KMP
	Profound Cement Work Ltd (PCWL)	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	CEO
	Mr. Dilip Kumar Agarwal	CFO (Upto 13.11.17)
	Mr. Manoj Agarwal	Company Secretary (Upto 02.08.17), Chief Financial Officer w.e.f 13.11.2017

Notes to Consolidated Financial Statements *(Contd.)*

Note : 45 - Related party disclosures. *(Contd.)*

A.	Names of the related parties	Nature of relationship
	Mr. Debabrata Thakurta	Company Secretary w.e.f 03.08.17
	Mr. Swarup Chand Kayal	CFO (Continued upto 28.02.2017) in Subsidiary
	Mr. Koushik Ranjan Saha	Company Secretary (w.e.f. 02.05.2016 & Resigned w.e.f. 16.09.2017) in Subsidiary
	Mr. Amit Kumar Singh	CFO (w.e.f. 06.02.18) in Subsidiary
	Mr. Rahul Srivastava	Company Secretary (w.e.f. 27.11.17 & Resigned w.e.f. 04.04.18) in Subsidiary.
	Mr. Vishal Agarwal	CFO (Continued upto 30.11.17) in Subsidiary
	Mr. Bishal Kumar Agarwal	CFO (w.e.f. 06.02.18) in Subsidiary
	Mr. Vivek Lahoti	CFO in Subsidiary
	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 (w.e.f 02.11.16)
	Mrs. Vrinda Kedia Chamaria	Daughter In Law of Mr. Rajendra Chamaria,Vice Chairman & Managing Director (w.e.f 02.11.16)

Details of transactions between the Company and related parties and the status of outstanding balance :

(₹ in Lacs)

Types of Transactions	Enterprises influenced by KMP			Key Management Personnel and their relatives		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
1. Purchase Transactions						
SCFL	48.50	187.71	-	-	-	-
2. Sale Transactions						
CPIL	21.36	27.44	-	-	-	-
SCFL	1,409.91	46.57	-	-	-	-
3. Loan & Advances Taken						
Mr. Sanjay Agarwal	-	-	-	-	2,500.00	-
Mr. Sajjan Bhajanka	-	-	-	-	2,500.00	-
4. Loan & advances repaid						
Mr. Prem Kumar Bhajanka	-	-	-	-	150.00	-
5. Interest Paid						
Mr. Prem Kumar Bhajanka	-	-	-	172.80	202.87	-
Mr. Sajjan Bhajanka	-	-	-	210.17	65.20	-
Mr.Sanjay Agarwal	-	-	-	205.75	59.42	-
6. Remuneration Paid						
Mr. Sajjan Bhajanka	-	-	-	60.00	60.00	-
Mr.Rajendra Chamaria	-	-	-	66.00	66.00	-
Mr.Sanjay Agarwal	-	-	-	60.00	60.00	-
Mr. Sanjay Kumar Gupta	-	-	-	114.90	91.98	-
Mr.Rahul Chamaria	-	-	-	30.00	30.00	-
Mr. Sachin Chamaria	-	-	-	30.00	26.50	-
Mr. Dilip Kumar Agarwal	-	-	-	46.41	52.96	-
Mr. Manoj Agarwal	-	-	-	42.83	48.31	-
Mr. Debabrata Thakurta	-	-	-	13.34	-	-
Mr. Prem Kumar Bhajanka	-	-	-	60.00	60.00	-
Mr. Koushik Ranjan Saha	-	-	-	-	3.43	-
Mr. Swarup Chand Kayal	-	-	-	-	17.65	-
Mrs. Renu Chamaria	-	-	-	30.00	12.50	-
Mrs. Vrinda Kedia Chamaria	-	-	-	28.20	11.75	-

Notes to Consolidated Financial Statements *(Contd.)*

Note : 45 - Related party disclosures. *(Contd.)*

(₹ in Lacs)

Types of Transactions	Enterprises influenced by KMP			Key Management Personnel and their relatives		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Mr. Amit Kumar Singh	-	-	-	1.08	-	-
Mr. Rahul Srivastava	-	-	-	1.36	-	-
Mr. Vishal Agarwal	-	-	-	8.44	9.73	-
Mr. Bishal Kumar Agarwal	-	-	-	1.58	-	-
Mr. Pankaj Kejriwal	-	-	-	40.20	42.00	-
Mr. Vivek Lahoti	-	-	-	33.40	31.49	-
Mr. Mohit Mahana	-	-	-	6.88	5.82	-
7. Balance Outstanding						
(a) Share Capital/Securities Premium						
SCFL	3,373.50	3,373.50	3,373.50	-	-	-
(b) Creditors						
SCFL	61.19	98.21	-	-	-	-
(c) Debtors						
CPIL	-	24.81	-	-	-	-
SCFL	383.64	-	-	-	-	-
(d) Advance : (Given)						
PCWL Ltd.	35.00	35.00	35.00	-	-	-
(e) Loans : (Taken)						
Mr. Prem Kumar Bhajanka	-	-	-	2,255.52	2,232.58	2,256.66
Mr. Sanjay Agarwal	-	-	-	2,685.18	2,553.48	-
Mr. Sajjan Bhajanka	-	-	-	2,689.14	2,558.67	-
(f) Guarantees Obtained						
Mr. Sajjan Bhajanka	-	-	-	37,567.48	52,545.29	56,772.08
Mr. Rajendra Chamaria	-	-	-	28,101.26	31,335.61	36,206.92
Mr. Sanjay Agarwal	-	-	-	29,976.27	33,773.12	39,206.92
Mr. Prem Kumar Bhajanka	-	-	-	34,342.47	41,758.50	49,606.32

(c) Key management personnel compensation	31-Mar-18	31-Mar-18
Short-term employee benefits	556.42	549.37
Post-employment benefits*	-	-
Long-term employee benefits*	-	-
Total compensation	**556.42**	**549.37**

*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.

