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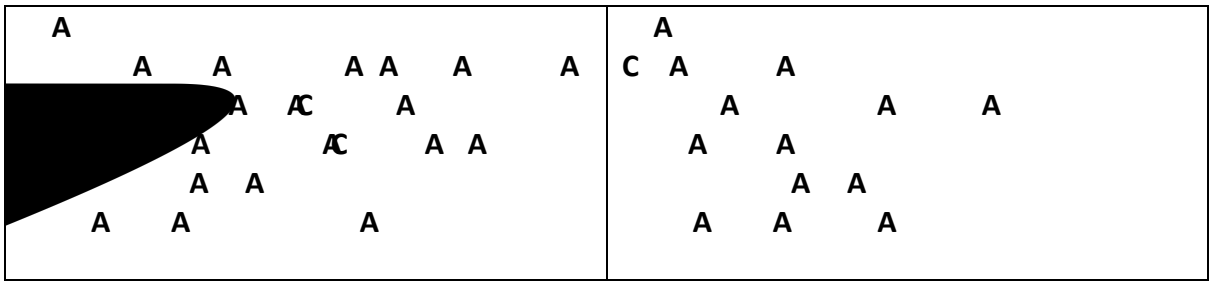

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Sub: Corrigendum to Annual Reports for the Financial Year 2021-22

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For Star Cement Limited

26-09-2022

X

Debabrata Thakurta
Company Secretary
Signed by: DEBABRATA THAKURTA

Debabrata Thakurta
(Company Secretary)

Encl: As stated

STAR CEMENT LIMITED

Century House, P-15/1 CPT Colony, Taratala Road, Kolkata -700088. Email: kolkata@starcement.co.in
Registered Office & Works: Village & PO – Lumshnong, P.S. Khliehriat, District – East Jaintia Hills, Meghalaya – 793210. Phone: 03655-278215/16/18. Fax Number: 03655-278217.
Email: lumshnong@starcement.co.in. Website: www.starcement.co.in
ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 CERTIFIED COMPANY.
CIN : L26942ML2001PLC006663

STAR CEMENT
Solid Setting

ACCELERATING WITH AGILITY

STAR CEMENT LIMITED
ANNUAL REPORT 2021-22

Across the Pages

01 Corporate Overview

01 Accelerating with Agility
02 Our Story of Accelerating Growth
04 Words from the Chairman
07 Accelerating Possibilities with Our Product Portfolio
08 Accelerating Our Roadmap through Strategies Imperatives
10 Progressing with Agility Amid Our Operating Landscape
12 Advancing with Agility on Our Technological Front
14 Accelerating Possibilties with Our Value Creation Model
16 Our Agility, Reflected in Our Financial Performance
18 Accelerating Conservation, Reducing Our Environmental Footprint
20 Accelerating Better Returns by Addressing Our Stakeholders
22 Accelerating Our Reach by Nourishing Our Brand
24 Corporate Information

25 Statutory Reports

25 Directors' Report and Management Discussion & Analysis
54 Corporate Governance Report
73 Business Responsibility Report

83 Financial Statements

83 Standalone
141 Consolidated

196 Notice

221 E-Communication Registration Form

Scan to download our previous year's Annual Report

For more investor-related information, please visit- https://www.starcement.co.in/investor/annual-reports

Investor Information

Market Capitalisation as at 31st March, 2022	: ₹3,621 Crore
CIN	: L26942ML2001PLC006663
BSE Code	: 540575
NSE Symbol	: STARCEMENT
AGM Date	: 27th September, 2022
AGM Mode	: Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')

Disclaimer: This document contains statements about expected future events and financials of Star Cement Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Accelerating with Agility

Agility is the capability to rethink, re-strategise and respond quickly, while accelerating through the milestones, goals and course.

At Star Cement, we have established ourselves among the leading cement players in India's North-Eastern Region (NER), and we are consistently working on expanding in the Eastern region.

Our 18 years of solid foundation have helped us gain proficiency that propels us forward. Over the years, we have constantly worked on enhancing our capacity, which today enables us to cater to the increased market demand. We attribute this ability to our strategic advantages in logistics, raw material proximity, more than adequate manufacturing capabilities, and a positive cash flow. We have actively worked to improve our abilities and explored all growth prospects. And while doing this, we have been able to accelerate our progress with agility.

For this, we only have our deliberate actions, a well-thought-out plan, and the correct kind of direction and speed to thank. When we look back, we see how far we have travelled. But above everything, the miles we have crossed so far, and the ones we plan to surpass in future, speaks of how fast our transition has been. Our journey is indicative of how we have been progressing with speed, achieving goals and objectives on the way while setting new benchmarks each time. When we look ahead, we sure envision our targets and milestones we want to achieve over the course of the next few years. But we also foresee that we will continue growing and accelerating with agility, just as we have been. Because this is the way we have known it to be, this is the way it will always be.

Our Story of Accelerating Growth

Star Cement – An Overview

Star Cement Limited ('Star Cement', 'the Company' or 'We') is the leading cement company in North-Eastern India and one of the fastest-growing cement players in the industry. The Company, backed by premium quality cement, pioneer marketing and a focus on overall sustainable development, has gained prominence in Eastern India's construction industry. Star Cement, as a brand, goes beyond manufacturing and selling products. We also provide technical support, best-in-class home building solutions and services to customers at all stages of the construction, right from foundation to roof.

We believe in being a strong and socially responsible corporate. The Company plays a pivotal role in safeguarding the environment, promoting economic development, strengthening livelihoods & social development and fulfilling responsibilities towards society with consistent Corporate Social Responsibility initiatives. Furthermore, with the guidance of our efficient governance team, we thrive to strengthen our leadership position in the areas we operate.

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
- To achieve 15 Mn metric tonnes capacity by 2026

Mission

- To provide utmost satisfaction to the consumer by providing the best quality product and better customer support
- To continuously upgrade the product through innovations and convergence of new technology and to produce the best quality at the lowest cost
- To safeguard and enhance shareholders value
- To respect the dignity of all employees and together become instrumental in the development of the country by protecting the environment
- To utilise the surpluses for the welfare of employees and society at large

Facts Justifying Our Potential

5.7 MMTPA
Aggregate Cement Capacity

2.8 MMTPA
Aggregate Clinker Capacity

6
Manufacturing Units
(4 in Meghalaya and 1 each in Assam and West Bengal)

2,100+
Total Dealer Network

12,000+
Total Retailer Network

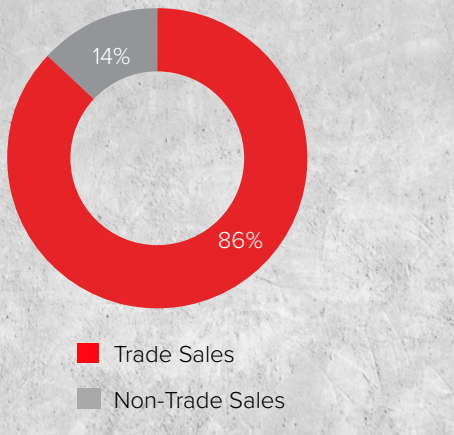
1,900+
Workforce

Zero Debt
Company

Highest
Market Share in the North-Eastern Region

One of the Country's Finest
Limestone Reserves

Our Sales Mix



All numbers are on a consolidated basis for FY 21-22

Words from the Chairman

We saw stronger returns than the previous year, despite volatile power and coal prices. Due to state-imposed mobility restrictions implemented because of the Omicron virus, our dispatches suffered in the first quarter.

Dear Shareholders,

I hope this letter finds you safe and healthy. Over the past few years, lives, livelihoods and businesses have been severely impacted by multiple waves of the Covid-19 pandemic. It has been a difficult period for everyone, from individuals, businesses, and frontline warriors to the economy and country. I want to extend my heartfelt gratitude to everyone, especially our frontline personnel, who have diligently fought to protect the safety of our people and communities. Their undying commitment and faith have enabled us to see a time that we call the 'new normal'.

With this, I take great pleasure in presenting Star Cement Limited's Annual Report for FY 21-22 to you.

The Macroeconomic Landscape

After a period of challenges and negligible to slow industry growth, this year turned out to be good one. It helped bring out a relatively better side as the economy gradually advanced following an extraordinarily difficult macroeconomic backdrop and subsequent waves of the Covid-19 pandemic. Despite a very unpredictable previous year, the economy grew by 8.7% in FY 21-22, while presenting a bundle of opportunities. This growth was fuelled by a decline in the Covid-19 infection rate, widespread inoculation, a recovery in commercial operations, and an overall improvement in public morale due to the upliftment of restrictions and a partial return to normalcy in daily life. The Government's liquidity and stimulus policies, the RBI's loan moratorium, and lowered interest rate defences also helped boost the economy significantly.

India also had new growth spurts during the year. As the year went on, there was a substantial increase in the key sectors as demand and consumption mostly returned to their pre-pandemic levels. Increased levels of public and private consumption helped to stimulate our economy further. But in light of the longer-lasting inflationary pressure, the Reserve Bank of India raised its repo rate by 90 basis points over two instalments, bringing it from 4% to 4.9% in May. This is expected to have an impact on the interest rates as well. These economic disruptions have prompted us to undertake strategies to provide stability to our business and expand in the face of uncertainties.

Industrial Overview

The cement industry is one of the main industrial sectors in the nation. Given the massive infrastructural requirements of a developing and urbanising nation and its contributions in terms of direct and indirect employment, cement industry has a sizeable prominence for a rising and transitioning economy like India. Today, our nation is the second-largest cement producer worldwide, with over 7% of the global installed capacity. However, our per capita cement consumption still remains extremely low, which greatly increases the possibility of future exponential growth.

Due to a low FY 20-21 base and a resurgence of construction development in all sectors, cement production increased in FY 21-22. The cement industry's demand is anticipated to go up due to rising demand in a number of sectors, including housing, commercial & infrastructural development, and industrial building. The demand for affordable housing in rural areas, pent-up demand in the urban housing market, Government infrastructure spending, the restart of construction on public infrastructure projects, and Government programmes like the Pradhan Mantri Awas Yojana (PMAY) are the main factors driving cement consumption.

> India has entered a period of infrastructure growth. The Government's unrestricted push for infrastructure development has allowed the cement industry to reach new heights. We saw an increase in the infrastructure spending in the Union Budget FY 22-23's capital spending allocation by more than 35%, from around ₹5.5 Tn in FY 21-22 RE (Revised Estimates) to ₹7.5 Tn in FY 22-23 BE (Budget Estimates).

This is definitely good news for the cement industry. In addition, it calls for upgrades to ports, airports, and rural infrastructure. Since its inception, National Infrastructure Pipeline (NIP) has added more than 9,000 projects across 34

subsectors. PM Gati Shakti is prepared to provide top-notch nationwide infrastructure and logistics solutions with the first financial expenditure of ₹200 Bn. The demand for affordable housing is expected to rise as a result of Government housing initiatives like the Pradhan Mantri Awas Yojana (PMAY). With ₹480 Bn put aside, for this reason, the Government has committed to finish 8 Mn homes in both rural and urban locations.

These developmental activities in the infrastructural space will boost industrial sector outputs, and measures to raise earnings would also pave the way for the cement industry to grow easily.

The Year under Review

We saw stronger returns than the previous year, despite volatile power and coal prices. Due to state-imposed mobility restrictions implemented because of the Omicron virus, our dispatches suffered in the first quarter. Demand in the North-East was subdued across the second quarter and the first half of the third quarter. However, strong demand and stepped-up infrastructure activities in the fourth quarter helped us position ourselves towards the end of FY 21-22. Due to increased demand in North Bengal and East Bihar, our Siliguri plant operated at 70% of its capacity, up from 32% in the first quarter of FY 21-22.

From the operational context, we produced 21.75 Lakhs tonnes of clinker compared to 19.11 Lakhs tonnes in FY 20-21. On the cement side, we produced 34.06 Lakhs tonnes compared to 25.04 Lakhs tonnes in FY 20-21. Regarding geographical distribution, we sold 25.48 Lakhs tonnes of cement in the North-East and 8.56 Lakhs tonnes outside the region during the fiscal year.

From the financial perspective, we registered our total revenue of ₹2,222 Crore in FY 21-22 which was 29.18% higher than the previous year from ₹1,720 Crore. Our EBITDA stood at ₹379 Crore in FY 21-22 compared to ₹361 Crore in FY 20-21, and PAT ₹247 Crore in FY 21-22 compared to ₹187 Crore in FY 20-21. Furthermore, we have been a net debt-free entity for the last 3 consecutive years. This clearly reflects our zero dependency on outside debt and is a testimony of our operational and financial excellence. During the year, we maintained a robust cash position which gave us the stability to hold our stance with a strong balance sheet.

From the capex front, we have been investing in setting up a 3 Mn tonnes clinker unit at our Meghalaya Unit along with 12 MW WHRB plant. This coming year, we have around ₹300 Crore Capex plan and we are optimistic about commencing the operation of our 12 WHR plant by September 2022. We are also looking to set up a 2 numbers of 2 Mn tonnes grinding unit in Assam and have also ramped up ₹2,200-2,500 Crore of Capex plan for the next 24 months.

Vote for Thanks

I would like to take this opportunity to express my gratitude to our regulators, customers, board members, and stakeholders for their unwavering trust and support. Your faith and support allows us to grow into a strong organisation, and we pledge always to put your interests first. Our future is bright and exciting, and we are committed to overcoming the situation as it stands.

With Regards,

Sajjan Bhajanka

Chairman

Accelerating Possibilities with Our Product Portfolio

Star Cement Ordinary Portland Cement (OPC)

OPC Grade 43

The most extensively used all-purpose cement in the country today, is suitable for construction where the grade of concrete is up to M-30.

OPC Grade 53

OPC 53 is a stronger cement that offers more durability and strength for concrete. With optimum particle size distribution and superior crystallised structure, OPC 53 caters for the diverse needs of different consumer segments.

Star Cement Portland Pozzolana Cement (PPC)

PPC is a blended cement composed of OPC clinker, gypsum, and pozzolanic materials. It is ideal for mass concrete works, masonry mortars, and plastering.

Features:

- Durability
- Improves strength and viscosity
- Resistant to chemical attacks
- Lower permeability
- Water-resistant
- Better cohesiveness

Star Cement Anti Rust Cement (ARC)

A signature product of Star Cement in the value-added sector, Star Anti Rust Cement is expertly engineered and was created as the result of several years of intensive R&D to address the changing needs of the construction industry. Star Anti Rust Cement gives reinforcing bars anti-rust and anti-corrosive qualities. Thereby, increasing a structure's tensile strength, durability, and service life.

Accelerating Our Roadmap through Strategies Imperatives

Consolidating our strengths and operational efficiencies, we have established ourselves as the leading cement player in North-Eastern India. We are also the fastest-growing brand in West Bengal and Bihar. To reach where we are today, we have meticulously planned our roadmap and consistently progressed on the path to our goals and objectives, backed by our strategies, which encompass:

Cost Optimisation

Star Cement has been optimising the Company's raw material mix to reduce overall manufacturing costs. We have successfully reduced our fuel and power consumption in the manufacturing process. Additionally, we have also started using biomass in our plants, and our other cost reduction initiatives include:

- New clinker loading system and hopper, for bulk loading support
- Upgraded pyro jet main firing burner to improve operational efficiency
- Roto scale coal feeding system to improve operations
- Vibrating screen in the tertiary crusher to improve raw mill grinding
- Variable frequency drives to reduce power consumption

Logistical Efficiency

Logistics expenses, which would otherwise make up a sizeable portion of the total cost, are reduced by proximity to raw materials. The Company uses the ideal combination of roads, trains, and waterways to ensure a continuous product supply. In order to decrease the amount of freight cost and our reliance on outside transporters, we acquired a fleet of 190 vehicles. By employing GPS networks to track the fleet of vehicles, we have successfully worked to shorten delivery times. The Company also anticipates that the forthcoming Siliguri Railway siding would further lower freight costs. Additionally, we have also been testing the feasibility of transporting imported coal by river from the Haldia port to Guwahati, through the Brahmaputra River.

Dealer-Distributor Network Expansion

Star Cement has been focusing on advancing the Company's dealer network over the years. We have developed a strong dealer and distribution network – with more than 2,100 dealers and 12,000 merchants, our distribution network covers ten states. In order to meet the expanding demand in the area, we further added 200 additional dealers to our network in FY 21-22. Our broad network helps us enter more geographies and increase sales, thus helping us keep our position as the industry leader.

Innovative Marketing Strategies

Star Cement is continually developing novel marketing methods to increase client memory and foster a favourable brand perception. We have appointed renowned bollywood actor, Akshay Kumar, as our brand ambassador, in addition to endorsements from other renowned celebrities. We also use classic billboard/hoarding commercials, local television, and other media for greater brand exposure.

Progressing with Agility Amid Our Operating Landscape

The volatile external environment in FY 21-22 tested our operational capabilities to a higher extent. Stark shoot in the prices of petroleum products, coupled with inflated power rates, dampened demand scenario in the North-Eastern region, mobility restrictions due to virus outbreak. But, despite it all, we overcame the headwinds and achieved better performance in the end.

While the year was filled with unprecedented headwinds, the Government was rigid towards the infrastructural pump they had pledged previously. Leveraging that synergy, in February 2022, the Capex increment in the Union Budget for infrastructure by 35% boosted the industry's growth sentiment. Being a predominant player in the North-East, greater infrastructure development opportunities are a blessing for our business. A galore of opportunities in the form of housing shortage, highway networks and other infrastructural projects like railways, hydropower capacity, and smart cities are present in the Eastern region. Although the cement consumption in the Eastern region is lower than the national average, the market is likely to witness positive change in the near future. Thereby, leading to a higher contribution by the Eastern market to the domestic scale of production.

21.6 Mn units of housing shortage in Eastern India, including North-East

Higher focus on national security in the Eastern region, along with the Government initiating a large pipeline of infrastructure projects

Special focus on smart cities in the Eastern region – with 21 out of 110 cities being selected under the Smart City Mission

Low per capita cement consumption of the Eastern regions – 131 per kg – compared to pan-India's relatively higher consumption of 230 kg

Limestone availability in the region – the key raw material for cement manufacturing – makes it an attractive destination

Various rail, road and air connectivity projects in Northeast India worth ₹1,34,200 Crore will be taken up by the Government of India, which includes 20 rail projects and 4,000 kilometres of road projects

The Government is also developing the NW-1 on the Ganges, NW-2 on Brahmaputra and NW-16 on Barak River (NW – National Waterways)

The NE Region is gifted with an enormous hydropower capacity of approximately 58,356 MW (>25 MW). Of this 2,027 MW (or roughly 3.47%) was utilised as of on 31st November, 2021. With about 92.9% of the remaining portion yet to be tapped, there are plans setting up a 2,120 MW of hydropower already

Advancing with Agility on Our Technological Front

In the era of digitisation, we, at Star Cement have taken broad steps towards expanding our digital footprint. This not only helps us move forward with wider connectivity through our channel partners, but also reduces the possible human error which might affect our business activities. Below are some of the steps we undertook towards digital transformation:

WhatsApp Business

Star Cement has introduced WhatsApp for Business to respond to the queries of channel partners and customers, promote products and communicate promotional schemes, festive greetings and even send our channel partners birthday and anniversary wishes.

Online Engagement Programmes

We run various engagement programmes for our channel partners and influencers through online games. The winner of these games are recognised and rewarded.

Star Saathi App

For our vast dealer network of 2,100 dealers, Star Saathi App has been introduced for strengthening the channels of distribution. The app facilitated flexibility in order placement, order tracking and payment, providing ease of service to our dealers.

Star Lotus App

Star Lotus has been developed with the sole purpose of engaging 6,000+ contractors in loyalty programme, including site verification, gift distribution, and journey, for bettering their experience with Star Cement.

Star Stellar App

Facilitating loyalty programme for 2,000+ engineers for facilitating their journey & experience with Star Cement.

Sales Force Automation App

Sales Force Automation app helps to track attendance, and automate various field activities for 400+ users across Sales, Branding and Technical Teams.

Star Cement Customer Portal

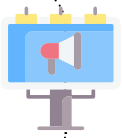
A unique OTP-based web interface for dealers that allows them to view and download unpaid invoices, ledgers, debit notes, and credit notes.

Systems, Applications & Products in Data Processing (SAP)

Inititative has been taken for the implementation of SAP to lead to higher operational efficiency and an overall enhanced performance which is expected to be implemented by the 2nd quarter of FY 22-23.

Digital Displays

Digital displays aid in the creation of very attractive in-store branding and have been successfully implemented at a few top dealer counters, increasing brand visibility and providing dealers with exclusive digital footprints, while also disseminating important brand information, scheme updates, offers, and industry and construction news.



Revamped Star Cement Website

The year also saw the launch of the revamped website of Star Cement – www.starcement.co.in – which is comprehensive and user-friendly with more enriched content that answers all queries of visitors. The site is dynamic, informative and easy access to more information for engineers, architects and home builders. The website also provides an option for quicker searches, to find the nearest dealers and to locate them live on Google map and make it very easy to navigate.

