

Star Ferro and Cement Limited

Regd. Office : Vill : Lumshnong, P.O. : Khaliehriat, Meghalaya - 793210, Phone : 03655-278215/16/18, Fax : 03655-278217
E-mail : info@starferrocement.com, Website : www.starferrocement.com, CIN : U27310ML2011PLC008564

Ref: SFCL/SEC/SE/2013-14/CI-20/03

Dated: 28/05/2014

To,
The Listing Department,
National Stock Exchange Limited
"Exchange Plaza",
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051

The Listing Department,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower
Dalal Street,
Mumbai – 400001

Dear Sir(s),

Scrip Code: SFCL (NSE), 536666 (BSE)

Sub: Clause 20- Outcome of Board Meeting held on 28th of May, 2014

The Board of Directors of the Company in its Meeting held on 28th May, 2014 has considered and transacted the following business:

1. The Board of Directors considered, adopted and approved the audited Financial Results for the Quarter and Year ended 31st March, 2014.
2. The Board has constituted CSR Committee.
3. The name of the remuneration Committee has been changed to Nomination and remuneration Committee and Share Transfer cum Investor Grievance Committee to Stakeholder relationship Committee.
4. The Company has appointed Mr. Om Prakash Lohia as CFO of the Company and ratified his terms of appointment.

This is for your information and record. You are further requested to disseminate the above information.

Thanking you,

For Star Ferro and Cement Limited



Ravi Mundhra

(Company Secretary)

Encl: Financial Results



Auditors Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement.

To
**Board of Directors of
Star Ferro & Cement Limited**

1. We have audited the quarterly Standalone Financial Results of Star Ferro & Cement Limited for the quarter ended March 31, 2014, and the standalone financial results for the year ended March 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been reviewed by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2014 have been prepared on the basis of the consolidated financial results for the nine month period ended December 31, 2013, the audited annual financial statements as at and for the year ended March 31, 2014, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; our audit of the annual consolidated financial statements as at and for the year ended March 31, 2014; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimated made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2014 and for the year ended March 31, 2014.





4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2014 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(l)(d) of the Listing Agreement.
5. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

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

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



Place: Kolkata
Date: 28.05.2014

PART I

Statement of Audited Financial Results for the Quarter/Year ended 31st March, 2014

(' in Lacs)

Sl No.	PARTICULARS	STANDALONE				CONSOLIDATED					
		Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 31.12.2013 Unaudited	Quarter ended 31.03.2013 Audited (Refer Note-2)	Current Year ended 31.03.2014 Audited	Previous Year ended 31.03.2013 Audited	Quarter ended 31.03.2014 Audited (Refer Note-3)	Quarter ended 31.12.2013 Unaudited	Quarter ended 31.03.2013 Audited (Refer Note-3)	Current Year ended 31.03.2014 Audited	Previous Year ended 31.03.2013 Audited
1	(a) Net Sales/Income from Operations (Net of Excise Duty)	4,594.24	4,026.45	2,394.56	14,548.50	6,457.77	38,043.99	33,518.29	18,147.33	117,144.29	65,732.54
	(b) Other Operating Income	6.14	6.99	-	28.91	27.60	33.74	13.80	25.17	193.03	227.29
	Total Income from Operations (Net)	4,600.38	4,033.44	2,394.56	14,577.51	6,485.37	38,077.73	33,532.09	18,172.50	117,337.32	65,959.83
2	Expenses										
	a. Cost of Materials consumed	1,355.34	939.99	810.57	4,374.75	2,503.79	5,691.10	6,782.82	3,740.56	20,956.52	11,939.83
	b. Changes in Inventories of finished goods, work-in-progress and stock-in-trade	312.90	(18.79)	143.98	826.31	(501.15)	986.18	(2,494.17)	(1,757.95)	(775.93)	(2,432.46)
	c. Employee benefits expense	102.60	165.14	95.27	516.76	377.22	2,176.84	1,992.63	1,262.89	7,857.68	4,302.68
	d. Depreciation and amortisation expense	111.82	123.45	144.19	480.46	551.63	4,072.04	4,089.02	2,778.06	16,163.64	5,029.09
	e. Other expenses	2,123.08	1,556.87	1,321.36	6,752.99	4,118.80	17,392.48	18,105.32	12,030.33	63,803.87	40,312.73
	Total expenses	4,005.74	2,766.67	2,515.37	12,951.27	7,050.29	30,318.64	28,475.62	18,053.89	108,005.78	59,151.87
3	Profit from Operations, before other income, finance costs and exceptional items (1-2)	594.63	1,266.77	(120.81)	1,626.23	(564.92)	7,759.10	5,056.47	118.61	9,331.55	6,807.96
4	Other Income	741.22	0.01	0.39	741.35	0.39	(37.38)	72.28	11.29	236.74	156.06
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,335.85	1,266.78	(120.42)	2,367.58	(564.53)	7,721.71	5,128.75	129.90	9,568.28	6,964.02
6	Finance costs	88.15	92.65	88.28	399.57	201.78	2,115.15	2,268.46	1,466.68	8,721.20	2,852.13
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,247.70	1,174.13	(208.70)	1,968.01	(766.31)	5,606.56	2,860.29	(1,336.78)	847.08	4,111.89
8	Exceptional items	9.56	-	-	9.56	(0.18)	(174.27)	(81.40)	(17.64)	87.46	(19.29)
9	Profit/(loss) from ordinary activities before tax (7-8)	1,257.26	1,174.13	(208.70)	1,977.57	(766.49)	5,780.83	2,941.69	(1,319.14)	759.62	4,131.18