Note : 46(i) - Segment Report

(₹ in Lacs)

Particulars	2017-18				2016-17			
	Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
A Revenue (Gross)								
External Sales	1,430.70	1,61,479.99	-	1,62,910.69	50.71	1,55,133.23	-	1,55,183.94
Inter Segment Sales	9,558.40	39,438.05	-	48,996.45	10,137.45	43,114.11	-	53,251.56
Elimination	(9,558.40)	(39,438.05)	-	(48,996.45)	(10,137.45)	(43,114.11)	-	(53,251.56)
Total Revenue (Gross)	1,430.70	1,61,479.99	-	**1,62,910.69**	50.71	1,55,133.23	-	**1,55,183.94**
B Results								
Segment Result	1,974.08	38,129.77	-	40,103.85	2,540.55	26,544.17	-	29,084.72
Unallocated Income/ (Expenses) (Net)	-	-	401.29	401.29	-	-	201.13	201.13
Interest & Finance Charges (Net)	-	-	(5,245.73)	(5,245.73)	-	-	(7,806.14)	(7,806.14)

Notes to Consolidated Financial Statements *(Contd.)*

Note : 46(i) - Segment Report *(Contd.)*

(₹ in Lacs)

	Particulars	2017-18				2016-17			
		Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
	Operating Profit	-	-	-	35,259.37	-	-	-	21,479.72
	Tax Expenses	-	-	-	1,641.32	-	-	-	1,389.83
	Net Profit (before non controlling interest)	-	-	-	**33,618.05**	-	-	-	**20,089.89**
	Other Information								
C	**Total Assets**								
	Segment Assets	26,517.68	2,04,664.12	-	2,31,181.80	28,630.35	2,03,250.75	-	2,31,881.10
	Unallocated Corporate/ Other Assets	-	-	19,389.19	19,389.19	-	-	16,142.32	16,142.32
D	**Total Liabilities**								
	Segment Liabilities	10,735.86	85,954.87	-	96,690.73	13,466.92	1,14,235.57	-	1,27,702.49
	Unallocated Corporate/ Other Liabilities	-	-	33.78	33.78	-	-	64.19	64.19
E	**Capital Expenditure**	**139.18**	**3,076.54**	**-**	**3,215.72**	**2.03**	**587.44**	**-**	**589.47**
F	**Depreciation**	**1,724.64**	**10,344.02**	**-**	**12,068.65**	**1,670.71**	**10,120.44**	**-**	**11,791.15**

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 following 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	2017-18	2016-17
(i)	India	1,56,632.88	1,52,791.45
(ii)	Nepal	4,558.24	2,077.14
(iii)	Bhutan	1,719.57	315.36
	Total	1,62,910.69	1,55,183.94

(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.

Note : 46 (ii) - Additional Information pursuant to Schedule III of the Companies Act, 2013

(₹ in Lacs)

	Particulars	Net Assets (total assets minus total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
		2017-18		2017-18		2017-18		2017-18	
		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	53.03%	81,581.28	62.70%	21,077.62	46.55%	(13.17)	62.71%	21,064.45
	Indian Subsidiaries								
1	Megha Technical & Engineers Private Limited	14.07%	21,650.83	0.68%	229.26	12.16%	(3.44)	0.67%	225.82
2	Star Cement Meghalaya Limited	25.76%	39,631.58	33.25%	11,179.38	35.47%	(10.04)	33.25%	11,169.35
3	Meghalaya Power Limited	3.10%	4,766.36	1.72%	579.70	3.20%	(0.91)	1.72%	578.79
4	NE Hills Hydro Limited	0.00%	5.08	0.00%	(0.34)	-0.43%	0.12	0.00%	(0.21)

Notes to Consolidated Financial Statements *(Contd.)*

Note : 46 (ii) - Additional Information pursuant to Schedule III of the Companies Act, 2013 *(Contd.)*

(₹ in Lacs)

	Particulars	Net Assets (total assets minus total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
		2017-18		2017-18		2017-18		2017-18	
		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)
	Foreign Subsidiary								
1	Star Century Gloabal Cement Private Limited	-	-	-	-	-	-	-	-
	Non-Controlling Interest	4.04%	6,211.35	1.64%	552.43	3.05%	(0.86)	1.64%	551.56
	TOTAL	100%	1,53,846.49	100%	33,618.06	100%	(28.29)	100%	33,589.76

Note : 47 - First-time adoption of Ind AS

I - Transition to Ind AS

These are the Company's first Consoldated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1, have been applied in preparing the financial statements from the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set below are the applicable Ind AS optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except whether the effect is expected to be not material.

The Group has elected to apply this exemption for such contracts/arrangements.