Accelerating Possibilties with Our Value Creation Model

Inputs

Capitals

Key Performance Indicators

Financial Capital

Financial resources that the Company has or obtains through financing

- Equity Share's Capital: ₹40.42 Crore
- Long-Term Debt: Nil
- Total Capital Employed: ₹2331.12 Crore
- Capital Expenditure: ₹190.54 Crore

Manufactured Capital

The Company's tangible assets used to conduct business processes

- Installed Capacity: 5.7 MMTPA
- Manufacturing Units: 6
- R&D Facility: 5

Intellectual Capital

The Company's organisational, knowledge-based intangible assets, and ethos, crucial to Star Cement's long-term viability and growth

- **R&D Investment**
  - Capital Expenditure: ₹0.081 Crore
  - Revenue Expenditure: ₹0.53 Crore

Human Capital

The competence of our human strength which enables us to deliver superior products and services

- Total Employees: 1,954
- Total Training Hours: 5,699

Natural Capital

Our understanding of environmental impact and committment to reducing our environmental footprint

- Total Energy Consumed: 2,49,158 MW
- Renewable Energy Consumed: 15.8 MW

Social Relationship Capital

Our initiatives to supports our communities and foster inclusive growth

- Amount Invested for CSR Activities: ₹9.54 Crore

Value Creation Process

Our Business Activities

Core Activities

- Raw Material Mining
- Clinkerisation
- Cement and Concrete Manufacturing
- Marketing, Distribution and Sales

Associate Functions

- Finance
- Human Resource
- Technical Services
- Logistics
- Procurement
- Information Technology
- Legal

Product Portfolio

- Ordinary Portland Cement
- Portland Pozzolana Cement
- Anti-Rust Cement

Our Competitive Advantage

- Highest Market Share in North-Eastern India
- Superior Logistical Advantage
- Stable Liquidity Position
- Debt Free Company
- Strong Dealer-Distributor Network
- Innovative Marketing Strategies

Our Agility, Reflected in Our Financial Performance

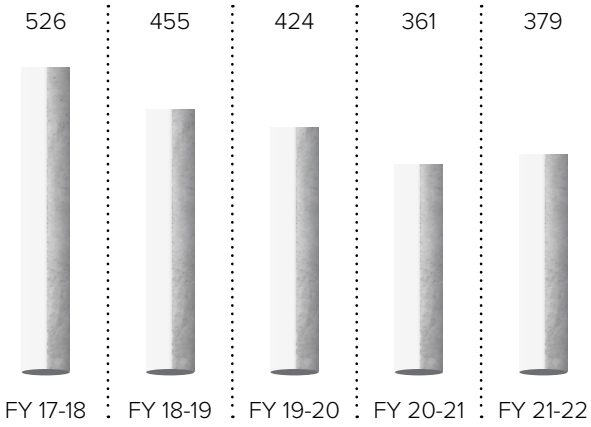
After witnessing a dampened demand in the first, second and the initial period of third quarter of FY 21-22, we saw a boost in the North-East market in the fourth quarter. This helped us position ourselves in a better financial standpoint by the end of FY 21-22. During the year, we registered a total sales volume of 3.4 Mn tonnes in FY 21-22 and are further planning to grow our sales volume by 4 Mn tonnes in FY 22-23.

Revenue

(₹ in Crore)

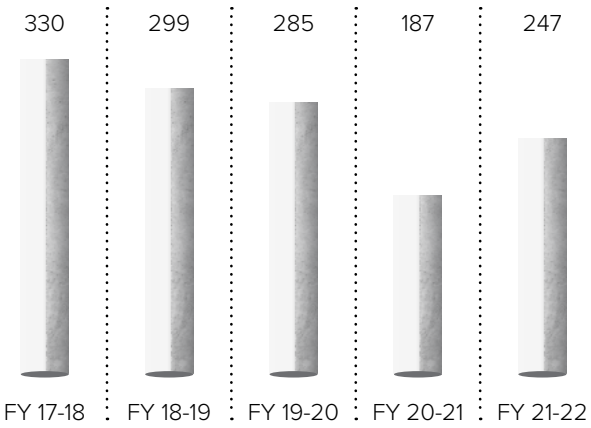
EBITDA

(₹ in Crore)



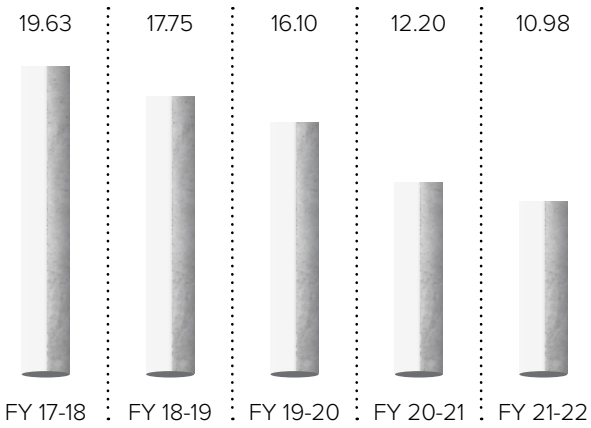
Net Profit

(₹ in Crore)



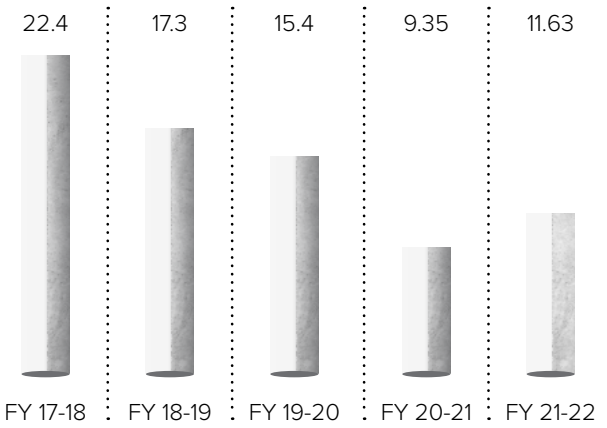
ROCE

(%)



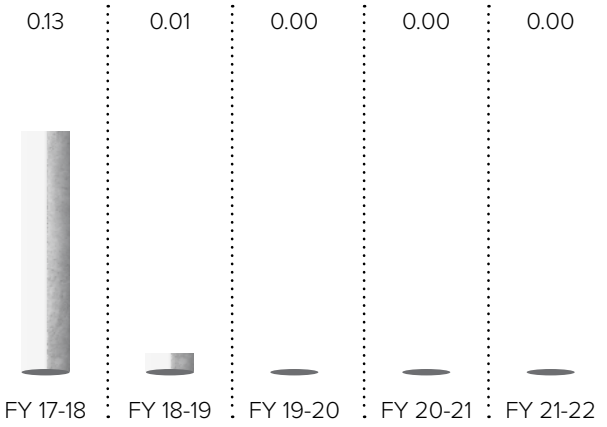
ROE

(%)



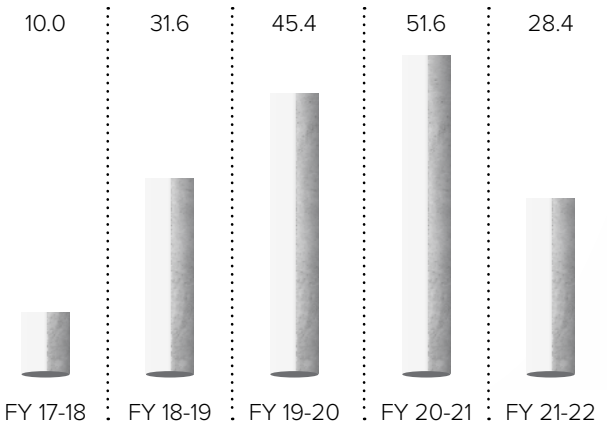
Debt-Equity Ratio

(X)



Interest Cover

(X)



Accelerating Conservation, Reducing Our Environmental Footprint

As a responsible corporate citizen, we endeavour to ensure a substantial contribution to fostering sustainable growth and reducing climate change. To this end, we have deployed strict measures to guarantee that we manufacture sustainably through responsible resource allocation, energy-saving measures, effective waste management, and the use of carbon-reducing technologies. We have stepped up our efforts to reduce our carbon impact. By investing in cutting-edge products and production methods, we consciously support efforts to address climate change.

We are investing around ₹150 Crore for a 12 MW WHR plant in Meghalaya. We have also started using biomass to reduce our conventional fuel usage. Lowering CO_2 remains one of our prime focuses when it comes to environmental protection. We are developing a green belt in the surrounding areas of our plant with evergreen saplings. Moreover, we have installed equipment to control pollution, including ESP, RABH, and bag filters, along with online dust and gaseous monitoring equipment in associated stacks to monitor and control our particle emissions in the air.

Accelerating Better Returns by Addressing Our Stakeholders

We have established a strong bond with our stakeholders and respond to their long-term and shifting demands. We continually communicate our business decisions, activities, and performance to our stakeholders and collaborate on providing long-term solutions to our business difficulties, thanks to excellent stakeholder connections. We've developed a strategy for engagement that ensures relevant information is communicated to each stakeholder group consistently and promptly.

Stakeholder Group	Stakeholder Priorities	Engagement Mode	Frequency
Customers	• Branded products • Assured quality and product pricing • Regular supply and timely delivery • Seamless customer service • Customer satisfaction and retention	• Regular engagement through e-mails, calls, SMS, brochures and catalogues • Site visits by company civil engineers • Exhibitions and events • Customer feedback • Social media communication • Marketing campaigns • SAP ERM implementation	• Regular • Periodical • Annual • Need-based
Investors	• Economic performance • Sustainable business performance • Risk management • Ethical business practices and good corporate governance • Regular payout either as dividend or buyback • ESG integration into strategy and operations • Transparent reporting and disclosure	• Investor meets/calls • Annual/quarterly results • Investor presentations • Annual General Meeting • Annual report • Press releases	• Periodical • Annual/ Quarterly • Need-based
Employees	• Training and development • Health and safety matters • Diverse, open, non-discriminatory, and safe working environment • Fair practices, work-life balance and timely remuneration • Performance evaluation and recognition	• E-mails, one-on-one and group meetings • Town hall meetings • Employee engagement initiatives • Star Sujhaav • Cultural events • Training and development workshops • Health initiatives • Performance appraisals • Grievance redressal mechanisms	• Regular • Quarterly • Monthly • Continuous • Need-based

Stakeholder Group	Stakeholder Priorities	Engagement Mode	Frequency
Communities	• Infrastructure development • Local employment • Education to the marginalised and tribal people • Social upliftment • Community welfare initiatives • Environment conservation • Healthcare to the underprivileged	• CSR initiatives • Focus on health, education, livelihood and poverty alleviation • Skill development and training workshops • Employee volunteering	• Regular • Programme-based
Government/ Regulatory Bodies	• Compliance with laws and regulations • Timely reporting through various compliance-based forms • Active participation in industry and regulatory working groups	• Meetings, presentation, reports and networking in different forums organised by regulatory authorities • Mandatory regulatory filings • Periodical submission of business performance • Annual report • Written communications	• Periodic • Need-based
Vendors/ Suppliers	• Fair and ethical procurement & engagement practices • Knowledge programmes to reduce supplier's risks • Pricing and favourable terms of payment • Timely clearance • Addressing supplier grievances	• Phone, e-mail or in person engagement • Suppliers' meet, regular meetings, seminars, and workshops • Capacity building and sustainability for suppliers	• Regular • Need-based
Dealers	• High level of customer satisfaction • Dealers' network • Maintaining brand reputation • Assured quality • Support in sales promotion • Regular supply and timely delivery • Profitability and return on investment	• Annual dealer/channel meetings • Conferences • Marketing meetings and sales calls • Channel satisfaction survey • WhatsApp for Business • Call Centre • Sales incentive schemes • App related support	• Periodical • Annual • Continuous

Accelerating Our Reach by Nourishing Our Brand

At Star Cement, we think there is more to doing business than merely selling commodities. By utilising the power of marketing, we have implemented a complete 360-degree strategy to promote our brand and raise the appropriate awareness. As a result, we continuously invest in creating and growing a brand to increase customer brand equity and memory. So far, we have invested around ₹300 Crore in the advertisement in the last decade.

Strengthening the Brand 'Star'

All through these years, Star Cement has established a solid presence in the market. As the top cement brand in the North-Eastern region and one of the most popular cement brands in West Bengal & Bihar, we have been seeing steady growth. Generating demand and boosting brand confidence has helped us strengthen our brand identity.

Enhancing Brand Visibility

We engaged Akshay Kumar, one of the biggest names in Bollywood, to be the brand ambassador for Star Cement as a part of our brand promotion campaign. Mr. Akshay Kumar, one of the most recognisable figures in the country, exemplifies the Company's unwavering commitment and readiness for all potential obstacles. Other known celebrities like Bipasha Basu, Hima Das, Debojit Saha, Saurabhee Debbarma, Lou Majaw, Mami Varte, Late Bhupen Hazarika, Pranjal Saikia, and Simanta Sekhar have also endorsed our brand in the past.

Other Marketing Initiatives

To reach the deeper pockets of the Eastern region, we have been actively extending our presence in the markets of West Bengal and Bihar. Thereby, enhancing the presence and visibility of our brand.

Our marketing campaigns include:

- Establishing the brand in the West Bengal and Bihar markets, aggressively and creatively
- Creating unconventional marketing strategies to boost brand recognition and market perception through communication and media

'Hain Tayyar Hum' Campaign

During the year, Akshay Kumar, one of the top stars in Bollywood, served as the brand ambassador for Star Cement's television commercial. Being associated with Akshay Kumar as the brand ambassador improved brand perceptions and increased the saliency of Star Cement as a brand.

The brand campaign has the key message of highest one day strength which makes Star Cement ready for all challenges depicted with the tagline 'Hain Tayyar Hum'. The television advertisement can be seen on all of the major regional news stations in the North East, West Bengal, Sikkim, and Bihar. In addition to traditional media, the commercial has a heavily BTL presence in these regions through surrogate boards, hoardings, wall painting, and dealer/retailer branding. Making the campaign visible across 360 degrees in multiple mediums.

Awards

Rotary RMB Connect 2021 Award in association with The Economic Times for the most trusted invaluable service and excellence in the category of Cement Industry.

Corporate Information

CIN: L26942ML2001PLC006663

Board of Directors

Mr. Sajjan Bhajanka
Chairman, Managing Director & Chief Executive Officer (CEO w.e.f. 1st February, 2022)

Mr. Rajendra Chamaria
Vice Chairman & Managing Director

Mr. Sanjay Agarwal
Managing Director

Mr. Prem Kumar Bhajanka
Managing Director (w.e.f. 13th August, 2021)

Mr. Pankaj Kejriwal
Whole-time Director & Chief Operating Officer (w.e.f. 1st February, 2022)

Mr. Brij Bhushan Agarwal
Director (w.e.f. 1st February, 2022)

Mr. Santanu Ray
Independent Director (upto 31st March, 2022)

Mr. Pramod Kumar Shah
Independent Director

Mr. Nirmalya Bhattacharyya
Independent Director (w.e.f. 1st February, 2022)

Mr. Amit Kiran Deb
Independent Director

Mrs. Plistina Dkhar
Independent Director

Mrs. Ibaridor Katherine War
Independent Director

Mr. Deepak Singhal
Independent Director (w.e.f. 29th June, 2022)

Auditors
M/s. D.K. Chhajer & Co., Chartered Accountants, Nilhat House, 11, R. N. Mukherjee Road, Kolkata – 700001

Chief Executive Officer
Mr. Sanjay Kumar Gupta (upto 31st January, 2022)

Chief Financial Officer
Mr. Manoj Agarwal

Company Secretary
Mr. Debabrata Thakurta

Bankers & FI's
State Bank of India
Indian Bank
DBS Bank India Ltd.
Kotak Mahindra Bank
IndusInd Bank

Registrars & Share Transfer Agents
Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001

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

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

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

Siliguri Plant
Chaurangi More, Teyyature Road, Patkata Colony, Mohit Nagar, Jalpaiguri – 735102, West Bengal

Corporate Office
'Century House', 2nd Floor, P-15/1, Taratala Floor, CPT Colony, Taratala, Kolkata – 700088, West Bengal

Phone: +91-33 24015555

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
Unit No. - DSM-517 to DSM-521, 5th Floor, D.L.F. Tower, Shivaji Marg, Najafgarh Road, Delhi – 110015

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

DEAR SHAREHOLDERS,

Your Directors have pleasure in presenting Twenty-First Annual Report of the Company together with the Audited Standalone & Consolidated Balance Sheet as at 31st March, 2022 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 31st March, 2022 as compared to the previous financial year are as under:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	FY 21-22	FY 20-21	FY 21-22	FY 20-21
Total Income	2,25,519.07	1,74,815.28	2,20,102.21	1,68,516.16
Profit before Interest, Depreciation and Tax and exceptional items	37,862.33	36, 082.08	25,488.56	26,214.64
Interest & Finance Charges	1,334.03	698.86	1,236.19	1,255.87
Depreciation	12,162.95	8,999.41	7,214.85	4,773.29
Profit before exceptional items and tax	24,365.35	26,383.81	17,037.52	20,185.48
Exceptional Items	-	6,457.42	-	2,931.36
Profit/(Loss) before Tax	24,365.35	19,926.39	17,037.52	17,254.12
Provision for taxation:				
- Current Tax	252.42	1,725.98	-	1,725.98
- Income tax for earlier years	(2.46)	9.56	(4.92)	-
- Deferred Tax	(562.09)	(522.14)	(589.73)	(199.07)
Net Profit after Tax	24,677.48	18,712.99	17,632.17	15,727.21
Other comprehensive income for the year, net of tax	(14.17)	14.45	2.33	5.42
Total comprehensive income for the year	24,663.31	18,727.44	17,634.50	15,732.63
Net profit attributable to:				
Owners of the Company	24,677.48	18,712.99	-	-
Non-controlling interest	-	-	-	-
Total	24,677.48	18,712.99	-	-
Other Comprehensive Income attributable to:				
Owners of the Company	(14.17)	14.45	-	-
Non-controlling interest	-	-	-	-
Total	(14.17)	14.45	-	-
Total Comprehensive Income attributable to:				
Owners of the Company	24,663.31	18,727.44	-	-
Non-controlling interest	-	-	-	-
Total	24,663.31	18,727.44	-	-

OPERATIONAL REVIEW

During the year, the Government undertaken certain crucial steps and initiations which helped the entire nation to overcome from the pandemic situation. Vaccination played a curicial role in reducing number of deaths and restoring normalisation in daily life which contributed towards reestablishing confidence in the economy. We have also organised vaccination camp across all our locations and spontaneous response received from the employees and their families.

Lockdown led cement demand disruption in first quarter of the year. The lock down period thrown huge challenge before the manufacturing sectors. However, during the period cement industry withnesseth huge growth in terms of volume and prices. Better availability of labour, increase in construction of infrastructure alongwith low cost housing pushed the cement demand of the country.

During the year under review, your Company has manufactured 5,20,517 MT. of Cement Clinker as against 4,35,053 MT. recorded during the FY 20-21. Company's subsidiary M/s. Star Cement Meghalaya Limited has produced 16,54,582 MT. of Clinker as against 14,75,660 MT. during the FY 20-21. On consolidated basis total clinker production during the year was at 21,75,099 MT. as against 19,10,713 MT. during FY 20-21. Your Company recorded overall growth in its performance during the year.

In terms of capacity utilisation, clinkerisation unit of your Company was able to utilise 55% of its installed capacity as against 54.93% during the FY 20-21. Similarly, the capacity utilisation of clinkerisation unit of its subsidiary M/s. Star Cement Meghalaya Limited was at 88.01% during FY 21-22 as against 84.37% during the FY 20-21. On consolidated basis, the capacity utilisation of clinkerisation units was at 85.60% during the FY 21-22 as against 75.20% during FY 20-21.

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 34,05,671 MT. as against 26,36,338 MT. during the FY 20-21.

Similarly, your Company has been able to achieve sales volume of 33,92,185 MT. of Cement as against 26,44,048 MT. during the previous financial year.

During the year, your Company has taken various initiatives towards the cost cutting. In order to curb escalation of costs, the Company appointed Boston Consulting Group. Actions are being taken as per their advice. Their recommendations and impact will be seen in years to come.

BUY -BACK OF SHARES

During the year under review your Company has bought back 82,48,580 Equity Shares of ₹ 1 each from all the existing shareholders/ beneficial owners of the Company as on record date i.e., 26th August, 2021 on a proportionate basis through tender offer route at a price of ₹ 150 each for an aggregate amount of ₹ 1,23,72,87,000 (Rupees One Hundred Twenty Three Crore Seventy Two Lakhs and Eighty Seven Thousand only). The payments have been made to all the eligible shareholders on 13th October, 2021, subsequently the bought back shares have been extinguished resulting in reduction of paid up share capital to ₹ 40,41,80,417 divided into 40,41,80,417 equity shares of ₹ 1 each.