PART II

Select information for the Quarter / Year ended 31st March, 2014

Sl No.	PARTICULARS	STANDALONE					CONSOLIDATED				
		Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 31.12.2013 Unaudited	Quarter ended 31.03.2013 Audited (Refer Note-2)	Current Year ended 31.03.2014 Audited	Previous Year ended 31.03.2013 Audited	Quarter ended 31.03.2014 Audited (Refer Note-3)	Quarter ended 31.12.2013 Unaudited	Quarter ended 31.03.2013 Audited (Refer Note-3)	Current Year ended 31.03.2014 Audited	Previous Year ended 31.03.2013 Audited
A	PARTICULARS OF SHAREHOLDING										
1	Public Shareholding										
	-Number of Shares	64,687,314	60,243,613	-	64,687,314	-	64,687,314	60,243,613	-	64,687,314	-
	-Percentage of shareholding	29.12	27.12	-	29.12	-	29.12	27.12	-	29.12	-
2	Promoter and Promoter Group Shareholding										
	Pledged / Encumbered										
	-Number of Shares	3,000,000	3,000,000	-	3,000,000	-	3,000,000	3,000,000	-	3,000,000	-
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	1.90	1.85	-	1.90	-	1.90	1.85	-	1.90	-
	-Percentage of shares (as a % of the total share capital of the Company)	1.35	1.35	-	1.35	-	1.35	1.35	-	1.35	-
	Non-Encumbered										
	-Number of Shares	154,485,676	158,929,377	500000	154,485,676	500000	154,485,676	158,929,377	500000	154,485,676	500000
	-Percentage of shares(as a % of the total shareholding of promoter and promoter group)	98.10	98.15	100	98.10	100	98.10	98.15	100	98.10	100
	-Percentage of shares (as a % of the total share capital of the Company)	69.53	71.53	100	69.53	100	69.53	71.53	100	69.53	100

INVESTOR COMPLAINTS

Quarter ended 31.03.2014

B		
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil



STAR FERRO AND CEMENT LIMITED
Audited Segment-wise Revenue, Results and Capital Employed for the Quarter/Year ended 31st March, 2014

(* in Lacs)