A.1.3 Long Term Foreign Currency Monetary Items

Ind AS 101 allows that a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

Notes to Consolidated Financial Statements *(Contd.)*

Note : 47 - First-time adoption of Ind AS *(Contd.)*

Accordingly, the Group has elected to continue the following policy adopted by it under the previous GAAP for accounting for exchange differences arising from translation of aforesaid long-term foreign currency monetary items.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

The Group estimates in accordance with Ind ASs at the date of transition shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exists at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

B. Reconciliation

Reconciliation of equity as at 31 March 2017

(₹ in Lacs)

Particulars	Note	Amount
Total equity (shareholder's fund) as per previous GAAP		**1,28,692.94**
Adjustments:		
Fair value of equity instrument	1	(20.78)
Government grant	3	(11,381.96)
Amortisation of deferred government grant	3	2,329.39
Interest expense recognised as per effective interest rate	2	(25.99)
Transaction cost on borrowing recognised as per EIR approach	2	95.87
Other expense		(0.38)
Tax effect on adjustment	5	567.64
Total adjustments		**(8,436.21)**
Total Equity as per Ind AS		**1,20,256.73**

Reconciliation of total equity as at 1 April 2016

(₹ in Lacs)

Particulars	Note	Amount
Total equity (shareholder's fund) as per previous GAAP		**1,10,837.90**
Fair valuation of investment	1	(8.00)
Transaction cost on borrowing recognised as per EIR approach	2	78.64
Government grant	3	(11,381.96)
Amalgamation adjustment	7	101.87
Tax effect on adjustment	5	533.24
Total adjustments		**(10,676.21)**
Total Equity as per Ind AS		**1,00,161.69**

Notes to Consolidated Financial Statements *(Contd.)*

Note : 47 - First-time adoption of Ind AS *(Contd.)*

Reconciliation of total comprehensive income as at 31 March 2017

(₹ in Lacs)

Particulars	Note	Amount
Profit after Tax as per previous GAAP		**17,753.16**
Fair value of equity instrument	1	(12.88)
Interest expense recognised as per effective interest rate	2	(25.99)
Transaction cost on borrowing recognised as per EIR approach	2	17.24
Remeasurement of post employee benefit obligations	4	(7.87)
Amortisation of deferred government grant	3	2,329.39
Other expense		(0.38)
Tax effect on adjustment	5	37.20
Profit after tax as per Ind AS		**20,089.87**
Other comprehensive income (net of tax)		5.16
Total comprehensive income as per Ind AS		**20,095.03**

C. Notes to first-time adoption:

Note 1 : Investments in equity shares

The Group holds investment in equity shares of entities other than subsidiaries, associate and joint venture. Under previous GAAP such investments were measured at cost.

As per Ind AS 109, these investments has been measured at fair value. The Group has categorised these investments as fair value through profit and loss (FVTPL) and fair value through other comprehensive income (FVOCI) and any changes in fair value of those investment has been recognised in profit or loss and other comprehensive income respectively.

Note 2 : Borrowings at effective interest rate

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Hence the Company has measured its borrowing as per the above requirement of Ind AS 109 by adjusting the transaction cost with borrowing and interest expense has been recognised as per effective interest rate.

Note 3 : Government grant

As per Ind AS 20, government grants related to assets, shall be presented in the Balance Sheet by setting up the grant as deferred income. Hence the Group has accounted the government grant received towards assets as per the requirement of Ind AS 20 by creating a deferred government grant. In subsequent year this deferred government grant has been amortised over the useful life of the assets.

Note 4 : Employee benefit obligation

In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to profit or loss under the previous GAAP.

Note 5 : Deferred tax

The various transitional adjustments lead to different temporary differences. According to the accounting policies in Note 1, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 6 : De-recognition of financial assets and liabilities

Ind AS 109 requires entity to derecognize a financial asset when, and only when the contractual rights to the cash flows

Notes to Consolidated Financial Statements *(Contd.)*

Note : 47 - First-time adoption of Ind AS *(Contd.)*

from the financial asset expire, or it transfers the financial asset as and the transfer qualifies for derecognition. Para B2 of Ind AS 101 states that except as permitted, a first time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition.

As a result, trade receivables increased by ₹ 653.84 Lacs as at 31 March 2017 with a corresponding impact on current borrowings. Accordingly, the said adjustment has no impact on either equity and profit or loss for the year ended 31 March 2017.

Note 7 : Amalgamation adjustment

As mentioned in note 45, pursuant to the Scheme of Amalgamation ("The Scheme") between Star Ferro and Cement Limited (SFCL) and the Company as approved by the National Company Law Tribunal, Guwahati Bench at Guwahati vide its order dated 7th February, 2017, all the assets and liabilities of SFCL have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from 1 April, 2016 being the appointed date.

Note 9 : Cash flow Statements

The transition from Indian GAAP to Ind AS has no material impact on the Cash flow Statement.

Note: 48 - Interests in other entities

(a) Subsidiaries

The Group's subsidiaries as at 31 March 2018 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 the Group			Principal actvities
		31-Mar-18 %	31-Mar-17 %	01-Apr-16 %	31-Mar-18 %	31-Mar-17 %	01-Apr-16 %	
Megha Technical & Engineers Private Limited	India	100%	100%	100%	0%	0%	0%	Manufacture of cement
Star Cement Meghalaya Limited	India	100%	100%	100%	0%	0%	0%	Manufacture of clinker
Meghalaya Power Limited	India	51%	51%	51%	49%	49%	49%	Generation of power
NE Hills Hydro Limited	India	100%	100%	100%	0%	0%	0%	Generation of power
Star Century Global Cement Private Limited	Myanmar	100%	100%	0%	0%	0%	0%	Export of Clinker