In accordance with Section 69 of the Companies Act, 2013, during the year ended 31st March, 2022, the Company has created a Capital Redemption Reserve of ₹ 82,48,580 equal to the nominal value of Shares bought back as an appropriation from General Reserves.

DIVIDEND

The Board of Directors of your Company, after considering holistically the requirement of funds for Company's upcoming project at Lumshnong and Sonapur Plant and the relevant circumstances has decided that it would be prudent, not to recommend any Final Dividend for the Financial Year 21-22 (Previous year NIL).

INDIAN ECONOMY AND OUTLOOK – AT A GLANCE

After struggling with Covid for consecutive two years, when the world economy was poised for recovery Russia-Ukraine conflict has rattled the world and clouds for uncertainilty again covered the global economy. Due to outbreak of war crude oil prices rising day to day and the war has pushed up prices of gas, edible oil, metals and food crops etc. The share of Russia in India's total trade is 1%, however indirect impact of war through market is huge. Inflation has reached a record high and the manufacturerers have started increasing prices and passing on higher input cost to the consumers. The cost of coal reached to a new height which has a direct bearing on fuel cost. The higher oil prices will lead to current account deficiency. The impact of war on Indian economy will be seen in this fiscal and it will be very challenging to overcome from the current scenario.

After contraction of economy in FY 20-21, Indian GDP recorded a growth @ 8.7%. Private sector investment is likely to increase to support recovery of economy.

The Government's revenue receipt has been increased considerably. GST collection has been reached at record high. Gross tax revenue has also been increased. Overall impact of economic development reflects in controlling budget deficit. There has been increase of Govt. debt due to support system provided to the poor class people for covid -19, but with the sign of recovery of the economy the same is expected to decline.

The Government of India has taken certain initiatives to improve economic stability of the country.

The Union Budget FY 22-23 prioritised four wings like PM Gati Shakti, Inclusive development, Productivity enhancement and financing of investment by which capital expenditure is expected to rise by 27%. The increased Government expenditures will attract private investment. Under Atma Nirbhar Bharat production linked incentive scheme will extend to 14 sectors. The Governement to invest in PLI scheme for domestic solar cells of ₹ 24,000 Crore. The Government announced allocation of ₹ 44,720 Crore to BSNL as capital investment for 4G spectrum. The Government initiative under PLI scheme for manufacturing advanced chemistry cell batteries which would attract domestic and foreign investments worth ₹ 45,000 Crore. There will be investment of ₹ 2.38 lakh Crore in Indian Railways. To boost competitiveness the Governement decided to revamp SEZ.

The macro economic stability of the country indicates that country is prepared to meet the challenges for FY 22-23. Country's large foreign exchange reserve, on going foreign investment and expanding exports revenue will progress the country towards development.

CEMENT INDUSTRY OVERVIEW

India is the second largest producer of cement in the world. Country has a lot of potential for development in cement sector. The infrastructure and construction sector are the major contributors for development of the sector. In view of deregulation, the sector had attracted huge investment from within the country and abroad.

Country's cement industry promises huge potential for growth. Country's cement production capacity stood at 545 MT. p.a. and currently producing 294 Mn tonnes (MT.) in F.Y. 2021. The Indian cement industry is likely to add ~80 Mn tonnes (MT) capacity by FY24, the highest since the last 10 years. Cement demand to register a CAGR of 8% between FY21-24 through infrastructure investments and healthy housing demand. Per-capita income and per capita cement consumption of the eastern and central regions are well below Pan-India numbers and thus provides huge scope for potential growth.

East India demand is expected to grow by 28% with a CAGR of 9% by FY 25-26. West Bengal and Bihar is the strongest cement consuming state in the eastern-region accounts with more than one-fourth of the region's total demand at ~22 Mn tonnes and 18 Mn tonnes respectively. Cement demand in West Bengal and Bihar has also grown in the last five years with the help of central government's housing for all as well as rapid infrastructure development in rural and urban sectors.

In order to help the industry, the Government of India has taken various initiatives which will likely to boost cement demand in the country. The Union Budget allocated ₹ 13,750 Crore for Urban Rejuvenation Mission like AMRUT and Smart Cities Mission and Swachh Bharat Mission. Under the housing for all segment, 8 Mn households will be identified according to the Budget FY 22-23 with ₹ 48,000 Crore set aside for PM Awas Yojana.

NHAI plans to construct 25,000 kilometres of national highways in FY 22-23 at a pace of 50 km per day. As per the Union Budget FY 22-23, the government approved an outlay of ₹ 1,99,107 Crore for the Ministry of Road Transport and Highways. The Government of India has allocated ₹ 111 lakh Crore under the National Infrastructure Pipeline for FY 19-25. The roads sector is likely to account for 18% capital expenditure over FY 19-25.

Under Phase-I of Bharatmala Pariyojana, the Ministry has approved implementation of 34,800 km of national highways in 5 years with an outlay of ₹ 5,35,000 Crore. Under this scheme, 22 Greenfield projects (8,000 kms length) are being constructed; this is worth ₹ 3.26 lakh Crore.

Prime Minister also launched the 'PM Gati Shakti - National Master Plan (NMP)' for multimodal connectivity. Gati Shakti will bring synergy to create a world-class, seamless multimodal transport network in India. This will boost the demand for cement in the future.

In order to boost up demand of cement industry Government plans to spend ₹

NE is 892.822 Km. There are 4(four) Numbers of projects with a total length of 263.364 km amounting to ₹ 1994.90 cr to be Implemented by National Highways Infrastructure Development Corporation Limited (N.H.I.D.C.L.).

As per the Union Budget 2022, a new scheme, Prime Minister's Development Initiative for NorthEast, PM-DevINE, will be implemented through the North-Eastern Council. It will fund infrastructure, in the spirit of PM GatiShakti, and social development projects based on felt needs of the North-East. This will enable livelihood activities for youth and women, filling the gaps in various sectors. An initial allocation of Rs 1,500 Crore will be made.

Under PM-DEVINE construction of Aizal By- pass will be made at a cost of ₹ 500 Crore, a pilot projects have been undertaken for construction of bamboo linked road at different locations in Mozoram at a cost of ₹ 100 Crore.

During Covid, Oxygen plant was set up in Arunachal Pradesh and ₹ 250 Crore was sanctioned for health care facilities in North East Region.

Gross Budget Allocation for Northeast Frontier Railway (NFR) is ₹ 11,428.86 Crore. Budget Allotment for the FY 22-23 for the North-eastern States is 44% more than previous year's allotment (₹ 6,913 Crore) and 370% more than the average of FY 09-14 allotment. As per policy of the Indian Railways work for 100% electrification of NFR routes are also going on which will boost the economy of North Eastern states and it will bring N.F. Railway at par with other Electrified Railway. Electrification work is already complete in 766 RKM in NFR and work is going on in 210 RKM section in NFR which is likely to be completed by FY'22. Work in remaining 3216 RKM is planned to be completed by March, 2024. This will impart efficient, pollution free transportation needs of N. E. States.

Under the North East Special Infrastructure Development Scheme (NESIDS), since 1st January, 2021, 30 projects worth ₹ 413.63 Crore have been sanctioned in various North Eastern States under North East Special Infrastructure Development Scheme (NESIDS), which include 17 health projects worth ₹ 231.19 Crore sanctioned for strengthening health infrastructure of NE States and combating outbreak of COVID-19.

Development of new Greenfield Airports at Holongi and Tezu in Arunachal Pradesh; Dibrugarh, Guwahati and Silchar Airports in Assam; Imphal Airport in Manipur; Barapani Airport in Meghalaya and Agartala Airport in Tripura, etc are ongoing projects in the NER.

As per Union Budget, West Bengal awarded high way project for ₹ 25,000 Crore. The Government of West Bengal facilitating road connectivity across the State. In the State budget, the Government allocated ₹ 4,546 Crore for development of roads and bridges. As per report of IBEF, in November 2020, the World Bank approved a USD 105 Mn project to improve inland water transport infrastructure in Kolkata. In December 2020, the State government approved construction of a deep sea port in Tajpur, which will be built for ₹ 15,000 Crore (USD 2,028 Mn)

Implementation of aforesaid projects and initiatives of the Government will contribute in all round development in NER which will pool cement demand and lead to increase in per capita consumption of cement and would help the Company to increase its market share in the Region.

MARKET DEVELOPMENT

As a strategy, the North East Market continued to be the focus market for your Company. Cement demand was good throughout the year. Demand increased by 17% in NER against an all India average of 8%.

During the year under review your Company was able to sell 25,45,545 MT. of cement in NER market as against 21,07,800 MT. during the FY 20-21. During the year under review, around 20% of the total Cement demand in NER was catered to by the industry through imports from other regions including Bangladesh and Bhutan.

Overall Cement Sales accounted for 3.4 Mn Tonnes in FY 21-22 as against 2.64 Mn Tonnes in FY 20-21.

In order to meet the clinker demand for the Siliguri Plant, during the year your Company has not made any export of clinker. (Previous year 46,526 MT.).

As a market leader in NER your Company has further consolidated dealers and sub dealer's network. Currently your Company is associated with 2,100 dealers and 12,000 sub dealers. The Company has introduced a mobile application for dealers for payments, order booking, printouts of invoices and ledgers. This initiative is helping dealers in timely submission of GST returns.

During the year Star Cement Limited continued with the Brand Television Commercial with Akshay Kumar as brand Ambassador, one of the biggest Stars of Bollywood. Association of Akshay Kumar being the brand ambassador caused an uplift on the brand perceptions and has had a positive impact on the saliency of Star Cement as a brand.

The Brand Campaign has the key message of highest one day strength which makes Star Cement ready for all challenges depicted with the tagline "Hain Tayyar Hum". The TV commercial is being seen across all major regional news channels in North East, West Bengal, Sikkim & Bihar. The commercial also have presence in the Digital medium and a heavy BTL presence through Surrogate boards, Hoardings, Wall Painting & Dealer/Retailer branding across North East, West Bengal, Sikkim & Bihar. The campaign hence has visible across 360 degrees in multiple mediums.

PRODUCTION AND COST DEVELOPMENTS

Fly Ash

Your Company focused upon increase in production of Portland Pozzolana Cement (PPC). As a result we could consume higher quantity of Fly Ash which is otherwise an environment hazard. In the process we could consume 9,30,501 MT of Fly Ash which is 30% higher as compared to FY'21.

In order to bring down the cost of Fly Ash, various cost saving initiatives were taken throughout the year. All Fly Ash transportation through rakes were done through BOXN resulting in lower freight cost. We also established new partnerships with new sources Hindalco at Krishnashila & Odisha Power at Jharsuguda leading to sustained material availability and cost efficiency.

Logistics & Freight

The first quarter of the year marred by COVID disruptions which impacted the complete supply chain. Diesel prices reached to historical highs during the month of Nov'21 which resulted in increased pressure on freight cost. The freight cost in NE was also majorly impacted due to Overload restriction in Assam and recurrence of bridge damage in Meghalaya.

Your Company steered through these challenges to ensure that supplies to Market are ensured while keeping the cost in control. FY'22 saw our Siliguri plant operated in full-fledged throughout the year which ensured the market are served with reduced Order to Delivery Time and increase market penetration. The year also saw cement dispatches through rake at 2.8 Lakh MT which was 48% higher as compared to FY'21 to mitigate the impact of high road logistics cost. Logistics Cost efficiency was further improved through sustained efforts of key initiatives such as month e auction, PTPK outlier, Wheeler & Segment wise freight implementation. Construction of rake siding through PPP mode at SGU is towards completion and expected to commission by May'22.

With Siliguri Plant & Other key Initiatives implemented, Wtd. Avg. Freight cost reduced to ₹ 979 Per MT. (YTD Feb'22) from ₹ 1,140 per MT. recorded in previous year. Wtd. Avg. Lead distance reduced to 221 KM from 258 KM recorded in the year before.

Your Company has always focused on giving best Logistics service to the consumers at the most economical costs. Various efforts were taken up to improve on Service Levels towards which additional 14 SOW's were opened across NE, West Bengal & Bihar. 190 no. of 16 Wheelers trucks were also inducted in our organisation for continuous movement of Raw material and to reduce impact of market fleet fluctuations. Warehouse optimisation continued across the year for better servicing the customers resulting in increased customer satisfaction.

Your Company received Prestigious "CII SCALE Award" for Excellence in Supply Chain Management 3rd time in Row.

Power cost

Meghalaya Power Limited continues to be a wholly owned subsidiary of the Company. During the year under review too, your Company continued to source its power requirement for its Lumshnong unit from its wholly owned 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 State utility/grid power. Cost of coal has a direct bearing on fuel cost. In view of increasing fuel cost due to increase in price of coal and to optimise the power cost and to reduce dependency on State utility /grid power, your Company has been able to source its power requirement of its Grinding Unit at Guwahati and integrated cement plant at Lumshnong from Indian Energy Exchange (IEX). The blend of sourcing has not only reduced power cost for your Company but also its quality and dependability.

Coal availability from local sources remained constrained. Sourcing of Coal was done majorly from Coal India Limited (CIL) and Imported Coal from South Africa. We successfully participated in auction of CIL & procured FSA of 1.26 lakh MT/ annum. The Company also procured good quantity of Coal supplies on spot auctions from CIL during the year, keeping the overall cost in control.

KEY PERFORMANCE HIGHLIGHTS

- Consolidated cement production was at ₹ 34.06 Lakhs MT during the year as against 26.36 Lac MT during the previous financial year.
- Consolidated net sales at ₹ 2218.74 Crore during the year under review as compared to ₹ 1,748.15 Crore during the financial year 20-21.
- Consolidated EBIDTA was at ₹ 378.62 Crore during the year under review as compared to ₹ 296.25 Crore during the immediate previous financial year after exceptional items.
- Consolidated profit before tax during the year FY 21-22 was at ₹ 243.65 Crore as against a profit of ₹ 199.26 Crore in the year FY 20-21.
- Consolidated Exceptional items during the year was NIL as against ₹ 64.57 Crore recorded in previous year

OPPORTUNITIES & THREATS, RISKS AND CONCERNS

Marketing strength of Star Cement lies on strong dealers network. Locational advantages helped to procure raw materials at affordable prices. Company's aggressive marketing strategies and strong branding network also contributed to establish its position as the market leader in the region. Company's new Siliguri plant will also contribute to expand the market in eastern region of the county.

Company's dependence on domestic market and business concentration on regional market for a longer period of

time may adversely affect the growth of the Company. Environmental impact and other force majure events may affect the operations of the Company. A less than optimal demand growth in the region may lower revenues of the Company.

Government's various initiatives like Make in India, Housing for all, development of Ports, Roads and Highways, dam & irrigation project, National Highway Development programme, Bharat Nirman Yojana, 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. Government's special drive for development of the North Eastern Region will also help the sustained development of the industry.

Various positive moves on the policy front, in areas related to ease of doing business, promoting start-ups, rationalising the tax structure, administration, and opening up more areas for foreign investment through the automatic route will also increase the demand of cement and power.

Competition in the cement industry is very high apart from the large players there are also small players in the market. Competition from the foreign players may lead to tougher competition to the domestic players. This allows limited market share in the industry. Constant increase in fuel costs leads to high transportation cost. Availability of coal at a affordable cost became a constraint factor. In order to tackle the situation your Company optimally utilising its reserved coal and entering Fuel Supply Agreement with various suppliers. Cement Industry is highly fragmented and it is also highly regionalised, transportation of low volume of cement over long distances become uneconomical.

Cement and power industry being majorly dependent upon availability of raw materials at affordable cost. Policies of the Government as well as Central and State Laws may adversely affect the availability of lime stone, coal etc. Any major changes in Government's Environmental and Forest regulations may affect limestone and coal availability to cement plants. However, your Company is sourcing raw materials from alternate sources so that raw materials availability risks is mitigated. Company's vast dealer's network across the States also help to mitigate the risk.

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

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2022 was ₹ 40,41,80,417 divided into 40,41,80,417 equity shares of ₹ 1 each. Consequent upon bought back of 82,48,580 Equity Shares of ₹ 1 each the paid up Equity Share Capital of the Company has been reduced during the Financial year ended 31st March, 2022 to that extent. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

In accordance with Section 69 of the Companies Act, 2013, during the year ended 31st March, 2022, the Company has created a Capital Redemption Reserve of ₹ 82,48,580 equal to the nominal value of Shares bought back as an appropriation from General Reserves.

SHARES IN SUSPENSE ACCOUNT

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

INVESTOR EDUCATION AND PROTECTION FUND

As per Companies Act, dividends that are unclaimed/unpaid for a period of seven (7) years from the date of their transfer are required to be transferred to the Investor Education and Protection Fund ('IEPF') administered by the Central Government.

The tentative date for transfer of unclaimed and unpaid dividends to the IEPF, declared by the Company are as under:

Financial Year	Date of Declaration	Tentative Date for transfer to IEPF
2015-16 (Interim)	9th June, 2015	18th July, 2022
2017-18 (Final)	31st July, 2018	6th September, 2025
2019-20 (Interim)	6th February, 2020	14th March, 2027

Members who have not encashed their dividend so far in respect of the aforesaid periods are requested to make their claims to Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agent of the Company ('RTA') or to the Company Secretary of the Company, at the Company's Registered Office/ Corporate Office, well in advance of the above due dates. Pursuant to the provisions of IEPF Authority (IEPF) (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30th September, 2021 (date of the last AGM) on the website of the Company at www.starcement.co.in and

also on the website of the Ministry of Corporate Affairs at www.mca.gov.in.

Further, pursuant to the provisions of Section 124 of the Act, read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF Authority as notified by the Ministry of Corporate Affairs.

Accordingly, Interim Dividend declared for the Financial year 15-16 which was unpaid for Seven (7) consecutive years aggregating to ₹ 2,96,158 and the 40,158 equity shares in respect of which dividend entitlements has not been paid or claimed for seven (7) consecutive years or more will be transferred by the Company to the IEPF Authority after following the required provisions of Rules as on 18th July, 2022. The Company has sent intimation letters to the members and published advertisement in the newspapers. The details are available on the web site of the Company at www.starcement.co.in

The shareholders whose dividend/shares have been/ will be transferred to the IEPF Authority may claim the shares or apply for refund by making an application to the IEPF Authority by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF Authority at http://www.iepf.gov.in/IEPF/refund.html.

ANNUAL RETURN

In terms of requirement of section 134 (3) (a) read with Section 92(3) of the Companies Act, 2013, the Annual return of the Company has been placed on the Company's website and can be accessed at the web link: https://www.starcement.co.in/upload/images/files/Annual-Return-2021-22.pdf.

MEETINGS OF THE BOARD

During the year four (4) Board Meetings and four (4) Audit Committee Meetings were convened and held on 9th June, 2021, 13th August, 2021, 01st November, 2021 and 25th January, 2022. 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 25th March, 2022 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also inter alia assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

COMMITTEES OF THE BOARD

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

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and as per Listing Obligations and Disclosures Requirements Regulations, 2015 formulated by Securities and Exchange Board of India (SEBI). The Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimisation 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: https://www.starcement.co.in/upload/images/files/Whistle-Blower-Policy-4.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: https://www.starcement.co.in/upload/images/files/Remuneration-Policy.pdf

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Listing Regulations, your Board has framed and adopted a Dividend Distribution Policy. The object of the policy is to sharing profit of the Company with the shareholders appropriately and also to ensure funds are available for the growth of the Company. The policy inter alia describes the circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration

of dividend, policy for utilisation 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: https://www.starcement.co.in/upload/images/files/Dividend-policy.pdf.

CODE OF CONDUCT

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

COMPLIANCE WITH THE SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year under review;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

AUDITORS & AUDITORS' REPORT

M/s. D. K. Chhajer & Co., Chartered Accountants (Firm Registration no. 304138E) were appointed as the Statutory Auditors of the Company to hold office for five consecutive years starting from the conclusion of the 16th Annual General Meeting (AGM) held on 11th September, 2017 until the conclusion of the 21st Annual General Meeting of the Company to be held during the Financial year 21-22. The term of office of M/s. D. K. Chhajer & Co., as Statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company.

Subject to the approval of the members of the Company, the Audit Committee and the Board of Directors during their respective meetings held on 17th May, 2022 have considered and recommended the appointment of M/s. Singhi & Co., Chartered Accountants (Firm Registration Number: 302049E) as the Statutory Auditors of the Company, to hold office from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company to be held in the year 2027.

M/s. Singhi & Co., Chartered Accountants (Firm Registration Number: 302049E) have given their consent for the proposed appointment as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting of the members of the Company. They have further confirmed that the said appointment, if made, would be within the prescribed limits under the Companies act, 2013 and that they are not disqualified for appointment.