Sl No.	PARTICULARS	STANDALONE					CONSOLIDATED				
		Quarter ended 31.03.2014 Audited (Refer Note-2)	Quarter ended 31.12.2013 Unaudited	Quarter ended 31.03.2013 Audited (Refer Note-2)	Current Year ended 31.03.2014 Audited	Previous Year ended 31.03.2013 Audited	Quarter ended 31.03.2014 Audited (Refer Note-3)	Quarter ended 31.12.2013 Unaudited	Quarter ended 31.03.2013 Audited (Refer Note-3)	Current Year ended 31.03.2014 Audited	Previous Year ended 31.03.2013 Audited
1	Segment Revenue (Net)										
	(a) Ferro Alloys	4,594.24	4,026.45	2,394.56	14,548.60	6,457.77	4,594.24	4,026.44	2,394.56	14,548.60	6,457.77
	(b) Power :								68.42		68.42
	External Sales Revenue	-	-	-	-	-	801.42	3,536.31	2,633.35	12,192.40	7,880.58
	Inter Segment Revenue	1,377.88	1,156.57	1,459.86	4,916.81	3,615.25	33,449.75	29,491.85	15,684.35	102,595.69	59,206.35
	(c) Cement	-	-	-	-	-	38,845.41	37,054.60	20,780.68	129,336.69	73,613.12
	Total Segment Revenue	5,972.12	5,183.02	3,854.42	19,465.41	10,073.02	801.42	3,536.31	2,633.35	12,192.40	7,880.58
	Less : Inter Segment Revenue	1,377.88	1,156.57	1,459.86	4,916.81	3,615.25	801.42	3,536.31	2,633.35	12,192.40	7,880.58
	Net Sales/Income from Operations	4,594.24	4,026.45	2,394.56	14,548.60	6,457.77	38,043.99	33,518.29	18,147.33	117,144.29	65,732.54
2	Segment Results (Profit/(Loss) Before Tax & Finance Cost)										
	(a) Ferro Alloys	311.26	922.43	(641.06)	501.93	(1,090.24)	1,445.54	922.42	(641.06)	1,636.20	(1,090.24)
	(b) Power	360.68	355.41	520.19	1,235.65	526.44	(1,069.68)	1,401.89	393.36	1,230.81	1,058.80
	(c) Cement	-	-	-	-	-	7,538.59	3,306.89	(47.56)	6,819.17	7,252.39
	Total	671.94	1,277.84	(120.87)	1,737.58	(563.80)	7,914.45	5,631.20	(295.26)	9,686.18	7,220.95
	Less : Finance Costs	85.49	92.65	88.28	396.91	201.78	1,975.80	2,268.46	1,466.68	8,581.85	2,858.86
	Add : Unallocable (Expenses)/Income net of unallocable Income/expenses	670.81	(11.06)	0.45	636.90	(0.91)	(157.82)	(421.05)	442.80	(344.71)	(230.91)
	Total Profit/(Loss) Before Tax	1,257.26	1,174.13	(208.70)	1,977.57	(766.49)	5,780.84	2,941.69	(1,319.14)	759.63	4,131.18
3	Capital Employed (Segment Assets less Segment Liabilities)										
	(a) Ferro Alloys	5,362.88	3,718.11	4,679.14	5,362.88	4,679.14	5,362.88	9,188.41	4,679.14	5,362.88	4,679.14
	(b) Power	2,539.65	3,529.30	2,654.83	2,539.65	2,654.83	11,596.63	11,048.81	13,594.34	11,596.63	13,594.34
	(c) Cement	-	-	-	-	-	77,789.56	71,574.53	74,734.37	77,789.56	74,734.37
	(d) Unallocated	3,548.43	3,845.95	3,276.93	3,548.43	3,276.93	(830.85)	(2,023.27)	1,643.24	(830.85)	1,643.24
	Total	11,450.95	11,093.86	10,610.90	11,450.95	10,610.90	93,918.21	89,788.48	94,651.09	93,918.21	94,651.09