(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	Meghalaya Power Limited		
	31-Mar-18	31-Mar-17	01-Apr-16
Current assets	333.01	1,843.80	1,943.13
Current liabilities	98.97	109.05	74.56
Net current assets	**234.04**	**1,734.75**	**1,868.57**
Non-current assets	172.29	167.29	126.18

Notes to Consolidated Financial Statements *(Contd.)*

Note: 48 - Interests in other entities *(Contd.)*

(₹ in Lacs)

Summarised balance sheet	Meghalaya Power Limited		
	31-Mar-18	31-Mar-17	01-Apr-16
Non-current liabilities	50.97	480.11	517.72
Net non-current assets	121.32	(312.82)	(391.54)
Net assets	355.36	1,421.93	1,477.04
Accumulated NCI	6,211.35	5,659.78	5,043.03

(₹ in Lacs)

Summarised statement of profit and loss	Meghalaya Power Limited	
	31-Mar-18	31-Mar-17
Revenue	11,494.56	10,391.67
Profit for the year	1,132.12	1,260.49
Other comprehensive income	(1.77)	(1.57)
Total comprehensive income	1,130.35	1,258.92
Profit allocated to NCI	552.43	617.52

(₹ in Lacs)

Summarised statement of profit and loss	Meghalaya Power Limited	
	31-Mar-18	31-Mar-17
Cash flows from operating activities	5,472.57	2,407.97
Cash flows from/(used in) investing activities	(122.38)	116.35
Cash flows (used in) financing activities	(5,267.85)	(2,560.03)
Net increase/ (decrease) in cash and cash equivalents	82.33	(35.71)

49. Previous year's figures have been regrouped and/or rearranged wherever necessary, to confirm to current year classification.

50. The financial statements are approved by the audit committee at its meeting held on 17th May, 2018 and by the Board of Directors on the same date.

51. Notes to the Consolidated Financial Statements comprised of information relevant for the Group.

As per our report of the even date

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

Niraj K Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Date: 17 May, 2018

For and on behalf of the Board of Directors

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman & Managing Director
DIN:00246043

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

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 **SEVENTEENTH ANNUAL GENERAL MEETING** of the Members of **Star Cement Limited** will be held on Tuesday, 31st July, 2018 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, 2018 and the Reports of Board of Directors and Auditors thereon.

2. To declare a Final Dividend @ ₹ 1/- per equity share of Face value of ₹ 1/- each for the Financial Year 2017 -18.

3. To appoint a Director in place of Mr. Prem Kumar Bhajanka (DIN: 00591512), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Appointment of Mr. Pramod Kumar Shah as an Independent Director**

   To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, Mr. Pramod Kumar Shah (DIN: 00343256), who was appointed as an Additional Director, in the capacity of an Independent Director of the Company with effect from 13th November, 2017 by the Board of Directors in terms of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2020 and whose office shall not be liable to determination by retirement of Directors by rotation."

5. **Re-appointment of Mr. Sajjan Bhajanka as Managing Director of the Company**

   To consider and if, thought fit, to pass the following Resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Sections 196, 197 and 203 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 the re-appointment of Mr. Sajjan Bhajanka (DIN: 00246043) as Managing Director of the Company for a period of three years with effect from 1st April, 2018 on the terms and conditions including revised remuneration as set out in the explanatory statement and draft agreement entered into by the Company and Mr. Sajjan Bhajanka and as available to the inspection of the members;

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the terms and conditions of re-appointment including increase of remuneration of Mr. Sajjan Bhajanka in such manner as may be agreed to between the Board and Mr. Sajjan Bhajanka, 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 be and are hereby authorized to take such

steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards."

6. Re-appointment of Mr. Sanjay Agarwal as Managing Director of the Company

To consider and if, thought fit, to pass the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Sections 196, 197 and 203 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 the re-appointment of Mr. Sanjay Agarwal (DIN: 00246132) as Managing Director of the Company for a period of three years with effect from 1st April, 2018 on the terms and conditions including revised remuneration as set out in the explanatory statement and draft agreement entered into by the Company and Mr. Sanjay Agarwal and as available to the inspection of the members;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the terms and conditions of re-appointment including increase of remuneration of Mr. Sanjay Agarwal in such manner as may be agreed to between the Board and Mr. Sanjay Agarwal, 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 be and are hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards."

7. Re-appointment of Mr. Rajendra Chamaria as Managing Director of the Company

To consider and if, thought fit, to pass the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Sections 196, 197 and 203 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 the re-appointment of Mr. Rajendra Chamaria (DIN: 00246171) as Managing Director of the Company for a period of three years with effect from 1st April, 2018 on the terms and conditions including revised remuneration as set out in the explanatory statement and draft agreement entered into by the Company and Mr. Rajendra Chamaria and as available to the inspection of the members;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the terms and conditions of re-appointment including increase of remuneration of 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 be and are hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards."

8. Ratification of Remuneration to the Cost Auditor for the Financial Year ending March 31, 2019

To consider and if thought fit, to pass 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) to be paid to M/s. B. G. Chowdhury & Co., Cost Accountants (Firm Registration No. 000064), 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, 2019;

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."

9. Approval for Material Related Party Transactions

To consider and if thought fit, to pass 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), 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) for the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) hitherto entered or to be entered into by the Company with related parties 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 2018-19;

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."

10. Approval for revision in the remuneration of Related Party

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, the consent of the Members be and is hereby accorded to the revision in the remuneration of Mr. Rahul Chamaria, related party holding office or place of profit, w.e.f 1st August, 2018 as detailed in the Explanatory Statement;

RESOLVED FURTHER THAT the Nomination & Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013 to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards."