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, appointed Messrs B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as Cost Auditors of the Company for the financial year ended 31st March, 2022 in the Board Meeting held on 9th June, 2021. The remuneration proposed to be paid to them for the Financial year 21-22, as recommended by audit committee, was ratified in the meeting of shareholders held on 30th September, 2021.

Messrs B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) have expressed their willingness to be re-appointed as Cost Auditors of

the Company for ensuing financial year. The Board, on recommendation of the audit committee has re-appointed Messrs M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as Cost Auditors of the Company for the Financial year 22-23 subject to ratification of their remuneration by shareholders in the General Meeting of the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. B. G. Chowdhury & Co., Cost Auditors for the Financial year 22-23 is included in the Notice convening the Annual General Meeting.

The cost audit report for the Financial Year 20-21 was filed with the Ministry of Corporate Affairs on 22nd October, 2021.

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, (Firm Registration no. P2010WB042700) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith and marked **Annexure-1**. The report is self-explanatory and do not call for any further comments.

In terms of Regulation 24A of LODR, Star Cement Meghalaya Limited, a material subsidiary is under secretarial audit and report submitted by the Secretarial Auditors is annexed herewith and marked **Annexure – 1A.** The report is self-explanatory and do not call for any further comments.

REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

BUSINESS RESPONSIBILITY REPORT

As required under Regulation 34 of SEBI Listing Regulations 2015, the Business Responsibility Report of the Company for the financial year ended 31st March, 2022 is attached as part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

Details of Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in notes to the financial statements.

RELATED PARTY TRANSACTIONS

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

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

A policy on 'Related Party Transactions' has been devised by the Company which may be referred to at the Company's website at the weblink:

https://www.starcement.co.in/upload/images/files/Revised-Related-Party-Policy.pdf

RESERVES

During the year under review no amount was transferred to reserves. However, in accordance with Section 69 of the Companies Act, 2013, the Company has created a Capital Redemption Reserve of ₹ 82,48,580 equal to the nominal value of Shares bought back as an appropriation from General 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:

- PPC Cement production rate increased by 3-5 Tph due to addition of Fly ash at Mill outlet, so that leads to annual power saving @ 2 Kwh/Mt Cement.
- Primary Air blower Pulley diameter increased, so

that RPM reduced by 293, due to that power saving 0.48 Kwh per year.

- Due to replacement of existing street lights by LED fittings a total 1.995 Lakhs Kwh power was saved during the year.
- HAG Dilution Air Fan Installation of VFD in place of DOL starter resulted in reduction in power and Savings of 14,400 KW per month and approx. ₹ 95,000 per Month.
- 22 Watt LED Lights replaced with 36 watt CFL at CCR Building offices resulting in reduction in consumption by 39% will save approximately ₹ 3,000 per month.
- Use of Bio Mass helped in reducing over reliance on conventional fuel.
- Installation of waste heat recovery boiler enabled to reduce waste and energy consumption and increase the efficiency.

(B) Steps taken toward Technical Absorption:

a. Steps taken towards Technical Innovation:-

i. Packing plant Packer 1, 2 & 3 Bag Printing Machine Bag sensing Proximity Switch, replaced with Visible Infrared Type Sensor. This increased the availability of machine and also frequent cleaning and adjustment/ replacement of Sensor.

ii. ABB & Mitsubishi VFD Drives communication with Plant PLC is done by using Modbus communication instead of Hardwiring.

b. Steps taken towards technical absorption:-

i. For smooth operation of Truck loaders installed VFD in Trolley drive, this helped us in reducing down time of truck loader.

ii. 531-BC3 Motor and VFD of 7.5 KW replaced with 15 KW. Frequent tripping of Belt due to Overload is eliminated.

c. Steps taken towards technical adoption :-

i. Replacement of Old 3 star AC with New Inverter AC 5 star. This helped in energy savings and better cooling and operation.

ii. Replacement of Guide roller with Pipe pieces in Truck loader Rope for Hassle free operation, as guide roller was getting stucked during operation.

iii. 2 No. Drum motor is replaced with Geared motor, as drum motor mounting bracket was getting damaged frequently in Truck Loader Long belt.

- 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 ₹ 8.12 Lakhs (P.Y. ₹ 96.47 Lakhs) and Revenue Expenditure of ₹ 44.50 Lakhs (P.Y. ₹ 31.35 Lakhs) 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 ₹ 5.24 Lakhs (Previous Year ₹ 43.22 Lakhs).

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

Star Cement Limited has constantly been the pioneer of CSR activities in north-eastern and eastern region of the country. The Company's CSR policy primarily focuses on the need based sustainable holistic development of the neighbouring society since the day of its inception. Towards achieving long term stakeholder value creation, the Company continues to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward Groups, the underprivileged and marginalised and the society at large.

Your Company is known for its philantrophic activities and actively taking several activities under its Corporate Social Responsibility Initiatives. Your Company feels that meeting obligations of CSR is not a statutory requirements but it goes beyond any parameters. Pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII thereof and Rules made thereunder, your Company's social responsibility policy is offering number of community welfare projects in the field of Health & Sanitation, Education, Eradication of hunger & proverty, Environment sustainability, Sustainable Livelihood & Skills building, Rural & infrastructure development for the local inhabitants of plant operational areas during the year FY 21-22 to improve the quality and standard of living. Your Company undertook various activities during the year FY 21-22 under review in line with its CSR Policy.

The composition of CSR Committee of your Company, attendance at the said Meeting, terms of reference of the CSR Committee and other relevant details have been provided in the Corporate Governance Report forming part of the Annual Report. The CSR Committee has confirmed that the implementation and monitoring of CSR Policy is in conformity with CSR objectives and policy of the Company and in compliance with Section 135 of the Companies Act, 2013.

Your Company's Policy on Corporate Social Responsibility can be accessed on the Company's website at https://www.starcement.co.in/upload/images/files/CSR-Policy-2021-1.pdf

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

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 13th August, 2021 appointed Mr. Prem Kumar Bhajanka, Non – Executive Director as the Managing Director of the Company with effect from 13th August, 2021 upto 31st March, 2024, which was duly approved by the shareholders of the Company by way of special resolution passed in the Annual General Meeting held on 30th September, 2021.

Mr. Santanu Ray, Independent Director retired from the Board with effect from close of the business hours of 31st March, 2022 due to completion of his second and final terms of appointment as Independent Director. Your Board of Directors record their appreciation for the valuable services and guidances rendered/given by Mr. Santanu Ray during his association with the Company as a member of the Board and various Committees.

Mr. Sanjay Kumar Gupta, Chief Executive Officer and Key Managerial Personnel of the Company has resigned from the services of the Company with effect from close of the business hours of 31st January, 2022. The Board places on record its appreciation for the services rendered by Mr. Sanjay Kumar Gupta during his association with the Company. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 25th January, 2022 has appointed Mr. Sajjan Bhajanka, Chairman & Managing Director of the Company as the Chairman, Managing Director & Chief Executive Officer and Key Managerial Personnel of the Company with effect from 01st February, 2022.

Mrs. Ibaridor Katherine War (DIN: 03107920) and Mrs. Plistina Dkhar (DIN: 01375361) were appointed as the Independent Directors of the Company for a period of 5 (five) years by the shareholders of the Company upto 31st March, 2022. On the recommendation of the Nomination & Remuneration Committee and based on the performance evaluation, the Board of Directors at its meeting held on 25th January, 2022 re-appointed Mrs. Ibaridor Katherine War and Mrs. Plistina Dkhar as the Independent Directors for a second and final term of 5 (five) consecutive years effective from 1st April, 2022 upto 31st March, 2027, which were duly approved by the shareholders of the Company by way of special resolutions passed through postal ballot by way of voting through electronic means concluded on 15th April, 2022.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 25th January, 2022 appointed Mr. Nirmalya Bhattacharyya (DIN: 09037566) as an Additional Director in Independent category for a period of 5 (five) years effective from 1st February, 2022 upto 31st January, 2027. In terms of Regulation 17(1C) of the Listing Regulations, the listed entity is required to obtain approval of the shareholders for the appointment of new Director at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the shareholders of the Company approved the appointment of Mr. Nirmalya Bhattacharyya as an Independent Director of the Company for an intital term of 5 (five) consecutive years effective from 1st February, 2022 upto 31st January, 2027, by way of special resolution passed through postal ballot by way of voting through electronic means concluded on 15th April, 2022.

Mr. Nirmalya Bhattacharyya, aged 72 years, is a First Class Master Degree holder in Statistics having more than 51 years of rich experience in Banking, Finance, Accounts, Administration and Social services. He is an Executive Director of Friends of Tribal Society and also an Administrator of MBIT sets of instruments. His association as Director would be beneficial to the Company.

Mr. Nirmalya Bhattacharyya has given his consent for appointment and has confirmed that he retains his status as Independent Director and does not suffer from any disqualifications for appointment.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 25th January, 2022, appointed Mr. Brij Bhushan Agarwal (DIN: 01125056) as an additional director in Non-Executive category of the Company. In terms of Regulation 17(1C) of the Listing Regulations, the listed entity is required to obtain approval of the shareholders for the appointment of new Director at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the shareholders of the Company approved the appointment of Mr. Brij Bhushan Agarwal as a Non-Executve Director of the Company, by way of special resolution passed through postal ballot by way of voting through electronic means concluded on 15th April, 2022.

Mr. Brij Bhushan Agarwal, aged about 50 years, is a commerce graduate from University of Calcutta and having more than 3 decades of experience in managing business, strategic planning, future expansion, business development, marketing, human resources and corporate affairs etc.,

Mr. Brij Bhushan Agarwal has given his consent for appointment and has confirmed that he does not suffer from any disqualifications for appointment.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 25th January, 2022, appointed Mr. Pankaj Kejriwal (DIN: 00383635), Non-Executive Director of the Company, as a Wholetime Director and Chief Operating Officer (COO) of the Company with effect from 1st February, 2022 upto 31st March, 2024, which was duly approved by the shareholders of the Company by way of special resolution passed through postal ballot by way of voting through electronic means concluded on 15th April, 2022.

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 and Mr. Pankaj Kejriwal will retire by rotation and being eligible, offer himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Listing Regulations. Mr. Pramod Kumar Shah, Mr. Nirmalya Bhattacharyya (w.e.f. 1st February, 2022), Mrs. Ibaridor Katherine War, Mrs. Plistina Dkhar and Mr. Amit Kiran Deb are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in section 149 of the Act and the Rules made thereunder and the Listing Regulations about their status as Independent Director of the Company.

Your Board of Directors formed opinion that the Independent Directors of the Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience in the fields of Administration, General management, Accounts & Finance, Audit , Internal Audit, Taxation, Risk, Board procedures, Governance etc., for performing their role as Independent Directors of the Company. Regarding proficiency, all Independent Directors have registered themselves in the Data Bank maintained with the Indian Institute of Corporate Affairs (IICA), Manesar. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self- assessment test conducted by the IICA within a period of 2 (two) years from the date of inclusion of their names in the data bank. Mr. Santanu Ray, Mr. Amit Kiran Deb, Mrs. Ibaridor Katherine War, Mrs. Plistina Dkhar, Independent Directors are exempted from qualifying 'online proficiency test' due to their relevant experience in listed companies and the Companies with Paid up equity Capital is ₹ 10 Crore and more. Mr. Pramod Kumar Shah was appeared in 'online proficiency test' within the period of 1 (one) year from the date of inclusion of his name in the data bank and has successfully qualified the test. Mr. Nirmalya Bhattacharyya (appointed w.e.f. 01st February, 2022) will appear in 'online proficiency test' within the period of 2 (two) years from the date of inclusion of his name in the data bank.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In order to enable the Independent Directors to perform their duties optimally, the Board has devised a familiarisation programme for the Independent Directors to familiarise 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 familiarisation program is available on the Company's website under the web link:

https://www.starcement.co.in/upload/images/files/Familiarization-Programme.pdf

SUBSIDIARIES AND ASSOCIATE COMPANY

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

Star Cement Meghalaya Limited is engaged in manufacturing of Cement Clinker and has a Clinkerisation plant with an installed capacity of 1.75 MTPA. During the year under review, the Company manufactured 16,54,582 MT of clinker as against 14,75,660 MT in FY 20-21.

Megha Technical & Engineers Private Limited is engaged in the manufacture of cement. During the year under review, the Company produced 3450 MT of Cement.

Meghalaya Power Limited, a wholly-owned subsidiary, is engaged in generation of Power. During the year under review the Company generated 123 Mn units of power.

NE Hills Hydro Limited, 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.

M/s. Star Cement (I) Limited (formerly, Star Cement Lumshnong Limited) and M/s. Star Cement North East Limited are yet to start operations

CHANGES IN NATURE OF BUSINESS, IF ANY

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

AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARIES

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement for the year ended 31st March, 2022 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), Star Century Global Cement Private Limited (SCGCPL), Star Cement (I) Limited (formerly, Star Cement Lumshnong Limited) and Star Cement North East Limited 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 requirements of the Companies Act, 2013 and Ind AS 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.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS

(i) The Director of Mineral resources, Meghalaya, Shillong vide its Demand notice dated 19th February, 2020 raised a demand against the Company for payment of royalty, MEPRF, VAT/GST for an amount of ₹ 4184.06 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17th January, 2020 passed in O.A. No. 110 (THC)/2012 against the Company and other Cement and Power Companies in Meghalaya for alleged illegal coal procurement.

The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government departments. The report of NGT Committee has been founded on the basis of assumptions and not on hard facts. The Company backed by the legal opinions, believed that it has a good case in the matter as the said order was issued on the basis of certain hypothetical assumptions and without giving any opportunity of being heard to the Company.

Accordingly, the Company has preferred an appeal before the Appex Court which is pending and accordingly no provisions has been made in the accounts. (Refer Note no. 48(a)b of Notes to Accounts).

(ii) In respect of demand letter received from Central Excise authority for refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 566.05 Lakhs, the Company has filed a writ petition before the Hon'ble Meghalaya High Court for quashing of demand notice, the Meghalaya High Court has stayed the said demand notice matter is sub–judice and final hearing of the case is yet to be conducted, therefore, no provision have been taken in the books of account. (Refer Note no. 48(a)a of Notes to Accounts).

Other than the aforesaid, there have been no significant and material orders passed by the Courts/ Regulators impacting the going concern status and future operations of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitments have occurred between the end of the financial year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

CREDIT RATINGS

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

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 Board of Directors of the Company on the recommendation of the Audit Committee, re-appointed M/s. Anita Sahal & Associates, Chartered Accountants, as the Internal Auditors of the Company for the Financial Year 22-23 under section 138 of the Companies Act, 2013. M/s. Anita Sahal & Associates, have confirmed about their re-appointment. The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations, if any, along with corrective actions thereon are presented to the Audit Committee of the Board.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

Key Financial ratios	FY 21-22	FY 20-21	% change	Explanation for Significant Changes
Debtors Turnover ratio	16.74	13.96	19.91	NA
Inventory Turnover ratio	16.00	12.79	25.11	Due to increase in demand in comparison with last year
Interest Coverage ratio	20.62	18.54	11.22	NA
Current ratio	1.96	2.27	(13.59)	NA
Debt Equity ratio	0.06	0.10	(38.77)	Due to repayment of unseucred loan
Operating Profit Margin (%)	7.33	11.61	(36.86)	Due to increase in raw materials & power fuel cost.
Net Profit Margin (%)	8.11	9.47	(14.36)	NA

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.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

DETAILS OF DIFFERENCE IN VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

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

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under the Listing Obligations and Disclosures Requirements Regulations, 2015 formulated by Securities and Exchange Board of India (SEBI). A separate section on corporate governance, along with a certificate from the auditors confirming the compliance, is annexed and forms part of the Annual Report. This certificate will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

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

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

RISK MANAGEMENT

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

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

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

Human resources at Star Cement is responsible for a productive and thriving workforce that is engaged and motivated. HR ensures that employees feel safe, valued and properly supported to unleash their full potential and contribute towards achievement of Company's overall goals and vision.

The year 20-21 saw the outbreak of COVID 19 Pandemic and organiations were affected globally and were forced to change their strategies to survive through the Pandemic. At Star Cement, HR was extremely proactive in managing the crisis and ensuring the safety and wellbeing of its employees. With the beginning of the new Financial Year 21-22, the COVID-19 pandemic was far from over, but there was the light at the end of the tunnel as more and more people got vaccinated and HR helped in organising free vaccinations camps for employees across locations.

With the objective of creating new benchmarks in adherence to Safety standards and have Quick Response Team in case of fire exigencies and accidents, a series of Fire Safety and First Aid Certification Training Programs were conducted at Lumshnong, Sonapur and Siliguri Plants.

Talent acquisition strategy and processes were re-looked at. In order to attract best talent, employer branding was focused on, wherein innovative ways of using social media were explored. In these challenging times, HR was successful in getting on board the required Manpower at the newly commissioned Siliguri Grinding Unit.

Towards making the organisation more progressive and future looking, HR proactively and systematically reviewed existing policies and accordingly revised them in accordance with the industry standards and employee needs.

Group Mediclaim Policy gives financial security for self and family members against any medical emergency. HR worked in evaluating and designing most appropriate GMC policy for the employees of Star Cement which has been implemented from May, 2022.

With the focus on performance and productivity, the Performance Management System (PMS) has been revamped. People Development goals have been introduced to create a culture of employee development and feedback. The Performance Linked Incentive (PLI) is made sharper and simpler.

Over the last few months, HR has taken some significant steps towards making the HR function futuristic by way of structural, systemic improvements and changes. A major milestone has been the tax friendly salary re-structuring, followed by the standardisation of salary structures across locations leading to equity, simplicity and greater visibility.

Industrial Relations have been effective with several interventions & good practices. During the year gone by, there has not been any material changes in human resources and industrial relations as proactively employee welfare related aspects were addressed and taken care of.

AWARDS AND ACCOLADES

During the year under review, your Company was felicitated with the prestigious SCALE 2020 (Supply Chain and Logistics Excellence) award by the Confederation of Indian Industry (CII) for outstanding achievement in the cement category– driving innovation and transformation consistently for the second consecutive year.

Additionally, Star Cement was also awarded with Rotary RMB Connect 2021 Award in association with The Economic Times for the most trusted invaluable service and excellence in the category of Cement Industry in 2021.

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.

Pursuant to the MCA and SEBI circulars, in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 21st AGM and the Annual report of the Company for the financial year ended 31st March, 2022 are being sent only by email to the Members. A newspaper advertisement in this regard is being published.

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, potential impact of the ongoing COVID-19 pandemic and related public health issues on economy of country, our business, the businesses of our customers, vendors and partners 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.

The Directors regret the loss of life due to Covid-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

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 and look forward for their support in future.

For and on behalf of the Board of Directors

SAJJAN BHAJANKA
CHAIRMAN
(DIN: 00246043)

Place: Kolkata
Date: 17th May, 2022

ANNEXURE - 1
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[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 authorised representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, 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, 2022, 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, 2018

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

   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 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

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

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

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

   a) The Air (Prevention & Control of Pollution) Act 1981;

   b) The Water (Prevention & Control of Pollution Act) 1974;

   c) The Environment Protection Act, 1986;

   d) The Petroleum Act, 1934;

   e) The Legal Metrology Act, 2009;

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

   g) The Mines & Minerals (Contribution to District Mineral Foundation) Rules, 2015;

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 and Listing Regulations.

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 audit period, the Company has passed the following special resolutions

a. Appointment of Mr. Prem Kumar Bhajanka (DIN: 00591512) as Managing Director of the Company with effect from 13th August, 2021 upto 31st March, 2024

b. 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, 2021

c. 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, 2021

d. 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, 2021

e. Approval for place for keeping register of Members and copies of annual return etc., other than Registered Office of the Company

f. Approval under Section 186 of Companies Act, 2013 for giving Loans/ Guarantees or providing securities for and on behalf of Companies and / or making investments in Companies upto an aggregate amount not exceeding ₹ 2000 Crore over and above the limits specified in 186(2) of the Companies Act, 2013

g. Approval for enhancement of borrowing powers of the Company under Section 180(1)(c) of Companies Act, 2013

h. Approval for creation of charges or mortgages and hypothecations under Section 180(1)(a) of Companies Act, 2013

We further report that during the year under preview the Company has bought back and extinguished 82,48,580 fully paid-up Equity Shares of ₹ 1 each of the Company through the "Tender Offer" route using the Stock Exchange Mechanism at a price of ₹ 150 per share.

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
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 17th May, 2022
Place: Kolkata
UDIN: A017190D000331086

Annexure- I

To

The Members,

STAR CEMENT LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
FIRM REG NO: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 17th May, 2022
Place: Kolkata
UDIN: A017190D000331086

ANNEXURE - 1A
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To

The Members,

STAR CEMENT MEGHALAYA LIMITED

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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, 2022, to the extent applicable, according to the provisions of:

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

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

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed there under;

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

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

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

   a) The Environment (Protection) Act, 1986

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

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

   d) The Legal Metrology Act, 2009

   e) The Petroleum Act, 1934

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

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 audit period, the Company has passed Special Resolutions for

i. appointment of Mr. Tushar Bhajanka as an Executive Director for the period from 12th August, 2021 to 31st March, 2024;

ii. appointment of Mr. Emlangky Lamare as an Executive Director for a period from 8th February, 2021 to 7th February, 2024;

iii. keeping register of Members and copies of annual return etc., at a place other than Registered Office of the Company.