STATEMENT OF ASSETS & LIABILITIES

STATEMENT OF ASSETS & LIABILITIES						In Lacs
Sl. No.	Particulars	Standalone		Consolidated		
		Audited	Audited	Audited	Audited	
		As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013	
A	EQUITY AND LIABILITIES					
1	Shareholders' Fund					
	Share Capital	2,221.73	5.00	2,221.73	5.00	
	Share capital pending allotment	-	2,216.73	-	2,216.73	
	Reserves and Surplus	9,229.23	8,389.17	66,411.35	67,049.81	
		11,450.96	10,610.90	68,633.08	69,271.54	
2	Minority Interest	-	-	25,285.13	25,379.55	
3	Non-Current Liabilities					
	Long Term Borrowings	835.98	1,036.37	65,695.64	76,490.96	
	Deferred tax Liabilities (Net)	78.10	-	447.52	409.32	
	Other Long Term Liabilities	-	336.99	7,281.79	8,000.65	
	Long Term Provisions	27.70	20.93	183.48	156.44	
		941.78	1,394.29	73,608.43	85,057.37	
4	Current Liabilities					
	Short Term Borrowings	1,733.72	2,151.33	18,733.86	9,113.96	
	Trade Payable	1,058.40	871.73	14,872.35	7,231.59	
	Other Current Liabilities	252.45	299.89	19,554.41	9,914.68	
	Short Term Provisions	105.38	8.89	32.57	22.58	
		3,149.94	3,331.84	53,193.19	26,282.81	
	TOTAL EQUITY & LAIBILITIES	15,542.68	15,337.03	220,719.84	205,991.27	
B	ASSETS					
1	Non Current Assets					
	Net Fixed Assets	2,960.23	3,440.87	117,222.51	116,480.27	
	Capital Work in Progress	28.57	19.59	9,951.81	12,888.73	
	Non Current Investments	6,328.25	6,328.25	152.86	152.86	
	Deferred Tax Assets (Net)	-	207.73	-	-	
	Long Term Loans and advances	837.30	98.87	6,506.92	4,482.10	
	Other Non Current Assets	3.14	5.82	21,273.67	22,722.63	
		10,157.48	10,101.13	155,107.76	156,726.59	
2	Current Assets					
	Inventories	2,001.64	2,822.96	17,548.68	14,999.41	
	Trade Receivable	1,656.20	1,147.77	10,972.86	4,271.36	
	Cash and Cash Equivalents	116.87	151.55	1,258.12	2,708.79	
	Short Term Loans and advances	1,213.94	732.86	22,168.44	11,737.77	
	Other Current Assets	396.55	380.76	13,663.98	9,547.35	
		5,385.20	5,235.90	65,612.08	49,264.68	
	TOTAL ASSETS	15,542.68	15,337.03	220,719.84	205,991.27	



NOTES TO STANDALONE FINANCIAL RESULTS:

- 1 The above result has been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on 28.05.2014.
- 2 The figures of last quarter are the balancing figures being difference between the audited figures in respect of the full financial year and the year to date unaudited figures upto 31st December, 2013 which were subject to limited review.
- 3 During the quarter ended 31st March, 2014, the Board of Directors have recommended and paid Interim Equity Dividend ` 0.33 per share
- 4 Against company's claim 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 differential amount against furnishing of solvent surety in line with the Interim Order dated 13th January, 2012 passed by Hon'ble Supreme Court in case of "VVF Ltd and others". Based on the said favourable judgment and legal opinion obtained by the company has recognized differential excise duty refund of Rs. 901.02 lacs as revenue.
- 5 Previous year/period figures have been rearranged /regrouped wherever necessary to make them comparable with current year/period figures.

NOTES TO CONSOLIDATED FINANCIAL RESULTS:

- 1 The above result has been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on 28.05.2014.
- 2 The consolidated results include results of its subsidiaries Cement Manufacturing Company Limited(CMCL), Star Cement Meghalaya Limited(SCML), Megha Technical & Engineers Private Limited(MTEPL), Meghalaya Power Limited(MPL) and NE Hills Hydro Ltd(NEHL).
- 3 The figures of last quarter are the balancing figures being difference between the audited figures in respect of the full financial year and the year to date unaudited figures upto 31st December, 2013 which were subject to limited review.
- 4 During the year ended 31st March, 2014, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, CMCL, SCML and MPL have availed the option given in paragraph 46A of the Accounting Standard 11 (AS-11) - The Effects of Changes in Foreign Exchange Rates". Accordingly, they have, with effect from 1st April, 2013, 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 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 31st March, 2014 is Rs.18.59 lacs. The unamortized portion carried forward as at 31st March, 2014 is Rs.3, 756.60 lacs. Had they followed the earlier policy of charging the entire amount to the Statement of Profit and Loss, the profit before tax for the year would have been lower by Rs.3,756.60 lacs.
- 5 Against claim 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 differential amount against furnishing of solvent surety in line with the Interim Order dated 13th January, 2012 passed by Hon'ble Supreme Court in case of "VVF Ltd and others". Based on the said favourable judgment and legal opinion obtained by the company and its subsidiaries Viz. CMCL and MTEPL has recognized differential excise duty refund of Rs. 4,585.52 lacs as revenue.
- 6 Previous year/period figures have been rearranged /regrouped wherever necessary to make them comparable with current year/period figures.



For Star Ferro and Cement Limited

Hari Prasad Agarwal
Hari Prasad Agarwal
Managing Director