11. Approval for revision in the remuneration of Related Party

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, the consent of the Members be and is hereby accorded to the revision in the remuneration of Mr. Sachin Chamaria, related party holding office or place of profit, w.e.f 1st August, 2018 as detailed in the Explanatory Statement;

RESOLVED FURTHER THAT the Nomination & Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013 to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards."

Registered Office
Vill: Lumshnong
P.O.: Khaliehriat
Dist.: East Jaintia Hills
Meghalaya - 793210

By Order of the Board
For **Star Cement Limited**

Dated: 28 June, 2018
Place: Kolkata

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. **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.**

   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.
5. 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.
6. 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.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number 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.
8. 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.
9. 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 during office hours 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.
10. 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.

11. 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 admission slip along with the copy of the Annual Report at the Annual General Meeting.
12. Additional information in respect of the Director seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting are furnished as an Annexure and forms a part of the Notice. The Director has furnished the requisite consents/ declarations for his appointment/ re-appointment.
13. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 25th July, 2018 to Tuesday, 31st July, 2018 (both days inclusive).
14. 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.
15. 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.
16. 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.
17. 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. Tuesday, 24th July, 2018** 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.
18. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Tuesday, 24th July, 2018**, 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.
19. The remote e-voting period will commence at **9.00 a.m.** on **Saturday, 28th July, 2018** and will end at **5.00 p.m.** on **Monday, 30th July, 2018**. The Company has appointed Md. Shahnawaz, Practicing Company Secretary (Membership no. ACS 21427 and Certificate of Practice no. 15076), 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.
20. 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.
21. 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.
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 csmdshah@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 **Tuesday, 24th July, 2018**. 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 Saturday, 28th July, 2018 and will end at 5.00 p.m. on Monday, 30th July, 2018.

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.

By Order of the Board
For **Star Cement Limited**

Dated: 28 June, 2018
Place: Kolkata

Debabrata Thakurta
Company Secretary

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

Item No.4

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 Additional Director (Category – Independent) of the Company with effect from 13th November, 2017 for a term upto 31st March, 2020, subject to regularization/approval of the shareholders at the ensuing Annual General Meeting (AGM).

In terms of Section 161(1) of the Companies Act, 2013, Mr. Pramod Kumar Shah, holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as Director, not liable to retire by rotation, subject to the approval of the shareholders.

Mr. Pramod Kumar Shah has given his consent to act as an Independent Director of the Company and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under the Listing Regulations. Further as per the declaration received by the Company, the proposed appointee is not disqualified under section 164 of the Act. The directorships held by the proposed appointee is within the limits prescribed under the Act and Regulation 25 of the Listing Regulations.

Notices under Section 160(1) of the Companies Act, 2013 along with requisite deposit have been received from a Member, signifying his intention to propose the appointment of Mr. Pramod Kumar Shah as Director of the Company.

In the opinion of the Board, Mr. Pramod Kumar Shah fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director of the Company. Brief resume of proposed appointee Director, nature of his expertise in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under the Listing Regulations with the Stock Exchanges, have been provided as an Annexure to this Notice.

Copy of the appointment letter of the proposed appointee 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).

Keeping in view, the vast expertise and knowledge, the Board considers that the continued association of proposed appointee would be of immense benefit to the Company and it is desirable to avail services of Mr. Pramod Kumar Shah, as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Pramod Kumar Shah, as Independent Director, as an Ordinary Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Pramod Kumar Shah for his appointment, are concerned or interested, financially or otherwise, in Resolutions set out at item no. 4.

Item No. 5, 6 and 7

As per sections 196, 197 and 203 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) Mr. Sajjan Bhajanka, Mr. Sanjay Agarwal and Mr. Rajendra Charmaria have completed their respective terms on 31st March, 2018.

The Board of Directors in their meeting held on 06th February, 2018, as per recommendation of the Nomination & Remuneration Committee re-appointed Mr. Sajjan Bhajanka (DIN: 00246043), Mr. Sanjay Agarwal (DIN: 00246132) and Mr. Rajendra Chamaria (DIN: 00246171) as the Managing Directors of the Company for a further period of 3 (three) Years subject to approval of Members.

The remuneration payable to Mr. Rajendra Chamaria is ₹ 19,75,000/- per month and Mr. Sajjan Bhajanka and Mr. Sanjay Agarwal is ₹ 16,50,000/- per month each respectively.

The draft agreement entered with these Managing Directors shall be available for inspection to the members on all weekdays during office hours upto the date of the meeting.

Except Mr. Sajjan Bhajanka, Mr. Sanjay Agarwal and 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. 5, 6 and 7.

The Board of Directors recommends the Special Resolution set out at Item No. 5, 6 and 7 for your approval as a Special Resolution

Item No.8

The Board of Directors on the recommendation of Audit Committee has re-appointed M/s. B. G. Chowdhury & Co., Cost Accountants (Firm Registration No. 000064) as the Cost Auditor of the Company to conduct the Cost Audit of the Company for the Financial Year 2018-19 at a remuneration of ₹65,000/-.

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. 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 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.