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
FIRM REG NO: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 16th May, 2022
Place: Kolkata
UDIN: A017190D000326367

Annexure – I

To

The Members,

STAR CEMENT MEGHALAYA 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
FIRM REG NO: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 16th May, 2022
Place: Kolkata
UDIN: A017190D000326367

ANNEXURE - 2
FORM NO. AOC-2

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

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

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

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

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

   (a) Name(s) of the related party and nature of relationship –

   Star Cement Meghalaya Limited, Subsidiary Company

   (b) Nature of contracts/arrangements/transactions –

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

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

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

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

   The transaction with Star Cement Meghalaya Limited includes:

   (i) Purchase of Clinker, River Sand, Coal, Store and Spares Materials, Fixed Asset Items

   (ii) Sale of Iron Ore, Sand Stone, Store and Spare Materials, Cement, Limestone and Fixed Asset Items

   (iii) Services Received

   The transaction value for the financial year 21-22 with SCML was ₹ 99,173.36 Lakhs.

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

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

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

For and on behalf of the Board of Directors

SAJJAN BHAJANKA
CHAIRMAN
(DIN: 00246043)

Place: Kolkata
Date: 17th May, 2022

ANNEXURE – 3
REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

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

1. **A brief outline on the Company's CSR policy:**

   The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and as per The Companies (Corporate Social Responsibility Policy) Rules, 2014 as and when amended. 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.

2. **The composition of the CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay Agarwal	Chairman (Executive Director)	2	2
2	Mr. Sajjan Bhajanka	Member (Executive Director)	2	2
3	Mr. Santanu Ray	Member (Independent Director) upto 31st January, 2022	2	2
4	Mr. Pramod Kumar Shah	Member (Independent Director) w.e.f 1st February, 2022	-	-

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

   The Composition of CSR Committee, CSR Policy and CSR projects as approved by the Board are available on the Company's website under the following weblink:

CSR Committee	https://www.starcement.co.in/upload/images/files/BoardCompositionandCommitteeStructure.pdf
CSR Policy	https://www.starcement.co.in/upload/images/files/CSR-Policy-2021-1.pdf
CSR Projects	

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).** NOT APPLICABLE

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :** NOT APPLICABLE

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
	Total		

6. **Average Net Profit of the Company for last 3 financial years:** ₹ 23,442.58 Lakhs

7. **(a) Two percent of average net profit of the Company as per section 135(5):** ₹ 468.85 Lakhs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

   (c) Amount required to be set off for the financial year, if any: NIL

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 468.85 Lakhs

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 718.56 Lakhs	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) ₹ in Lakhs)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NOT APPLICABLE												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Education - Through One Teacher school (O.T.S.) i.e. Ekal Vidyalaya and Kalyan Bharti Trust	Item No. ii – Promoting Education	No	Throughout the Country		144.00	Yes	Not Applicable	
2.	Education - Digital Literacy, Promotion of Art, Music, Dance school and development of school infrastructure	Item No. ii – Promoting Education	Yes	Meghalaya, Assam and West Bengal	Lumshnong, Sonapur and Mohitnagar	73.16	No	Lumshnong Village Local Area Welfare Trust and Star Cement Charitable Trust	CSR 00004263 and CSR 00004262
3.	Health & Sanitation	Item No. i - Promoting health care including preventive health care, sanitation programs and organising medical camps	Yes	Meghalaya, Assam and West Bengal	Lumshnong, Sonapur and Mohitnagar	162.81	No	Lumshnong Village Local Area Welfare Trust and Star Cement Charitable Trust	CSR 00004263 and CSR 00004262
4	Eradicating Hunger & Poverty	Item No. i - Eradicating hunger, poverty and malnutrition	Yes	Assam and West Bengal	Sonapur and Jalpaiguri	22.97	Yes	Star Cement Charitable Trust	CSR 00004262
5.	Rural & Infrastructure Development	Item No. x - Rural & Infrastructure Development	Yes	Meghalaya, Assam and West Bengal	Lumshnong, Sonapur and Mohitnagar	115.26	No	Lumshnong Village Local Area Welfare Trust and Star Cement Charitable Trust	CSR 00004263 and CSR 00004262

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
6.	Ensuring Environment Sustainability	Item No. iv - Ensuring Environment Sustainability	No	West Bengal	Kolkata	7.50	No	Not Applicable	
7.	Enhancing vocational skills	Item No. ii - Livelihood enhancement projects	Yes	Meghalaya, Assam and West Bengal	Lumshnong, Sonapur and Mohitnagar	192.86	No	Lumshnong Village Local Area Welfare Trust and Star Cement Charitable Trust	CSR 00004263 and CSR 00004262
	Total					**718.56**			

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment, if applicable – Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 718.56 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	468.85
(ii)	Total amount spent for the Financial Year	718.56
(iii)	Excess amount spent for the financial year [(ii)-(i)]	249.71
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	249.71

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
	NIL						
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
	NIL							
	Total							

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). –** Not Applicable
    (a) Date of creation or acquisition of the capital asset(s).
    (b) Amount of CSR spent for creation or acquisition of capital asset.
    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). –** Not Applicable

Place: Kolkata
Date: 17th May, 2022

Sajjan Bhajanka
Chief Executive Officer

Sanjay Agarwal
Chairman – CSR Committee

ANNEXURE - 4

ANNEXURE TO DIRECTORS' REPORT
FORM AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in Lakhs)

Sl. No.	Name of the subsidiary	Megha Technical & Engineers Private Limited	Star Cement Meghalaya Limited	Meghalaya Power Limited	Star Century Global Cement Private Limited	Star Cement (I) Limited.	Star Cement North East Limited.	NE Hills Hydro Limited
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	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	N.A	N.A
3	Share capital	2,734.64	2,981.78	1,713.06	20.03	5.00	5.00	7.00
4	Other Equity	27,263.04	75,823.31	12,952.76	0.77	-	-	26.56
5	Total assets	30,366.09	89,833.51	17,642.34	22.85	5.15	48.71	34.49
6	Total Liabilities	30,366.09	89,833.51	17,642.34	22.85	5.15	48.71	34.49
7	Investments	9,658.53	3,500.00	-	-	-	-	31.05
8	Turnover	192.21	76,028.20	13,563.54	-	-	-	-
9	Profit before taxation	(35.66)	7,185.56	155.88	4.30	-	-	(0.20)
10	Provision for taxation	(3.96)	252.96	6.51	-	-	-	-
11	Profit after taxation	(31.70)	6,932.60	149.37	4.30	-	-	(0.20)
12	Proposed Dividend	-	-	-	-	-	-	-
13	% of shareholding	100.00	87.49	100.00	100.00	100.00	100.00	100.00

The following information shall be furnished:-

1 Names of subsidiaries which are yet to commence operations : NE Hills Hydro Limited, Star Century Global Cement (P) Limited, Star Cement (I) Limited & Star Cement North East Limited.

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

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place: Kolkata
Date: 17th May, 2022

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 & Key Managerial Personnel	Designation	Percentage Increase in Remuneration	Ratio to median remuneration**
Mr. Sajjan Bhajanka	Managing Director and Chief Executive Officer (CEO) [CEO w.e.f 1st February, 2022]	NIL	48.34:1
Mr. Sanjay Agarwal	Managing Director	NIL	48.34:1
Mr. Rajendra Chamaria	Managing Director	NIL	74.26:1
Mr. Prem Kumar Bhajanka#	Managing Director (w.e.f 13th August, 2021)	NA	NA
Mr. Pankaj Kejriwal#	Wholetime Director (w.e.f 1st February, 2022)	NA	NA
Mr. Brij Bhushan Agarwal	Non – Executive Director (w.e.f. 1st February, 2022)	NA	NA
Mr. Amit Kiran Deb	Independent Director	NA	NA
Mr. Pramod Kumar Shah	Independent Director	NA	NA
Mr. Santanu Ray	Independent Director (till 31st March, 2022)	NA	NA
Mr. Nirmalya Bhattacharyya	Independent Director (w.e.f. 1st February, 2022)	NA	NA
Mrs. Ibaridor Katherine War	Independent Director	NA	NA
Mrs. Plistina Dkhar	Independent Director	NA	NA
Mr. Sanjay Kumar Gupta	Chief Executive Officer (till 31st January, 2022)	-	-
Mr. Manoj Agarwal	Chief Financial Officer	0.13	-
Mr. Debabrata Thakurta	Company Secretary	0.10	-

** 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 the part of the financial year 21-22, the same is not comparable.

(ii) Percentage increase in the median remuneration of employees in the Financial Year: 3.44%

(iii) The number of permanent employees on the roll of the Company : 827

(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 21 -22 was 8.8% while the average percentile increase in the Managerial remuneration for Mr. Sajjan Bhajanka, Mr. Rajendra Chamaria and Mr. Sanjay Agarwal was NIL. Mr. Prem Kumar Bhajanka and Mr. Pankaj Kejriwal were appointed as Managing Director and Whole-time Director respectively for part of the year, hence not comparable.

(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 Lakhs)	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. Jyoti Swaroop Agarwal	President - Sales & Marketing	244.51	Permanent	M.Com	39	27th March, 2006	62	Ambuja Cement	NIL	None
2	Mr. Murali Krishna Garneni	Chief Manufacturing Officer	167.10	Permanent	Dip (Mech), AMIE	37	6th November, 2019	59	Penna Cement	NIL	None
3	Mr. Manoj Agarwal	Chief Financial Officer	80.90	Permanent	CA, CS, LLB	26	27th July, 2009	50	Reliance Retail Limited	0.00	None
4	Mr. Munjala Laxmaiah	Senior Vice President	79.37	Permanent	B.Tech (Mech). MBA(Finance)	33	18th September, 2020	57	My Home Cement	NIL	None
5	Mr. Surya Prakash Shrimali	Assistant Vice President	69.83	Permanent	B. Sc.	41	10th December, 2008	66	ZPCL, Zambia (South Africa)	NIL	None
6	Mr. Mukesh Saxena	Vice President	66.53	Permanent	B.E. Mechanical	29	20th February, 2012	55	A.B.G.Cement Limited	NIL	None
7	Mr. Sudipto Mandal	Vice President – Human Resource	66.19	Permanent	MBA	23	1st February 2020	51	ZEISS	NIL	None
8	Mr. Sachin Chamaria	Executive Director-Business Development (not a member of Board)	60.00	Permanent	B.com (Hons.)	10	1st January, 2013	32	-	2.40	Son of Mr. Rajendra Chamaria
9	Mr. Rahul Chamaria	Executive Director-Technical (not a member of Board)	60.00	Permanent	B.E. Mechanical	13	1st April, 2009	36	-	1.65	Son of Mr. Rajendra Chamaria
10	Mr. Dibyajyoti Guha	Branding & Technical-General Manager	47.09	Permanent	B.Com, PGDBM	18	28th July, 2014	41	Lonely Planet India	NIL	None

For and on behalf of the Board

Sajjan Bhajanka
Chairman
DIN:00246043

Date :17th May, 2022
Place: Kolkata

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REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 21-22

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 emphasises 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 eleven Directors, including and headed by an Executive Chairman, four Executive Directors, One Non-Executive Director and five Independent Directors out of which two are women Directors. The Board members are expert in different disciplines of corporate working. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

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

Mr. Sanjay Kumar Gupta has resigned as Chief Executive Officer of the Company with effect from close of the business hours of 31st January, 2022.

In order to comply with the various provisions of the Listing Obligations & Disclosure Requirements Regulations, 2015, Mr. Sajjan Bhajanka, Chairman and Managing Director has been re-designated as the Chairman, Managing Director & Chief Executive Officer (CEO) of the Company with effect from 1st February, 2022.

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 & Chief Executive Officer	Promoter – Executive
Mr. Rajendra Chamaria	Vice-Chairman & Managing Director	Promoter – Executive
Mr. Sanjay Agarwal	Managing Director	Promoter – Executive
Mr. Prem Kumar Bhajanka**	Managing Director	Promoter – Executive
Mr. Pankaj Kejriwal***	Whole-time Director & Chief Operating Officer	Non-Independent- Executive
Mr. Brij Bhushan Agarwal #	Director	Non- Executive
Mr. Amit Kiran Deb	Director	Independent
Mr. Santanu Ray ##	Director	Independent
Mr. Nirmalya Bhattacharyya ###	Director	Independent
Mrs. Plistina Dkhar @	Director	Independent
Mrs. Ibaridor Katherine War @	Director	Independent
Mr. Pramod Kumar Shah	Director	Independent

* Mr. Sajjan Bhajanka, Chairman & Managing Director has been re-designated as 'Chairman, Managing Director & Chief Executive Officer' with effect from 01st February, 2022.

** Mr. Prem Kumar Bhajanka has been appointed as the 'Managing Director' of the Company effective from 13th August, 2021 till 31st March, 2024.

*** Mr. Pankaj Kejriwal has been appointed as the 'Whole-time Director & Chief Operating Officer' of the Company effective from 01st February, 2022 upto 31st March, 2024.

Mr. Brij Bhushan Agarwal was appointed as an Additional Director (Non-Executive) with effect from 01st February, 2022 and same has been regularised through postal ballot by way of voting through electronic means on 15th April, 2022.

Mr. Santanu Ray retired as an Independent Director upon completion of his tenure with effect from 31st March, 2022.

Mr. Nirmalya Bhattacharyya was appointed as an Additional Director in Independent category with effect from 01st February, 2022 for a period of 5 years till 31st January, 2027 and same has been regularised through postal ballot by way of voting through electronic means on 15th April, 2022.

@ Mrs. Plistina Dkhar and Mrs. Ibaridor Katherine War have been reappointed as Independent Directors for a further period of five (5) years with effect from 1st April, 2022 and the same have been regularised through postal ballot by way of voting through electronic means on 15th April, 2022.

Directorship, Committee membership and Chairmanship

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

Name of the Director	Number of Directorship of Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **	Name of listed entities where he/she is a Director and category of Directorship
Mr. Sajjan Bhajanka	5	4	Century Plyboards (India) Limited - Managing Director
Mr. Sanjay Agarwal	6	1	Century Plyboards (India) Limited - Managing Director
Mr. Rajendra Chamaria	2	-	-
Mr. Prem Kumar Bhajanka	6	-	Century Plyboards (India) Limited - Executive Director
Mr. Pankaj Kejriwal	3	-	-
Mr. Brij Bhushan Agarwal	4	-	Shyam Metallics and Energy Limited
Mr. Amit Kiran Deb	10	10 (5 as Chairman)	1. Century Plyboards (India) Limited - Independent Director 2. Skipper Limited – Independent Director 3. Emami Limited – Independent Director 4. B & A Limited - Independent Director 5. India Power Corporation Limited – Independent Director 6. Emami Paper Mills Limited – Independent Director
Mrs. Plistina Dkhar	4	-	Shyam Century Ferrous Limited – Independent Director
Mrs. Ibaridor Katherine War	1	-	-
Mr. Pramod Kumar Shah	10	10 (5 as Chairman)	1. Emami Frank Ross Limited - Independent Director 2. Skipper Limited – Independent Director 3. Shyam Century Ferrous Limited – Independent Director
Mr. Nirmalya Bhattacharyya	4	4 (2 as Chairman)	Shyam Century Ferrous Limited- Independent Director

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

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

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

Industry, Leadership, Accounts & Finance, Taxes, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Risks, Administration and General Management, Board procedures and Governance.

List of Directors possessing the skills/expertise and competencies:

Name of Directors	Skills/Expertise and Competencies
Mr. Sajjan Bhajanka	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance
Mr. Sanjay Agarwal	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance.
Mr. Rajendra Chamaria	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance
Mr. Prem Kumar Bhajanka	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Sales, Marketing, Branding, Board procedures and Governance.
Mr. Pankaj Kejriwal	General management, Project management and Operational Integrity, Industry, Leadership, Production, Technical, Logistics, Legal, Sales, Marketing, Risk, Board procedures and Governance.
Mr. Brij Bhushan Agarwal	Managing Business, Strategic Planning, Future Expansion, Business Development, Marketing, Human Resources and Corporate Affairs
Mr. Amit Kiran Deb	Administration, General management, Accounts & Finance, Risk, Board procedures and Governance
Mr. Pramod Kumar Shah	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
Mr. Nirmalya Bhattacharyya	Administration, Banking, Personality Development, Human Behaviors
Mrs. Ibaridor Katherine War	Administration and General management, Board procedures, Governance, Legal etc.
Mrs. Plistina Dkhar	Administration and General management, Board procedures, Governance etc.

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

Board Meetings and Procedures

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once every quarter to review the Quarterly results. Additional meetings are held as and when necessary.

All the meetings are scheduled well in advance and notices are sent to all the Directors at their address registered with the Company. In case a meeting is called at shorter notice to transact urgent business, requirements of Section 173(3) are complied with. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman and consent of the members. Drafts minutes of the proceedings of the Board/Committee Meetings are circulated in advance and comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

Number and dates of Board Meetings held during the year

Four (4) Board Meetings were held during the Financial Year 21-22 and the gap between two meetings did not exceed 120 days. The Meetings were held on 9th June, 2021; 13th August, 2021; 1st November, 2021 and 25th January, 2022. The attendance at the Board Meetings during the financial year 21-22 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended	Last AGM Attended
Mr. Sajjan Bhajanka	4	Yes
Mr. Sanjay Agarwal	3	Yes
Mr. Rajendra Chamaria	4	Yes
Mr. Pankaj Kejriwal	4	Yes
Mr. Prem Kumar Bhajanka	4	Yes
Mr. Brij Bhushan Agarwal	NA	NA
Mr. Santanu Ray	4	Yes
Mr. Nirmalya Bhattacharyya	NA	NA
Mrs. Plistina Dkhar	1	No
Mrs. Ibaridor Katherine War	1	No
Mr. Pramod Kumar Shah	4	Yes
Mr. Amit Kiran Deb	4	Yes

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 25th March, 2022 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 Familiarisation Program for Directors

As per the Listing Regulations, the Company shall provide suitable training to the Directors to familiarise 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 familiarise 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 familiarisation are available on the Company's website at https://www.starcement.co.in/upload/images/files/Familiarization-Programme.pdf

Performance Evaluation

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

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

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

Resume of Directors proposed to be re-appointed/appointed

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

COMMITTEES OF THE BOARD

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

AUDIT COMMITTEE:

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

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

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

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

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

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

reference to:

a.

Independent Director and the Members on the Committee are Non-Executive Directors.

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

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

ii. Formulation of criteria for evaluation of performance of Directors

iii. Devising a policy on Board diversity;

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

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

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

Remuneration Policy

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements.

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

The remuneration to be paid to the Executive Directors is recommended by the Nomination & Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration paid to the Executive Directors was determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/Business Executives. Independent Non-Executive Directors are paid sitting fees for attending each Board and Committee Meetings.

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

The Remuneration Policy of the Company is available on the Company's website at: https://www.starcement.co.in/upload/images/files/Remuneration-Policy.pdf

Composition, number of Meetings and Attendance

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 Remuneration Committee meetings were held on 9th June, 2021; 13th August, 2021 and 25th January, 2022 during the Financial Year 21-22.

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

Name of the Member	Category	No. of Committee Meetings Attended
Mr. Amit Kiran Deb	Chairman - Independent, Non-Executive	3
Mr. Pramod Kumar Shah	Member - Independent, Non-Executive	3
Mr. Prem Kumar Bhajanka *	Member - Non-Independent, Executive	2
Mr. Pankaj Kejriwal **	Member- Non-Independent, Non-Executive	1
Mr. Nirmalya Bhattacharyya **	Member- Independent Director, Non- Executive	NA

* Mr. Prem Kumar Bhajanka ceased to be the member of the committee w.e.f. 13th August, 2021 and Mr. Pankaj Kejriwal has been appointed as the new member of the committee w.e.f. 13th August, 2021.

** Mr. Pankaj Kejriwal ceased to be the Member of the Committee w.e.f. 01st February, 2022 and Mr. Nirmalya Bhattacharyya has been appointed as the new Member of the Committee with effect from 01st February, 2022.

Remuneration paid to the Directors:-

The details of remuneration paid to Directors for the Financial Year 21-22 is provided below:

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees (₹)	No. of Shares held as on 31st March, 2022
1.	Mr. Sajjan Bhajanka	Chairman & Managing Director	1,98,00,000	-	4,78,86,362
2.	Mr. Sanjay Agarwal	Managing Director	1,98,00,000	-	1,76,23,185
3.	Mr. Rajendra Chamaria	Vice - Chairman & Managing Director	3,04,20,000	-	1,95,34,116
4.	Mr. Prem Kumar Bhajanka	Managing Director	1,25,40,000	-	3,73,53,344
5.	Mr. Pankaj Kejriwal	Whole-time Director	33,33,333	-	98,862
6.	Mr. Brij Bhushan Agarwal	Director	-	-	15,58,413
7.	Mr. Amit Kiran Deb	Independent Director	-	1,95,000	-
8.	Mr. Santanu Ray	Independent Director	-	1,45,000	-
9.	Mr. Pramod Kumar Shah	Independent Director	-	1,95,000	-
10.	Mr. Nirmalya Bhattacharyya	Independent Director	-	25,000	-
11.	Mrs. Plistina Dkhar	Independent Director	-	25,000	997
12.	Mrs. Ibaridor Katherine War	Independent Director	-	25,000	-

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

The Committee's responsibility is to overseas Share Transfers and addressing to and redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

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

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

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

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

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

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

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

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Pramod Kumar Shah	Non-Executive, Independent	Chairman	0
Mr. Sajjan Bhajanka	Executive, Non-Independent	Member	3
Mr. Sanjay Agarwal	Executive, Non-Independent	Member	3

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

The Stakeholder Relationship Committee meeting held on 6th April, 2021, 8th July, 2021 and 31st December, 2021 during the Financial Year 21-22.

Status of Pending Complaints:

The Company has not received any Complaints during the Financial Year 21-22. Hence, there were no complaints pending at the beginning and at the end of the Financial Year. However, during the year under review letters on various matters were received and were duly addressed.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

The terms of reference of the Committee are as follows:

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

ii. To formulate and recommend to the Board an annual action plan in pursuance of CSR Policy.

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

iv. To oversee that Company's CSR Implementing Agencies are registered with the Ministry of Corporate Affairs.

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			

Meetings and Attendance

The Finance Committee meetings were held on 22nd April, 2021; 15th July, 2021; 26th August, 2021, 15th November, 2021 and 25th January, 2022 during the Financial Year 2021-22 and attendance of members are given herein above.

RISK MANAGEMENT COMMITTEE

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

The terms of reference of the Committee are as follows:

i. To assess the Company's risk profile and key areas of risk in particular.
ii. To recommend the Board and adoption of risk assessment and rating procedures.
iii. To articulate the Company's policy for the oversight and management of business risks.
iv. To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
v. To assess and recommend the Board acceptable levels of risk.
vi. To develop and implement a risk management framework and internal control system.
vii. To review the nature and level of insurance coverage.
viii. To have special investigations into areas of corporate risk and break-downs in internal control.
ix. To review management's response to the Company's auditors' recommendations those are adopted.
x. To report the trends on the Company's risk profile, reports on specific risks and the status of the risk management process.
xi. To ensure cyber security system is adequate to protect the Company's IT system.

During the Financial Year 21-22, meetings of the Committee was held on 17th September, 2021 and 28th January, 2022 and attendance of members are given below:

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

Name of the Member	Category	Designation	No. of Committee Meeting attended
Mr. Sanjay Agarwal	Managing Director	Chairman	2
Mr. Santanu Ray *	Non-Executive – Independent	Member	Nil
Mr. Sanjay Kumar Gupta **	Chief Executive Officer	Member	2
Mr. Nirmalya Bhattacharyya #	Non-Executive – Independent	Member	Nil
Mr. Pramod Kumar Shah #	Non-Executive – Independent	Member	Nil

* Mr. Santanu Ray retired as an Independent Director upon the completion of his tenure with effect from 31st March, 2022.

** Mr. Sanjay Kumar Gupta has resigned from the position of Chief Executive Officer with effect from close of business hours of 31st January, 2022.

Mr. Nirmalya Bhattacharyya and Mr. Pramod Kumar Shah have been appointed as the new Members of the Committee with effect from 01st February, 2022.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc., The mechanism provides for adequate safeguards against victimisation 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
20-21	Through Video Conferencing (Deemed Location: Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210)	30th September, 2021 at 11:30 A.M.
19-20	Through Video Conferencing (Deemed Location: Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210)	29th September, 2020 at 02:00 P.M.
18-19	'Star Club', Village Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210	27th September, 2019 at 02:00 P.M.

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

AGM	Date	Matter
18th	27th September, 2019	1. Re-appointment of Mr. Pramod Kumar Shah as an Independent Director 2. Revision in remuneration of Mr. Rajendra Chamaria, Managing Director of the Company
19th	29th September, 2020	1. Appointment of Mr. Amit Kiran Deb as an Independent Director
20th	30th September, 2021	1. Appointment of Mr. Prem Kumar Bhajanka as Managing Director. 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. Place for keeping register of Members and copies of annual return etc., other than Registered Office of the Company. 6. Giving Loans/ Guarantees or providing securities for and on behalf of Companies and / or making investments in Companies. 7. Enhancement of Borrowing Power. 8. Creation of charges or mortgages and hypothecations.

Details of Special Resolution passed through Postal Ballot:

The Company had sought approval of the shareholders by way of Special Resolutions through notice of postal ballot dated 25th January, 2022 for the following resolutions:

1. Re-appointment of Mrs. Ibaridor Katherine War (DIN: 03107920) as an Independent Director for a second consecutive term of 5 (five) years from 1st April, 2022 upto 31st March, 2027
2. Re-appointment of Mrs. Plistina Dkhar (DIN: 01375361) as an Independent Director for a second consecutive term of 5 (five) years from 1st April, 2022 upto 31st March, 2027
3. Appointment of Mr. Pankaj Kejriwal (DIN: 00383635) as Wholetime Director & Chief Operating Officer (COO) w.e.f 1st February, 2022 upto 31st March, 2024
4. Appointment of Mr. Nirmalya Bhattacharyya (DIN: 09037566) as an Independent Director for an initial term of 5 (five) years from 1st February, 2022 upto 31st January, 2027
5. Appointment of Mr. Brij Bhushan Agarwal (DIN: 01125056) as a Non-Executive Director

The above resolutions were duly passed and the results of which were announced on 16th April, 2022 The Company extended remote e-voting facility through National Securities Depository Limited (NSDL). Md. Shahnawaz (Membership No. ACS 21427 and Certificate of Practice No. 15076) of M Shahnawaz and Associates, Practicing Company Secretaries, was appointed as the Scrutiniser to scrutinise the postal ballot and remote e-voting process in a fair and transparent manner. The voting pattern on the said resolution is as under:

Resolution 1: Re-appointment of Mrs. Ibaridor Katherine War (DIN: 03107920) as an Independent Director for a second consecutive term of 5 (five) years from 1st April, 2022 upto 31st March, 2027:

- % of votes cast in favour of the Resolution : 93.31%
- % of votes cast in against the Resolution: 6.69%

Resolution 2: Re-appointment of Mrs. Plistina Dkhar (DIN: 01375361) as an Independent Director for a second consecutive term of 5 (five) years from 1st April, 2022 upto 31st March, 2027:

- % of votes cast in favour of the Resolution : 93.31%
- % of votes cast in against the Resolution: 6.69%

Resolution 3: Appointment of Mr. Pankaj Kejriwal (DIN: 00383635) as Wholetime Director & Chief Operating Officer (COO) w.e.f 1st February, 2022 upto 31st March, 2024:

- % of votes cast in favour of the Resolution : 99.87%
- % of votes cast in against the Resolution: 0.13%

Resolution 4: Appointment of Mr. Nirmalya Bhattacharyya (DIN: 09037566) as an Independent Director for an initial term of 5 (five) years from 1st February, 2022 upto 31st January, 2027:

- % of votes cast in favour of the Resolution : 99.99%
- % of votes cast in against the Resolution: 0.01%

Resolution 5: Appointment of Mr. Brij Bhushan Agarwal (DIN: 01125056) as a Non-Executive Director:

- % of votes cast in favour of the Resolution : 99.84%
- % of votes cast in against the Resolution: 0.16%

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

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

Procedure for Postal Ballot:

- In view of the continuing COVID-19 pandemic and in terms of the requirements specified in the MCA Circulars, the Company had sent the Postal Ballot Notice in electronic form only to those Members whose e-mail addresses were registered with the Company/ Depositories/ Registrar and Share Transfer Agents. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope were not being sent to the Members for this Postal Ballot. The members had the option to vote only

through remote e-voting and voting through physical ballot was not available. The communication of the assent or dissent of the Members has also taken place through the remote e-voting system.

- The Scrutiniser submitted his report to the Chairman of the Company, who on the basis of the report announced the results, and
- The Company had engaged the services of National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders.

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

DISCLOSURES

No materially significant related party transactions took place between the Company and its subsidiaries, its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. Other Related Party transactions as per requirements of Accounting Standard 18 have been reported in Notes to Accounts annexed to the financial statements. The policy on related party transaction has been placed on the Company's website at https://www.starcement.co.in/upload/images/files/Revised-Related-Party-Policy.pdf

- There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- There has been no instance where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required in the relevant financial year.
- The Company has a well-defined risk management framework and the Board is kept informed about the risk assessment and minimisation procedures. The risk policy provides for identification of risk, its assessments and procedures to minimise 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 https://www.starcement.co.in/upload/images/files/Whistle-Blower-Policy-4.pdf. We hereby affirm that no personnel have been denied access to the audit committee.
- The Directors of the Company are not related inter-se.
- The Financial statements of the Company are prepared in accordance with the Accounting Standards stipulated under the Companies Act.
- During the year under review, the Company has not raised any money through public issue.
- During the year under review no instances of sexual harassment reported.
- The Company's policy on "material subsidiary" is placed on the Company's website at https://www.starcement.co.in/upload/images/files/Policy-on-Material-Subsidiary.pdf
- A Certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such Statutory Authority forms part of this Annual Report.
- Total consolidated fees paid for all services rendered by the Statutory Auditors to the Company, its subsidiaries and all other network entities where Statutory Auditors is a part during the year under review amounting to ₹ 31.26 Lakhs.
- **Policy on Board Diversity:** This Policy aims to set out the approach to achieving diversity for the Board of Directors of the Company. The Company believes that benefits of a professional board that possesses a balance of skills, experience, expertise will enhance the decision-making power of the Board which in turn will benefit the stakeholders of the Company.
- During the year the Company and its subsidiaries have not given any loans & advances to a Company where Directors are interested.
- The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:

  a) **Non-Executive Chairman's Office:** The Company does not have Non–Executive chairperson.

  b) **Shareholders' Rights:** As the quarterly, half yearly and annual results of the Company along with significant events, if any, are published in the newspapers and also posted on the Company's website and the Stock Exchanges where shares of the Company are listed, the same are not being sent individually to the shareholders.

  c) **Modified Opinion in Audit Report:** The Company's financial statement for the year ended 31st March, 2022 does not contain any modified audit opinion.

  d) **Separate posts of Chairman and CEO:** The positions of Chairman and Chief Executive Officer (CEO) are not separate.

  e) **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.

- The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 of the LODR.

CREDIT RATING

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

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 'Financial Express' and 'Hima'.The quarterly financial results, annual results, annual report and official news are posted on the website of the Company - www.starcement.co.in.

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and Time	Tuesday, 27th September, 2022 at 11:30 A.M
Venue	Annual General Meeting be conducted through Video Conferencing/ Other Audio Visual Means facility. [Deemed venue of Meeting at Registered Office at Star Club, Village : Lumshnong, PO : Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210]
Dates of Book Closure	21st September, 2022 to 27th September, 2022 (Both days inclusive)

Financial Calendar (for the year 2022-23)

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, 2022	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2022	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2022	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2023	Within 60 days from the end of quarter

Listing on Stock Exchanges:

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

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

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

The Company has paid listing fees to NSE and BSE for the year FY 22– 23.

Annual Custody/Issuer fee for the year FY 21-22 has been paid by the Company to NSDL and CDSL. Bills for the year FY 22-23 has been received from NSDL and CDSL and paid by the Company.

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 21-22 are as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2021	107.70	93.55	4,99,869	108.00	94.35	83,67,818
May 2021	115.00	98.00	12,09,764	115.30	99.80	1,59,40,981
June 2021	117.90	101.10	32,05,244	117.95	101.05	1,34,78,604
July 2021	119.00	107.00	12,63,609	119.25	106.85	1,38,02,199
August 2021	120.00	105.30	20,05,117	120.00	105.55	2,89,61,101
September 2021	111.50	104.15	8,04,829	111.75	105.20	68,03,161
October 2021	109.35	96.65	9,83,395	109.50	96.60	68,68,802
November 2021	106.15	88.50	5,07,654	106.10	88.45	41,16,372
December 2021	99.90	92.25	1,86,037	99.00	92.00	18,60,447
January 2022	103.90	90.25	7,17,146	103.20	91.00	62,68,452
February 2022	97.00	86.00	4,57,304	97.00	86.10	32,52,443
March 2022	98.70	82.30	5,95,568	96.70	85.50	47,70,007

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 2021	48,782.36	(1.47)	102.90	6.03
May 2021	51,937.44	6.47	111.10	7.97
June 2021	52,482.71	1.05	109.95	(1.04)
July 2021	52,586.84	0.20	111.10	1.05
August 2021	57,552.39	9.44	106.20	(4.41)
September 2021	59,126.36	2.73	107.15	0.89
October 2021	59,306.93	0.31	99.40	(7.23)
November 2021	57,064.87	(3.78)	95.20	(4.23)
December 2021	58,253.82	2.08	95.10	(0.11)
January 2022	58,014.17	(0.41)	95.00	(0.11)
February 2022	56,247.28	(3.05)	89.80	(5.47)
March 2022	58,568.51	4.13	89.60	(0.22)

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

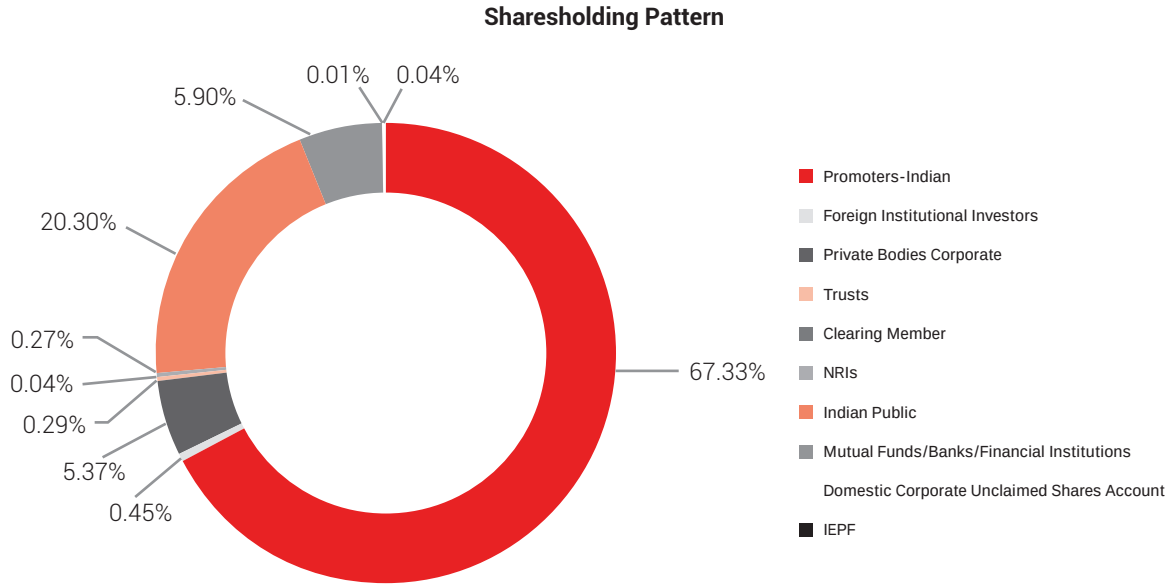
Requests for transfer of shares can be lodged either at the office of the Company or at the office of the Registrar. The transfers are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

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

Distribution of Shareholding of Ordinary Shares as on 31st March, 2022

Shareholding	Total No. of Shareholders	%	No. of Shares	%
1- 500	48,685	88.78	47,85,893	1.18
501-1000	3,017	5.50	24,27,349	0.60
1001-5000	2,499	4.56	53,16,363	1.32
5001-10000	310	0.57	22,96,104	0.57
10001- 20000	137	0.25	19,48,946	0.48
20001 and above	189	0.34	38,74,05,762	95.85
Total	**54,837**	**100**	**40,41,80,417**	**100**

Shareholding Pattern as on 31st March, 2022



Category	Number of Shareholders*	Number of Shares	% of total Share Capital
Promoter and Promoter Group	49	27,21,31,450	67.33
Foreign Institutional Investors	25	18,22,009	0.45
Bodies Corporate	243	2,17,16,954	5.37
Trusts	1	11,86,527	0.29
Clearing Member	44	1,69,026	0.04
NRIs/ Foreign Nationals	958	10,94,518	0.27
Individual	52,648	8,20,22,814	20.30
Mutual Funds/ Banks/Financial Institutions/ NBFCs registered with RBI	4	2,38,41,408	5.90
Domestic Corporate Unclaimed Shares Account	1	36,575	0.01
IEPF	1	1,59,136	0.04
TOTAL	**53,974**	**40,41,80,417**	**100.00**

***Note :** In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19th December, 2017 shareholding of the promoter and promoter group, public shareholders and non-public non-promoter shareholders 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) Limited (CDSL).

40,35,79,918 Ordinary Shares of the Company representing 99.85% of the Company's share capital are dematerialised as on 31st March, 2022.

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

RECONCILIATION OF SHARE CAPITAL AUDIT:

i. Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

ii. A Practicing Company Secretary carries out the reconciliation of Share Capital of the Company for every Quarter to reconcile the total capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital of the Company. The Audit confirms that the total issued /paid up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form.

DISCLOSURES WITH RESPECT TO UNCLAIMED SHARES SUSPENSE ACCOUNT

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

Particulars	No. of shareholders	No. of shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1st April, 2021	13	36,575
Aggregate number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account	NIL	NIL
Number of shareholders to whom shares were transferred from Suspense Account during the year	NIL	NIL
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31st March, 2022	13	36,575
Voting rights in respect of the aforesaid shares held in Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholders/legal heirs		

DISCLOSURE WITH RESPECT TO UNCLAIMED/UNPAID DIVIDEND ACCOUNT

Dividend drafts in respect Interim Dividend for the FY 15-16, Final Dividend declared for the FY 17-18 and Interim Dividend declared for the FY 19-20 have been dispatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the same may please write to the Company or its RTA for further information on this behalf. Shareholders who have not encashed the drafts are requested to do so by getting them revalidated from the Company or its RTA.

The tentative date for transfer of unclaimed and unpaid dividends to the IEPF for the aforesaid financial years declared by the Company has been provided in the Director's Report.

The Interim Dividends for the year Financial year 15-16 and the underlying shares for which dividends have not been claimed for 7 consecutive years or more will be transferred to the Investor's Education & Protection Fund' (IEPF). The Company have sent individual communication to those shareholders whose shares are liable to be transferred to IEPF Authority at their latest available address. The Company will upload the details of such shareholders whose shares are due for transfer, if remains unclaimed after 30th June, 2022, to IEPF Authority and at the web site of the Company at www.starcement.co.in. The shareholders whose dividend and shares will be transferred to the IEPF, may follow the procedures as prescribed in laws to claim the same.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

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

The Company also does not hedge foreign exchange risks.

Plant Locations:

Lumshnong Plant

Vill: Lumshnong, P.O. Khaliehriat

Dist.: East Jaintia Hills

Meghalaya – 793210

Sonapur Plant

Gopinath Bordoloi Road

Vill: Chamta Pathar

P.O. Sonapur

Kamrup, Assam

Pin: 782402

Siliguri Plant

Chaurangi More, Teyyature Road,

Patkata Colony, Mohit Nagar,

Jalpaiguri, West Bengal - 735102

Address for Correspondence:

a) Corporate Office:

The Company Secretary & Compliance Officer

Star Cement Limited, 'Century House',

2nd floor, P-15/1, Taratala Road, Kolkata-700 088

Phone: 033 2401-5555

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

Sajjan Bhajanka
(Chairman)

Place: Kolkata
Date: 17th May, 2022

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, 2022, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

CA MANOJ K. ROONGTA
Partner
Membership No. 057761

Place: Kolkata
Date: 17th May, 2022
UDIN: 21057761AAAAAP9036

Compliance with Code of Business Conduct and Ethics

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended it is hereby declared that all Board members and Senior management personnel of the Company have affirmed the compliance of the Code of Conduct for the year ended 31st March, 2022.