Name of the Related Party	Star Cement Meghalaya Limited
Nature of relationship	Holding-Subsidiary
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	₹ 600 crores for each Financial Year
Nature, material terms and particulars of the contract or arrangement	Sale, purchase or Supply of Goods or Materials and availing and rendering of any services from time to time by the Company. However, such transactions would at all-time be on arm's length basis and in the ordinary course of the Company's business.
Any other information	NIL

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 except their extent of Directorships/holding position of Key Managerial Personnel as mentioned above.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

Item No. 10 and 11

The provisions of section 188(1) of the Companies Act, 2013 Act that govern the Related Party transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit and Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 provides that prior approval of the members is required if the monthly remuneration of such related parties exceeds ₹2,50,000/- per month. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, at their meeting held on Thursday, 28th day of June, 2018 had consented for Increase of remuneration payable to Mr. Rahul Chamaria and Mr. Sachin Chamaria (related parties holding office or place of profit) w.e.f 1st August 2018, subject to approval of the Shareholders by way of an Ordinary Resolution.

The details of the increased remuneration are given below.

Name of the Related Party		Mr. Rahul Chamaria	Mr. Sachin Chamaria
Nature of relationship		Son of Mr. Rajendra Chamaria, Managing Director	Son of Mr. Rajendra Chamaria, Managing Director
Name of the Director or KMP who is related, if any		Mr. Rajendra Chamaria	Mr. Rajendra Chamaria
Transaction defined U/S 188(1)(f) of the Companies Act, 2013	Designation	Executive Director-Technical (not a member of Board)	Executive Director-Business Development (not a member of Board)
i.e Related Party holding office or place of profit.	Monthly Remuneration payable individually w.e.f. 1st August 2018.	₹ 5,00,000/- per month	₹ 5,00,000/- per month
Any other information		NIL	NIL

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 except Mr. Rajendra Chamaria, Managing Director being a relative.

The Board recommends the Ordinary Resolution set out at Item No. 10 and 11 of the Notice for approval by the shareholders.

By Order of the Board
For **Star Cement Limited**

Dated: 28 June, 2018
Place: Kolkata

Debabrata Thakurta
Company Secretary

Statement pursuant to provisions of Schedule V of the Companies Act, 2013 with respect to Item No. 5 of the Notice

I. General Information

Sl. No.	Particulars	Remarks		
1.	Nature of industry	Cement		
2.	Date of certificate of commencement of business	19th September, 2002.		
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 Lakhs)*		
		2017-18	2016-17	2015-16
	Revenues	1,48,759.25	1,34,558.25	1,41,692.78
	Net Profit/ (Loss) before Tax	22,783.95	8,609.07	5,586.06
	Dividend %	100%	NIL	NIL
5.	Export performance and net foreign exchange collaborations, if any	Nil		
6.	Foreign investments or collaborators if any	Nil		

*Note : FY 2017-18 and FY 2016-17 financial results are stated as per IND AS standard.

II. Information about the Appointee

Sl. No.	Particulars	Mr. Sajjan Bhajanka Managing Director
1.	Background details	Mr. Sajjan Bhajanka, Managing Director of the Company is a Commerce Graduate. He became the Director of the Company in 2002 and re-appointed Managing Director in 2015. He has more than 39 years of experience and is known as marketing expert in the plywood & cement industry. He is the driving force behind the Company's brand creation.
2.	Past remuneration	Remuneration paid during Financial Year 2017-18: ₹ 60 lakhs
3.	Job profile and his suitability as Director	Mr. Sajjan Bhajanka is the Managing Director of the Company. He possesses multiple skill sets to head various departments such as Finance, Marketing and Business Operations.
4.	Remuneration proposed	₹ 16,50,000/- per month
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. Sajjan Bhajanka is in line with current industry standards.
6.	Pecuniary relationship with the managerial personnel, if any	Apart from receiving managerial remuneration, Mr. Sajjan Bhajanka is not having any pecuniary relationship with the Company.

III. Other Information

Sl. No.	Particulars	Remarks
1.	Reasons of loss or inadequate profits	NA
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 Resource
		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.

Statement pursuant to provisions of Schedule V of the Companies Act, 2013 with respect to Item No. 6 of the Notice.

IV. General Information

Sl. No.	Particulars	Remarks		
1.	Nature of industry	Cement		
2.	Date of certificate of commencement of business	19th September, 2002.		
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		
		For the Financial Year (₹ in Lakhs)*		
4.	Financial performance based on given indicators	2017-18	2016-17	2015-16
	Revenues	1,48,759.25	1,34,558.25	1,41,692.78
	Net Profit/ (Loss) before Tax	22,783.95	8,609.07	5,586.06
	Dividend %	100%	NIL	NIL
5.	Export performance and net foreign exchange collaborations, if any	Nil		
6.	Foreign investments or collaborators if any	Nil		

*Note : FY 2017-18 and FY 2016-17 financial results are stated as per IND AS standard.

V. Information about the Appointee

Sl. No.	Particulars	Mr. Sanjay Agarwal Managing Director
1.	Background details	Mr. Sanjay Agarwal, Managing Director of the Company is a Commerce Graduate. He became the Director of the Company in 2002 and re-appointed as the Managing Director in 2015. He has more than 31 years of experience and is known as marketing expert in the plywood & cement industry. He is the driving force behind the Company's brand creation.
2.	Past remuneration	Remuneration paid during Financial Year 2017-18: ₹ 60 lakhs

Sl. No.	Particulars	Mr. Sanjay Agarwal Managing Director
3.	Job profile and his suitability as Director	Mr. Sanjay Agarwal is the Managing Director of the Company. He possesses multiple skill sets to head various departments such as Finance, Marketing and Business Operations.
4.	Remuneration proposed	₹ 16,50,000/- per month
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. Sanjay Agarwal is in line with current industry standards.
6.	Pecuniary relationship with the managerial personnel, if any	Apart from receiving managerial remuneration, Mr. Sanjay Agarwal is not having any pecuniary relationship with the Company.