Place: Kolkata
Date: 17th May, 2022

Sajjan Bhajanka
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 (CEO) and Chief Financial Officer (CFO) 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, 2022 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: 17th May, 2022

Sajjan Bhajanka
Chief Executive Officer

Manoj Agarwal
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Star Cement Limited (CIN: L26942ML2001PLC006663) having its Registered office at Vill: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills – 793 210, Meghalaya (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31st March, 2022:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00246043	Mr. Sajjan Bhajanka	Chairman & Managing Director	1st April, 2012
2	00246171	Mr. Rajendra Chamaria	Vice Chairman & Managing Director	1st April, 2012
3	00246132	Mr. Sanjay Agarwal	Managing Director	16th November, 2002
4	00591512	Mr. Prem Kumar Bhajanka	Managing Director	16th November, 2002
5	00383635	Mr. Pankaj Kejriwal	Whole-time Director and Chief Operating Officer	26th March, 2003
6	00343256	Mr. Pramod Kumar Shah	Independent Director	13th November, 2017
7	03107920	Mrs. Ibaridor Katherine War	Independent Director	8th April, 2017
8	01375361	Mrs. Plistina Dkhar	Independent Director	8th April, 2017
9	09037566	Mr. Nirmalya Bhattacharyya	Independent Director	1st February, 2022
10	02107792	Mr. Amit Kiran Deb	Independent Director	1st April, 2020
11	01125056	Mr. Brij Bhushan Agarwal	Non-Executive Director	1st February, 2022
12	00642736	Mr. Santanu Ray (till 31st March, 2022)	Independent Director	8th April, 2017

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 17th May, 2022
Place: Kolkata
UDIN: A017190D000331119

BUSINESS RESPONSIBILITY REPORT
for the year 2021-22

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN)	L26942ML2001PLC006663
2	Name of the Company	Star Cement Limited (SCL)
3	Registered office address	Vill: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya-793 210
4	Web site	www.starcement.co.in
5	Email ID	investors@starcement.co.in
6	Financial year reported	21-22
7	Sector(s) that the Company is engaged in (Industrial activity code wise)	Sl. | Product | NIC code 1 | Cement | 23941 2 | Cement clinker | 23941
8	Three key products/ services that the Company manufactures/ provides	Cement Cement Clinker
9	Total number of locations where business activity is undertaken by the Company : (a) Number of International locations (b) Number of National locations	The Company has a subsidiary in Myanmar which is yet to start operation. The Company's registered office is situated in Meghalaya and Corporate Office at Kolkata. It has manufacturing unit at Lumshnong, Meghalaya, Sonapur, Assam and Siliguri, West Bengal. It has Sales and Marketing office at Guwahati, Patna, Siliguri and Project Office at New Delhi.
10	Markets served by the Company Local / State / National /International	Star Cement Limited operates in Eastern part of the country and mainly concentrate its business in North Eastern and Eastern Region of India.

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (as on 31st March. 2022)	₹ 40,41,80,417
2	Total Turnover (FY 21-22)	₹ 2,20,102.21
3	Total profit after tax (FY 21-22)	₹ 17,632.17
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Against the requirement of ₹ 468.85 Lakhs, the Company spent ₹ 718.56 Lakhs towards CSR during FY 21-22 which is 4.07% of profit after tax.
5	List of CSR activities in which expenditure has been incurred	The major areas as listed under Schedule-VII of the Companies Act, 2013 where CSR expenditures have been incurred : Education Health care and sanitation Rural and infrastructure development Eradication of Hunger and Poverty Enhancing vocational skills & sustainable livelihood Environment sustainability

SECTION C : OTHER DETAILS OF THE COMPANY

1	Subsidiary Company/Companies	As at 31st March, 2022, SCL has 7 (seven) subsidiaries including 1 (one) foreign subsidiary.
2	Participation of Subsidiary Company/ Companies in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)	The subsidiary companies do not participate in the BR initiatives of the parent company. However, whereever applicable, subsidiaries follow CSR activities as per own policy.
3	Participation and percentage of participation of the entity/entities (e.g., suppliers and distributors among others) that the Company does business with, in the BR initiatives of the Company.	The other entities with whom the Company does business e.g., suppliers, distributors etc., don't participate in the BR initiatives of the Company.

SECTION D : BUSINESS RESPONSIBILITY INFORMATION

1	Details of Directors/Directors responsible for BR (a) Details of the Director/Directors responsible for implementation of the BR Policy/policies (b) Details of the BR Head	

Sl.	Particulars	Details
1	DIN	00246043
2	Name	Mr. Sajjan Bhajanka
3	Designation	Chairman, Managing Director & CEO
4	Tel No.	033-24015555
5	E-mail ID	investors@starcement.co.in

2	Principle wise (as per NVGs) BR Policy/ policies	The National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1	**Ethics, Transparency & Accountability**
Principle 2	**Sustainability of products & services across life cycle**
Principle 3	**Employee's well being**
Principle 4	**Stake holder's engagement**
Principle 5	**Human Rights**
Principle 6	**Environment**
Principle 7	**Responsible Policy Advocacy**
Principle 8	**Inclusive Growth & Equitable Development**
Principle 9	**Customer value**

DETAILS OF COMPLIANCE

Sl	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes specify (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been framed based on 'National Voluntary Guidelines' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/owner/CEO/ appropriate Board of Directors?	The policies have been approved by the Board of Directors and signed by the Managing Director & the CEO.								
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Chairman, Managing Director and the Chief Executive Officer through the Functional Heads oversee the implementation of the policies across the organisation.								
6	Indicate the link for the policy to be viewed online	https://www.starcement.co.in/upload/images/files/Business-Responsibility-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been informed to internal and external stakeholders and the same is also available on the Company's web site www.starcement.co.in								
8	Does the Company has in house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sl	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholder's grievance related to the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by and internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		BR Policy is evaluated internally.								

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

SECTION E : PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1 - ETHICS, TRANSPERANCY AND ACCOUNTABILITY

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

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

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

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

Stakeholders Complaints	Received	Resolved	Complaints Resolved in %
Investors complaints	NIL	NA	NA
Consumers complaints	111	109	98%
Vendors complaints	6	6	100%

PRINCIPLE 2 - SUSTAINABILITY OF PRODUCTS & SERVICES ACROSS LIFE CYCLE

1	Three products/ services whose design has incorporated social or environmental concerns, risks and/or opportunities	(a) Cement (b) Clinker
2	Details in respect of resource use (energy, water and raw materials etc.,) (a) Reduction during sourcing/ production/distribution achieved since the previous year throughout the value chain (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year	Company emphasises on research and development of new technology so that usage of natural resources are minimal and alternative sources are identified. It motivates and works closely with suppliers and vendors of supply chain to reduce any hazardous environmental impacts. Initiatives undertaken by the Company for optimal utilisation of Energy and water as follows, • PPC Cement production rate increased by 3-5 Tph due to addition of Fly ash at Mill outlet, so that annual power saving @ 2 Kwh/Mt Cement. • Primary Air blower Pulley diameter increased, so that RPM reduced by 293, due to that power saving 0.48 Kwh per year. • 10 Nos. of 800W HPSV Flood Light fitting replaced with 400W LED light fittings resulting saving of 0.175 Lakhs Kwh Per year. • 200 Nos. of 70W HPSV well glass fitting replaced with 30W LED light fittings resulting saving of 1.05 Lakhs Kwh Per year. • 20 Nos. of 400W HPSV flood Light fitting replaced with 90 W LED light flood fittings resulting saving of 0.26 Lakhs Kwh Per year. • 100 Nos. of 70W HPSV street Light fitting replaced with 40 W LED well glass fittings resulting saving of 0.51 Lakhs Kwh Per year. • As our process is dry process no waste water is generated, however the water used during process is recycled back in the process. Hence there is no wastage of water during process. Further dedicated team is deployed for regular checking of leakages in pipeline to arrest the wastage of water. • To reduce the fresh water consumption during process, SCL is using ETP treated water in the process. • SCL is emphasis on new technology and continuous improvement to reduce water consumption.
3	Procedures in place for sustainable sourcing (including transportation) and percentage of input sourced sustainably.	The Company focus on long term strong relationship with its suppliers. Social, ethical and environmental factors are considered while selecting the suppliers. It focuses on integrating sustainability in the procurement process. Effective system has been embedded to purchase the raw materials and act according to production and sales forecasts to ensure optimum raw materials procurement. Higher capacity of containers are used for transportation to save fuel.
4	Steps taken to procure goods and services from local and small producers including communities surrounding the place of work.	To maintain sustainability in procurement process emphasises given to procure the materials from local areas surrounding the factory and preference given to local and MSME suppliers.
5	Mechanism and percentage of recycling of products and wastes.	We are using 30-32% fly ash (a bye product) in PPC cement, through hopper feed belt. 100% lub waste are using in preheater (calciner vessel) and others waste are using is kiln. Waste water generated is used in dust suppression, gardening etc. Rain water is preserved and used for domestic purposes.

PRINCIPLE 3 – EMPLOYEES WELL-BEING

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

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

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

Information as per BRR framework :

1	Total number of permanent employees	827
2	Total number of employees hired on temporary/contractual/ casual basis	902
3	Number of permanent women employees	67
4	Number of permanent employees with disabilities	NIL
5	Employees association recognised by the management	SCL respects rights of every employees and values their opinion/ suggestion at all levels. Employees enjoy freedom to raise their concerns where ever requires and due attention is always given by the management. For the reason employees not shown their interest to form any Association.
6	Percentage of permanent employees who are members of recognised employee association	NIL

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

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

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

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

Permanent employees	17.3%
Permanent women employees	4.5%
Casual/Temporary/Contractual employees	3.1%
Employees with disabilities	NIL

(In view of covid pandemic witnessed across the country and the lock down announced by the Government and the restrictions imposed, number of training programme undertaken during the year were restricted and the planned initiatives could not be rolled out).

PRINCIPLE 4 – STAKEHOLDERS ENGAGEMENT

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

Information as per Business Responsibility framework :

1	Mapping of internal and external stakeholders	The Company has mapped its internal and external stakeholders by way of following mechanisms : Investors and stakeholders – General Meetings, Annual Reports, Investor's meet, communication with the shareholders Local communities – Frequent visit and close interaction Employees – Meetings, intranet, virtual meetings, training, survey Customers – Customers meet, survey and various contests Suppliers & dealers – Site visit, tour, meetings and feed back Government & Regulatory authorities – Industry bodies and forums Media – Press release, interview and announcement.
2	Identification of disadvantaged, vulnerable & marginalised stakeholders.	The Company with its continuous efforts identifies vulnerable and marginalised communities around manufacturing unit and works towards their betterment by various initiatives. It also identifies disadvantaged, vulnerable and marginalised stakeholders and continuously works for their upliftment.
3	Special initiatives taken by the Company to engage with disadvantaged, vulnerable and marginalised stakeholders. If so, details in about 50 words.	The Company keeps efforts for the communities residing in proximity of manufacturing unit for improving their standard of living, education, sanitation, skill development through various initiatives as a part of corporate social responsibility (CSR). The Company's vocational training centre imparts various vocational training for economic upliftment of the local people making them self-dependent. The Company does not encourage any kind of discrimination based on caste, religion, sex, social background etc.

PRINCIPLE 5 – HUMAN RIGHTS

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

Information with reference to BRR framework:

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

PRINCIPLE 6 – ENVIRONMENT

1	Coverage of the policy related to principle 6 and its extension to the Group/ Joint Ventures/ Suppliers/ Contractors / NGOs/ Others	The policy is applicable to the Company. We aim to apply the principle across the value chain and adhere with spirit.
2	Company's strategies/ initiatives to address global environmental issues such as climate change global warning etc.	As a responsible corporate and our commitment to mitigate the climate change and global warming, we have taken the following initiative and action; 1. We are doing plantation in and around the plant premises of local species with evergreen plant. 2. To balance the environment, we are actively participating with contributing financial assistant in the Regional conservation plan come up by Meghalaya Forest Department. 3. To control the load of SO2 in the air, we are using low sulphur content coal in our process. 4. We are ensuring 100% utilisation of fly ash generated from power plant. 5. We adopted dry process of manufacturing, less water is used in the process and waste water generated in the process is very less in quantity and also it is recycled back in the process. Hence, there is no loss of water. 6. We have installed pollution control equipment in all possible pollutant generation points equipped with online monitoring system. The dust collected is recycled in the process without disposing into land. 7. We have adopted green technology so as to control the pollution load in the environment. 8. All the connectivity road inside the plant premises are with concrete. Manual sweeping and mechanical sweeping are done regularly and dust collected is recycled back in process. 9. Sprinkler system are installed to control the fugitive emission. 10. A dedicated team is deployed for regular collection, transportation of waste to end life. 11. Biogas plant is installed to process biodegradable waste to recover methane, which is used as fuel in guest house kitchen. 12. All old vehicle used in operation process must be replaced with new vehicle as per guidelines and MV Act 2021.
3	Identification and assessment of potential risk assessment	1. We are ensuring that there must not be any air and noise pollution in nearby residential area. 2. All the mitigation has been taken to reduce the potential health risk arises due to pollution. 3. Regular health checkup of the worker has been done to analyze the health condition to see the impact due to pollution 4. Nose mask is used for protection from fugitive emission. 5. Ear Plug/muff is used in high noisy area.
4	Company's initiative/projects related to clean development mechanism and environmental compliance report filed	1. WHRS project installation is under process and it will meet the 50% energy demand of the Company. Ultimately it will reduce the dependency on fossil fuel resource and pollution load will be decrease significantly. 2. All the waste generated inside the premises and also nearby villages has been co-processed in the kiln. This is a green method of disposal of waste with reduction in the use of ignition fuel.

5	Company's initiatives on clean technology, energy efficiency, renewable energy etc.	1. All the light of the plant and colony has been replaced with the LED light. 2. Use of transparent sheet in the all stack yard, material storage yard and other possible location to reduce the use of electricity. 3. Use of ecofriendly glass in the office area to minimise the dependency on electricity during day time. 4. Awarness program is conducted regularly among the officer, worker and colony resident regarding the conservation and utilisation of electricity.
6	Reporting on the emissions/waste generated by the Company as per permissible limits given by CPCB/SPCB	1. Company is having a dedicated team of professional to carry out the monitoring and analysis of environment sample with a dedicated environment laboratory equipped with all required instruments. 2. Third party environment monitoring is also carry out to check the environment conditions. 3. Domestic waste water generated from plant office area and colony is treated in the STP and reused in the greenbelt development and dust suppression. 4. All the report are shared with CPCB/SPCB regularly and there is no observation raised by the concerned authority.
7	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year.	There are no pending or unresolved show cause/ legal notice from CPCB/ SPCB as on 31st March, 2022.

PRINCIPLE 7 – RESPONSIBLE POLICY ADVOCACY

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

PRINCIPLE 8- INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

PRINCIPLE 9- CUSTOMER VALUE

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

For and on behalf of Board of Directors

Sajjan Bhajanka
Chairman
(DIN: 00246043)

Place: Kolkata
Date: 17th May, 2022

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of Star Cement Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Standalone Financial Statements of Star Cement Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the standalone state of affairs of the Company as at 31st March, 2022 the standalone profit and other comprehensive income, standalone changes in equity and its standalone cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matters	Auditor's Response
1	**Revenue Recognition** (Refer Note no.31 to the Standalone Financial Statements and Note no. 1.20 (A) of the significant accounting policies of the Standalone Financial Statements) Revenue is recognised when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. The Company focuses on revenue as a key performance measure which could create an incentive for revenue to be recognized before completion of the performance obligation. Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and incentive schemes to be recognised based on sales made during the year is material and considered to be complex and judgmental. There is a risk of revenue being affected as a result of variations in assessment of discounts, incentives and rebates recognised on sales. There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue as a result of faulty estimations over discounts, incentives, and rebates and hence this was determined to be a key audit matter in our audit of the Standalone Financial Statements.	**Our principal audit procedures to assess the appropriateness of revenue recognized included:** - Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process. - Assessing the appropriateness of the Company's accounting policies relating to discounts, incentives, rebates, etc. by comparing with Ind AS 115. - Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. - Examination of significant contracts entered into close to year end to ensure revenue recognition is made in the correct period. - Obtaining management's calculations for discounts, incentives and rebates accruals under applicable schemes on a sample basis and comparing the accruals made with the approved schemes. - Comparing the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to determine the appropriateness of current year provisions. - Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items. Our testing as described above showed that revenue, discount, incentive and rebates have been recorded in accordance with the terms of applicable contracts and accounting policy in this area.
2	**Related Party Transactions** (Refer Note no.50 to the Standalone Financial Statements) The Company operates within a conglomerate of group entities. The subsidiaries operate in the same line of business as the Company. These group companies operate in the same sector and have significant transactions amongst themselves during the year. We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the Standalone Financial Statements as a key audit matter due to: • the significance of transactions with related parties during the year ended 31st March, 2022 necessitated to be at arm's length, significant cash flow between parties, inter-company contracts and common management amongst other things. • the fact that Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	**Our principal audit procedures in relation to the evaluation and disclosure of related party transactions included:** - Obtaining an understanding of the Company's policies and procedures in respect of the capturing of related party transactions andi6(tyhowe)0.9(managem)1.8ent nosuras lly transactions transactions evaluated 21.1(and)1.3ddiscloendo pruatly

INDEPENDENT AUDITORS' REPORT (Contd.)

S. No.	Key Audit Matters	Auditor's Response
3	**Income Tax Provisions:** (Refer Note no.30, 40 and 48 to the Standalone Financial Statements and Note no. 1.22 of the significant accounting policies of the Standalone Financial Statements) This matter has been identified as a Key Audit Matter due to the significant level of management judgement required in the estimation of provision for income taxes including any write-back of provisions, due to the following factors: • The Company operates in a complex tax jurisdiction and is subject to periodic challenges by tax authorities on various matters relating to claims for tax exemptions / deductions. • The determination of provision for income tax and deferred taxes involve significant judgement in determining the possible outcome of uncertain tax positions and interpretation of various rules and laws.	**Our principal audit procedures to assess the appropriateness of income tax provisions made included:** - Analyzing the current and deferred tax calculations for compliance with the relevant tax legislation - Evaluating management's assessment of the estimated manner in which the timing differences, including the recoverability of the deferred tax assets, would be realized by comparing this to evidence obtained in respect of other areas of the audit, including cash flow forecasts, business plans, minutes of directors' meetings, etc. - Understanding processes, evaluation of design and implementation of controls and testing of operating effectiveness of the Company's controls over provision for taxation, assessment of uncertain tax positions and disclosure of contingencies. - Discussing with appropriate senior management personnel, independently assessing management's estimate of the possible outcome of the disputed cases by involving our tax specialists; and evaluating the management's underlying key assumptions in estimating the tax provisions. - Obtaining details of completed tax assessments and demands as of 31st March, 2022 from the management. - Considering legal precedence and other rulings in evaluating management's positions on these uncertain tax positions and the provisions made. - Assessing the adequacy of the Company's disclosures for income taxes in the Standalone Financial Statements. Our examination has showed that the provisions and disclosures are adequate.
4	**Litigation, Claims and Contingent Liabilities** (Refer Note no. 48 to the Standalone Financial Statements and Note no. 1.24 of the significant accounting policies of the Standalone Financial Statements) The Company operates in various states within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims. The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter. These estimates could change significantly over time as new facts emerge and each legal case progresses. The Company is involved in legal proceedings on disputed tax demands. The Company's management has assessed that the probability of success of the demand is remote and accordingly has not provided for the disputed demands. This has been considered a key audit matter in view of the uncertain outcome of the litigations and involvement of significant management judgement in assessing the probability of outflow of economic resources.	**Our principal audit procedures to assess the appropriateness of provisions and adequacy of disclosures included:** - Reviewing the outstanding litigations against the Company for consistency with the previous years. Enquiring and obtaining explanations for movement during the year. - Reading the latest correspondence between the Company and the various tax/legal authorities - Discussing the status of significant litigation with the Company's in-house Legal Counsel and other senior management personnel and assessing their responses. - On sample basis, examining the Company's legal expenses and reading the minutes of the board meetings, in order to ensure all cases have been identified. - With respect to tax matters, discussing with the Company's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. - For those matters where management concluded that no provisions should be recorded, considering the adequacy and completeness of the Company's disclosures with regard to facts and circumstances of the legal and litigation matters On the basis of the above procedures performed, we considered the management's assessment in respect of contingencies and provision for taxes and other litigations and claims to be reasonable and disclosures to be appropriate.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion & Analysis, Business Responsibility Report and Report on Corporate Governance, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

INDEPENDENT AUDITORS' REPORT (Contd.)

to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income),the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
   (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B wherein we have expressed an unmodified opinion.
   (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements- Refer Note no.48 to the Standalone Financial Statements
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022.
      iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
         b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received

INDEPENDENT AUDITORS' REPORT (Contd.)

by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the Management representations under sub-clauses (a) and (b) above, contain any material misstatement.

v. The Board of Directors of the Company have not proposed / paid any dividend for the year ended 31March, 2022, hence, no compliance of Section 123 of the Act was required.

3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) of the Act which are required to be commented upon by us.