VI. Other Information

Sl. No.	Particulars	Remarks
1.	Reasons of loss or inadequate profits	NA
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 Resource 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.

Statement pursuant to provisions of Schedule V of the Companies Act, 2013 with respect to Item No. 7 of the Notice.

VII General Information

Sl. No.	Particulars	Remarks		
1.	Nature of industry	Cement		
2.	Date of certificate of commencement of business	19th September, 2002.		
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		
		For the Financial Year (₹ in Lakhs)*		
4.	Financial performance based on given indicators	2017-18	2016-17	2015-16
	Revenues	1,48,759.25	1,34,558.25	1,41,692.78
	Net Profit/ (Loss) before Tax	22,783.95	8,609.07	5,586.06
	Dividend %	100%	NIL	NIL
5.	Export performance and net foreign exchange collaborations, if any	Nil		
6.	Foreign investments or collaborators if any	Nil		

***Note :** FY 2017-18 and FY 2016-17 financial results are stated as per IND AS standard.

VIII. Information about the Appointee

Sl. No.	Particulars	Mr. Rajendra Chamaria Managing Director
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 2015. He has more than 24 years of experience and has an excellent grasp on all statutory laws related to an industry.
2.	Past remuneration	Remuneration paid during Financial Year 2017-18: ₹ 66 lakhs
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, Marketing and Business Operations.
4.	Remuneration proposed	₹ 19,75,000/- per month
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.
6.	Pecuniary relationship with the managerial personnel, if any	Apart from receiving managerial remuneration, Mr. Rajendra Chamaria is not having any pecuniary relationship with the Company.

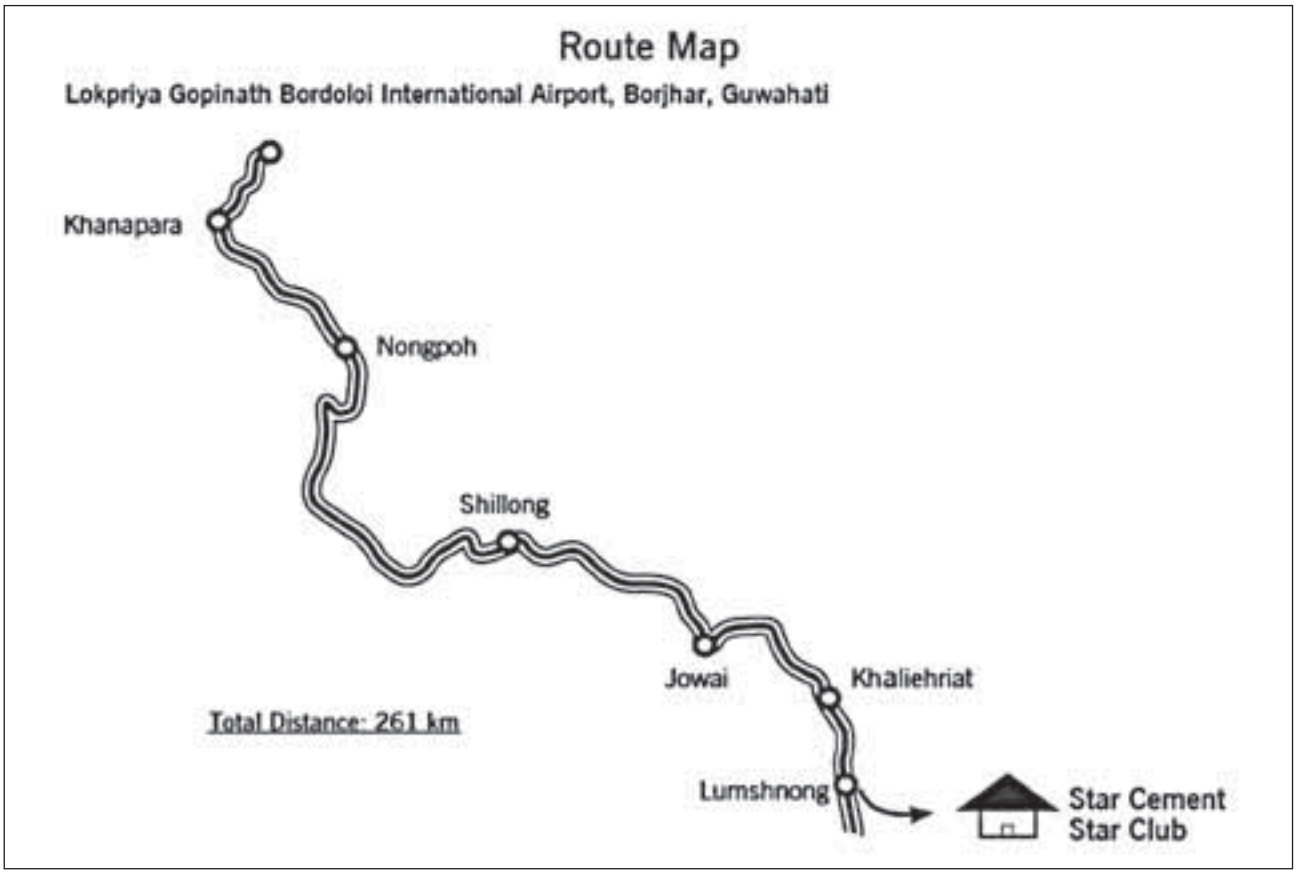
IX. Other Information

Sl. No.	Particulars	Remarks
1.	Reasons of loss or inadequate profits	NA
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 Resource 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. 3, 4, 5, 6 & 7 OF THE NOTICE

Details of Director seeking appointment/ re-appointment 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. Prem Kumar Bhajanka	Mr. Pramod Kumar Shah	Mr. Sajjan Bhajanka	Mr. Sanjay Agarwal	Mr. Rajendra Chamaria
DIN	00591512	00343256	00246043	00246132	00246171
Age (Years)	60	66	66	57	60
Nationality	Indian	Indian	Indian	Indian	Indian
Qualification	Commerce Graduate	Commerce Graduate	Commerce Graduate	Commerce Graduate	Commerce Graduate
Experience (years)	39	35	39	30	24
Expertise in special functional Area	Business operations	Finance, Accounts, Audit & Internal Audit	Finance, marketing & business operations	Marketing and sales promotion	Finance, production & business operations
Date of First Appointment on the Board of the Company	16.11.2002	13.11.2017	16.11.2002	16.11.2002	01.04.2012
Terms & condition of re-appointment	Director; Liable to retire by rotation	Director; Not Liable to retire by rotation	Managing Director; Not Liable to retire by rotation	Managing Director; 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: ₹ 16,50,000/- per month Remuneration last drawn: ₹ 5,00,000/- per month	Sought to be paid: ₹ 16,50,000/- per month Remuneration last drawn: ₹ 5,00,000/- per month	Sought to be paid: ₹ 19,75,000/- per month Remuneration last drawn: ₹ 5,50,000/- per month
Shareholding in the Company [Equity share of face value ₹ 1/- each] (as at 31st March, 2018)	3,78,15,053	Nil	4,69,08,547	1,68,80,135	2,17,87,055
Relationship between the Directors inter se and other Key Managerial Person	None	None	None	None	None
No. of Board Meetings attended during the year	2	2	6	5	2
List of Directorship held in other Companies (excluding Foreign Company)	1. Century Plyboards (India) Ltd. 2. Namchic Tea Estate Pvt. Ltd. 3. Lal Pahar Tea Estate Pvt. Ltd. 4. Auro Sundram Ply and Door Pvt. Ltd. 5. Profound Cement Works Ltd. 6. Meghalaya Power Ltd. 7. Star Cement Meghalaya Ltd.	1. Emami Frank Ross Limited 2. Emami Capital Markets Limited 3. Cuprum Bagrodia Limited 4. Emami Agrotech Limited 5. Meghalaya Power Limited	1. Century Plyboards (India) Ltd. 2. Makui Properties Pvt. Limited 3. Sri Ram Merchants Pvt. Ltd. 4. Sri Ram Vanijya Pvt. Ltd. 5. Pacific Plywoods Pvt. Ltd. 6. Shyam Century Multi Projects Pvt. Ltd. 7. Star Cement Meghalaya Limited 8. Meghalaya Power Limited 9. Shyam Century Ferrous Limited 10. Century Mdf Limited 11. Fine Infraprojects Private Limited 12. Association Of Indian Panelboard Manufacturer	1. Century Plyboards (India) Ltd. 2. Auroville Investments Pvt. Ltd. 3. Century Coats Ltd. 4. Century Infotech Ltd. 5. Indian Chamber of Commerce Calcutta. 6. Pacific Plywoods Pvt. Ltd. 7. Ranisati Vihar Pvt. Ltd. 8. Star Cement Meghalaya Ltd. 9. Sumangal International Pvt. Ltd. 10. Sumangal Business Pvt. Ltd.	1. Star Cement Meghalaya Limited 2. Dony Polo Udyog Limited 3. Steer Consultancy Private 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	**Audit Committee: Member:** 1. Star Cement Meghalaya Limited 2. Meghalaya Power Limited	Nil	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 Seventeenth Annual General Meeting of the Company, to be held on Tuesday, 31st day of July, 2018 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, 2018 and the Reports of Board of Directors and Auditors thereon.		
2	Declaration of Final Dividend on Equity shares for the Financial Year 2017-18.		
3	Re-appointment of Mr. Prem Kumar Bhajanka as a Director of the Company, liable to retire by rotation.		
Special Business			
4	Appointment of Mr. Pramod Kumar Shah as an Independent Director		
5	Re-appointment of Mr. Sajjan Bhajanka as Managing Director		
6	Re-appointment of Mr. Sanjay Agarwal as Managing Director		
7	Re-appointment of Mr. Rajendra Chamaria as Managing Director		
8	Ratification of remuneration payable to Cost Auditors		
9	Approval of Material related party transactions		
10	Approval for revision in the remuneration of Related Party – Mr. Rahul Chamaria		
11	Approval for revision in the remuneration of Related Party – Mr. Sachin Chamaria		

Signed this ____ day of _____, 2018

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 17th 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 – 31st July, 2018 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 Seventeenth Annual General Meeting of the Company at "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 on **Tuesday, 31st July, 2018**.

_____ _____

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
Corporation Bank
State Bank of India
NEDFi
HDFC Bank
Axis Bank
DBS Bank

Registered Office

Vill.: Lumshnong, P.O. Khaliehriat
Dist.: East Jaintia Hills
Meghalaya – 793200

Lumshnong Plant;

Vill: Lumshnong, P.O. Khaliehriat
Dist.: East Jaintia Hills
Meghalaya – 793200

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

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

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