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

Manoj K Roongta
Partner
Membership No.: 057761
UDIN: 22057761AJCWDJ8207

Place: Kolkata
Date: 17th May, 2022

Annexure A to the Independent Auditor's Report

(Referred to under the heading "Report on Other Legal and Regulatory Requirements" in Paragraph 1 of our Independent Auditors' Report of even date)

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified at reasonable intervals of time. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year. Accordingly, reporting under clause 3(i)(d) of the order is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016)(formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made there under, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its Standalone Financial Statements does not arise.

ii. (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. With respect to goods-in-transit, subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) The Company has not been sanctioned any working capital facility from financial institutions. The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters other than those as set out below:

Name of Bank	Aggregate working capital limits sanctioned (₹ in lakhs)	Nature of Current Asset offered as Security	Quarter Ended	Amount Disclosed as per Quarterly Return (₹ In Lakhs)	Amount as per books of account (Rs. In Lakhs)	Difference	Reason for Difference
SBI and Consortium of Banks	10,000	Refer Note Below	June 2021	16,480.04	20,426.78	(3,946.73)	Certain debtors such as those who have outstanding balances of more than 90 days and inter company balances are eliminated while filing bank return.

Name of Bank	Aggregate working capital limits sanctioned (₹ in lakhs)	Nature of Current Asset offered as Security	Quarter Ended	Amount Disclosed as per Quarterly Return (₹ In Lakhs)	Amount as per books of account (Rs. In Lakhs)	Difference	Reason for Difference
	11,600	Refer Note Below	September 2021	23,228.34	29,879.41	(6,651.07)	
	11,600	Refer Note Below	December 2021	26,751.67	34,688.42	(7,936.76)	
	11,600	Refer Note Below	March 2022	22,086.89	22,505.94	(419.05)	

Note: Working capital facilities from banks are secured by pari passu first charge on current assets of the Company's cement grinding units and plants at various locations. A part of the working capital facility has also been guaranteed by some of the Directors of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year. The Company has made investments in companies and granted an unsecured loan to a company, in respect of which the requisite information is as below. The Company has not provided any guarantee or security or granted any any advances in the nature of loans, secured or unsecured, to other companies during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any loans to any other entity. However, the balance outstanding of the existing loany is as below:

Particulars	Loans (₹ in lakhs)
Aggregate amount during the year	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others*	-
Balance outstanding as on 31st March, 2022 with respect to above cases	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others*	1661.06

*The above amounts are included in Note no. 14 to the Standalone Financial Statements.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of unsecured loans are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loan given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of unsecured loan given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.

(f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

iv. According to the information and explanation given

to us, the Company has not granted any loans, made investments or provided guarantees or securities in contravention of provisions of Section 185 of the Act. The Company has not made any guarantees or securities to the parties covered under Section 186 of the Act. In respect of loans and investments made by the Company, the provisions of Section 186 of the Act have been complied with.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, the reporting under Clause (v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same 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. (a) In our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Goods and Service tax, Custom Duty,Cess and other statutory dues, as applicable, with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the details of dues of Income Tax, Excise Duty, Royalty, VAT/GST/MEPRF on Coal and Cess not deposited by the Company on account of dispute are given below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	51.42	2009-10 to 2013-14	CESTAT
The Central Excise Act, 1944	Excise Duty	9.50	Jan-'05 to Sep-'05	CESTAT
The Central Excise Act, 1944	Excise Duty	8.99	Oct-'05 to Jul-'06	CESTAT
The Central Excise Act, 1944	Excise Duty	1.48	Aug-'06 to Oct-'06	CESTAT
The Central Excise Act, 1944	Excise Duty	566.05	Dec-'04 to Jan'13	Meghalaya High Court
MMDR, GST & VAT Act	Royalty, MEPRF, GST/ VAT	4,184.06	2014-15 to 2018-19	Supreme Court
The Finance Act, 1994	Service Tax	383.19	Apr'2016 to June'2017	Joint Commissioner, CGST, Shillong
Customs Act, 1962	Custom Duty	22.51	2012-13	Additional Commissioner of Customs (preventive), Bhubaneswar
The Finance Act, 1994	Service Tax	216.58	Oct'14 to June'17	Additional Commissioner of Central Tax & Central Excise, CGST Commissionerate, Guwahati, Assam
Central Goods and Services Tax Act, 2017	Transitional Credit	16.29	upto June'17	Assistant Commissioner, Guwahati, Division-II
Income Tax Act,1961	Demand Payable	49.61	A.Y-2017-18	Additional Commissioner of Income Tax/ Income-tax Officer, National e-Assessment Centre, Delhi

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
CGST Act and SGST Act,2017	GST RCM Liability	2200.91	July'17 to Dec' 18	Joint/ Additional Commissioner of Central Goods and Service Tax, Central GST Commisionerate, Shillong
Income Tax Act,1961	Demand Payable	2.56	A.Y. 2017-18	Additional Commissioner of Income Tax/ Income-tax Officer, National e-Assessment Centre, Delhi

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that have not been recorded in the books of account.

ix. (a) According to the information and explanations given to us and the records of the Company examined by us,the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion, and according to the information and explanations given to us and procedures performed by us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

(d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.The Company does not have any associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associates or joint ventures.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x) (a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under Clause 3(x) (b) of the Order is not applicable to the Company.

xi. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143 (12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us with the Central Government, during the year and upto the date of this report. Further, as informed by the Company, the Cost Auditor as well as the Secretarial Auditor of the Company have not filed any report under Section 143(12) of the Act with the Central Government in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year and upto the date of this report. Accordingly, the reporting under Clause 3(xi) (b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the 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, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Accordingly, the reporting under Clause 3(xvi)

Annexure B to the Independent Auditor's Report

(Referred to under the heading "Report on Other Legal and Regulatory Requirements" in Paragraph 2(f) of our Independent Auditors' report of even date)

Report on the Internal Financial Controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls with reference to the Standalone Financial Statements of Star Cement Limited ("the Company") as at 31st March, 2022, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Manoj K Roongta
Partner
Membership No.: 057761
UDIN: 22057761AJCWDJ8207

Place: Kolkata
Date: 17th May, 2022

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	31st March, 2022	31st March, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	48,713.60	43,248.83
(b) Capital work-in-progress	2.1	5,297.67	10,898.69
(c) Right-of-use assets	2.2	722.68	261.33
(d) Intangible assets	2.3	23.05	32.39
(e) Intangible assets under development	2.4	450.83	76.50
(f) Investment in subsidiaries	3	27,783.77	27,773.77
(g) Financial assets			
(i) Investments	4	150.11	142.34
(ii) Other financial assets	5	6,010.11	426.63
(h) Deferred tax assets (net)	6	22,264.64	18,768.84
(i) Non current tax assets (net)	7	82.66	69.49
(j) Other non-current assets	8	5,561.78	4,053.68
Total non-current assets		**1,17,060.90**	**1,05,752.49**
Current assets			
(a) Inventories	9	9,628.12	9,487.45
(b) Financial assets			
(i) Investments	10	12,690.00	-
(ii) Trade receivables	11	12,877.82	13,108.71
(iii) Cash and cash equivalents	12	477.45	3,598.95
(iv) Other Bank balances (other than (iii) above)	13	23,154.87	32,992.26
(v) Loans	14	1,661.06	1,605.32
(vi) Other financial assets	15	1,667.53	1,513.55
(c) Other current assets	16	11,965.56	21,231.26
Total current assets		**74,122.41**	**83,537.50**
Total assets		**1,91,183.31**	**1,89,289.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	4,041.80	4,124.29
(b) Other equity	18	1,25,895.05	1,23,414.10
Total equity		**1,29,936.85**	**1,27,538.39**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	7,218.08	11,533.46
(ii) Lease liabilities	20	553.65	146.35
(iii) Other financial liabilities	21	15,534.89	12,882.48
(b) Provisions	22	110.65	326.98
(c) Other non current liabilities	23	25.69	47.83
Total non-current liabilities		**23,442.96**	**24,937.10**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	405.36	686.88
(ii) Lease liabilities	25	194.36	133.14
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		493.94	456.48
Total outstanding dues of creditors other than micro enterprises and small enterprises		14,097.73	19,056.98
(iv) Other financial liabilities	27	14,784.56	11,062.50
(b) Provisions	28	340.08	353.35
(c) Other current liabilities	29	7,290.60	4,814.55
(d) Current tax liabilities (net)	30	196.87	250.62
Total current liabilities		**37,803.50**	**36,814.50**
Total liabilities		**61,246.46**	**61,751.60**
Total equity and liabilities		**1,91,183.31**	**1,89,289.99**
Significant accounting policies	1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 17th May, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	31st March, 2022	31st March, 2021
INCOME			
Revenue from operations	31	2,17,799.42	1,66,399.97
Other income	32	2,302.79	2,116.19
Total income		**2,20,102.21**	**1,68,516.16**
EXPENSES			
Cost of materials consumed	33	95,420.53	67,779.17
Cost of stock-in-Trade	34	-	5,777.09
Changes in inventories of finished good and work- in- progress	35	271.23	(361.28)
Employee benefit expenses	36	10,749.64	8,670.65
Finance costs	37	1,236.19	1,255.87
Depreciation and amortisation expenses	38	7,214.85	4,773.29
Other expenses	39	88,172.25	60,435.89
Total expenses		**2,03,064.69**	**1,48,330.68**
Profit before exceptional items and tax		**17,037.52**	**20,185.48**
Exceptional Items		-	2,931.36
Profit before tax		**17,037.52**	**17,254.12**
Tax expenses			
- Current tax (net of MAT Credit)	40	-	1,725.98
- Income tax for earlier years		(4.92)	-
- Deferred tax		(589.73)	(199.07)
Total tax expenses		**(594.65)**	**1,526.91**
Profit for the year		**17,632.17**	**15,727.21**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements gain/(loss) of post-employment benefit obligations	42	3.52	7.49
Income tax related to above		(1.19)	(2.07)
Other comprehensive income for the year (net of tax)		**2.33**	**5.42**
Total comprehensive income for the year		**17,634.50**	**15,732.63**
Earnings per equity share (face value of ₹ 1 each)			
Basic earnings per share (₹)	41	4.32	3.81
Diluted earnings per share (₹)		4.32	3.81
Significant accounting policies	1		

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Place : Kolkata
Date : 17th May, 2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at 1st April, 2020	**4,124.29**
Changes in equity share capital	-
As at 31st March, 2021	**4,124.29**
Changes in equity share capital	(82.49)
As at 31st March, 2022	**4,041.80**

B. Other equity

(₹ in Lakhs)

Particulars	Reserve and surplus				Total other equity
	Capital Redemption Reserve Account	Capital reserve	General reserve	Retained Earnings	
Balance as at 1st April, 2020	**68.00**	**643.53**	**3,187.83**	**1,03,782.11**	**1,07,681.47**
Profit for the year	-	-	-	15,727.21	15,727.21
Other comprehensive income -: Remeasurement gain/(loss) on Defined Benefit Plans (net of tax)	-	-	-	5.42	5.42
Balance as at 31st March, 2021	**68.00**	**643.53**	**3,187.83**	**1,19,514.74**	**1,23,414.10**
Addition during the year	82.49	-	-	-	82.49
Profit for the year	-	-	-	17,632.17	17,632.17
Buyback of Shares during the year	-	-	-	(15,236.04)	(15,236.04)
Other comprehensive income -: Remeasurement gain/(loss) on Defined Benefit Plans (net of tax)	-	-	-	2.33	2.33
Balance as at 31st March, 2022	**150.49**	**643.53**	**3,187.83**	**1,21,913.20**	**1,25,895.05**

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Place : Kolkata
Date : Date : 17th May, 2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
A. Cash flow from operating activities		
Net Profit/(loss) before Tax	17,037.52	17,254.12
Adjustments for :		
Depreciation and amortisation	6,978.22	4,573.66
Depreciation on right-of-use assets	236.63	199.63
(Profit)/ Loss on Sale of Property ,Plant and Equipment	0.68	31.95
Interest and Dividend Income (Refer Note 32)	(2,283.03)	(2,017.99)
Finance Costs (Refer Note 37)	1,236.19	1,255.87
Fair Valuation (gain)/ Loss on investments	(7.77)	(6.53)
Allowance for doubtful trade receivables	4.99	(10.79)
Operating Profit before working Capital changes	**23,203.43**	**21,279.92**
Adjustments for :		
(Increase)/Decrease in Trade receivables	225.90	(2,404.57)
(Increase)/Decrease in Inventories	(140.67)	(1,061.64)
(Increase)/Decrease in Loans	(5,639.22)	(193.28)
(Increase)/Decrease in Other assets	7,153.53	(1,701.50)
Increase /(Decrease) in trade and other payables	(4,921.79)	10,001.87
Increase /(Decrease) in Other Liabilities and Provisions	8,559.80	3,823.89
Cash Generated from Operations	**28,440.98**	**29,744.70**
Income Tax Paid	(2,450.00)	(2,500.00)
Net Cash flow from Operating Activities	**25,990.98**	**27,244.70**
B. Cash flow from Investing Activities		
(Purchase)/Sale of Property ,Plant and Equipment (including CWIP)	(7,646.47)	(9,670.95)
Sale of Property ,Plant and Equipment (including CWIP)	202.20	56.98
Investments in Fixed Deposits/Margin Money (Net)	9,837.40	(10,474.57)
Purchase of Investments	(12,700.00)	(4,029.12)
Interest Received	2,263.51	603.05
Net Cash used in Investing Activities	**(8,043.36)**	**(23,514.62)**
C. Cash Flow from Financing Activities		
Buy back of Equity Shares	(15,236.04)	-
Interest paid	(1,196.02)	(1,226.56)
Proceeds from /(Repayment of) Long Term Borrowings / Liabilities	(4,315.37)	(2,752.06)
Proceeds from /(Repayment of) Short Term Borrowings	(281.52)	-
Proceeds from Short Term Borrowings		173.39
Payment of Lease liability	(40.17)	(29.32)
Net Cash used in Financing Activities	**(21,069.12)**	**(3,834.56)**
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**(3,121.50)**	**(104.47)**
Cash and Cash Equivalents-		
Opening Balance	**3,598.95**	**3,703.42**
Closing Balance	**477.45**	**3,598.95**

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

Notes :

1. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) "Statement of Cash Flow".
3. For the purpose of Standalone Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Cash on hand	40.70	45.75
Cheques on hand	18.35	66.64
Balance with Banks	418.40	3,486.56
	477.45	**3,598.95**

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 17th May, 2022

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CORPORATE INFORMATION

Star Cement Limited (formerly Cement Manufacturing Company Limited) ("the Company") is a public limited company domiciled in India and incorporated on 2nd November, 2001 as per the provisions of the Companies Act. The Company is engaged in the manufacturing and selling of Cement Clinker & Cement. The manufacturing units are located at Lumshnong, Meghalaya, Guwahati, Assam & Siliguri, West Bengal. 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) read with [Companies (Indian Accounting Standards) Rules, 2015], amendments thereto , and other relevant provisions of the Act.

These standalone financial statements were approved for issue in accordance with the resolution of the Board of Directors on 17th May ,2022

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

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Net defined benefit asset/liability which is Fair value of plan assets less present value of defined benefit obligations
- Certain financial assets and financial liabilities that are measured at fair value.

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) held primarily for the purpose of trading and other criteria set out in the Schedule III to the Act.

(iv) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest 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 Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

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

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

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

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

i) Classification of legal matters and tax litigation

ii) Defined benefit obligations

iii) Useful life of property, plant and equipment

iv) Leases Ind AS 116

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 Company's standalone financial statements are presented in Indian

Rupees which is the Company's functional currency.

Transactions in foreign currencies entered into by the Company are accounted at the exchange 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 recognised as income or expenses in the Statement of Profit and Loss. All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The Company has adopted the provisions of para D13AA of Ind AS 101, "First- Time Adoption of Indian Accounting Standards" for recognising exchange differences for long-term foreign currency monetary items as on the date of Ind AS adoption, as per the provision of para 46A of AS-11, "The Effects of Changes in Foreign Exchange Rates". 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.

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, amortisation 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 vests with the Railway authorities are depreciated over five years.

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Capital Work In Progress

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

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition/ construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets"

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. Office building is owned by the Company and is amortised using the straight- line method over the period of lease of land on which it is constructed. In respect of an asset for which impairment loss is recognised, 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 recognised 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 recognised impairment loss is further provided or reversed depending on changes in circumstances.

1.5 Intangible Asset

An intangible asset is recognised when it is probable that the future economic benefits that are attributable to the

asset will flow to the Company and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure is written off over a period of three years.

1.6 Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

1.7 Lease-

As a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset and lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Right of use assets are measured applying the Cost model. They are subsequently measured at cost, less any accumulated depreciation, adjustments for any remeasurement of the lease liabilities and impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a Lessor:

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.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the statement of profit and loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

1.8 Government Grants and Subsidies

Government grants and subsidies are recognised 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 recognised in the Statement of Profit and Loss as deduction from related item of expenditure. Grants related to assets which are recognised in the Balance Sheet as deferred income, are recognised 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 Inventories

Raw materials, stores and spare parts, fuel and packing material:

Raw materials, stores and spares and fuel and packing material are valued at lower of cost and net realisable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and taxes for which credit is not

available. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average basis.

Work-in-progress, finished goods and stock in trade:

Work-in-progress, finished goods and stock in trade are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs. Cost of Stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.10 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 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 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 non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

1.11 Investment in Subsidiaries

The Company's investments in its subsidiaries are carried at cost.

1.12 Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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.

1.13 Trade receivables

Trade receivables are recognised initially at transaction price. Upon initial recognition of a receivable from a contract with a customer, any difference between the measurement of the receivable in accordance with Ind AS 109 and the corresponding amount of revenue recognised shall be presented as an expense. Subsequently, the trade receivables are measured at cost less expected credit losses. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. The Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The loss allowance is measured at an amount equal to lifetime expected credit losses.

1.14 Cash and Cash Equivalents

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

1.15 Financial liabilities

Initial recognition and measurement

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

1.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the 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.

1.17 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised 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 recognised 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.

1.18 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.

1.19 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.

1.20 (A) Revenue Recognition

Revenue from sale of goods is recognised when control of the products has been transferred. The domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export / bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence/ loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue is exclusive of goods and service tax and net of discounts, sales returns and foreign exchange gain/(loss).

Unfulfilled performance obligations

The Company provides certain benefits to customers for purchasing products from the Company. These provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of providing cost of such benefits. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence. To the extent these benefits are not settled/disbursed till the end of a reporting period these are recorded.

A contract liability is not recognised until the benefit is provided.

(B) Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

1.21 Employee Benefits

(i) 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.

(ii) Defined Contribution Plan

Employees benefits in the form of provident fund, ESIC and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for

the year when the contributions to the respective funds are due.

(iii) 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.

(iv) 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.

1.22 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 computed on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred taxes are recognised in profit and loss, except to the extent that they relate to items recognised in other comprehensive income or directly in equity. In this case, the taxes are 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 recognised to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period

1.23 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.24 Provisions and Contingencies

A Provision is recognised 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.

1.25 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

1.26 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 amount is recognised directly in other equity.

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land & Site Development	Office Building	Factory Building	Non Factory Building	Plant & Machinery	Railway Sidding	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross Carrying Value												
At 1st April, 2020	**5,521.32**	**1,203.16**	**4,759.42**	**3,379.71**	**23,361.08**	**3,563.90**	**857.18**	**452.51**	**325.85**	**1,974.87**	**322.18**	**45,721.17**
Additions	655.08	-	3,964.38	90.01	15,102.65	328.26	74.23	50.96	63.59	597.49	26.50	20,953.15
Disposals/deductions/ adjustments	-	-	-	-	125.78	-	6.48	3.71	7.06	81.22	12.82	237.07
At 31st March, 2021	**6,176.40**	**1,203.16**	**8,723.80**	**3,469.72**	**38,337.95**	**3,892.16**	**924.93**	**499.76**	**382.38**	**2,491.14**	**335.86**	**66,437.25**
Additions	2,407.25		2,979.02	2,863.05	3,659.43	-	70.64	43.13	121.49	507.31	30.83	12,682.15
Disposals/deductions/ adjustments	-		-	190.63	84.51	-	55.29	26.09	41.86	12.70	34.95	446.03
At 31st March, 2022	**8,583.65**	**1,203.16**	**11,702.82**	**6,142.14**	**41,912.87**	**3,892.16**	**940.28**	**516.80**	**462.01**	**2,985.75**	**331.74**	**78,673.37**
Accumulated Deprecation												
At 1st April, 2020	**-**	**47.14**	**1,506.82**	**980.82**	**14,149.48**	**283.51**	**330.87**	**216.01**	**198.20**	**765.35**	**125.36**	**18,603.56**
Charge for the year	-	54.35	386.07	175.50	2,688.76	617.98	140.45	111.29	65.99	409.37	45.32	4,695.08
Disposals/deductions/ adjustments	-	-	-	-	33.80	-	1.79	1.07	2.86	63.84	6.86	110.22
At 31st March, 2021	**-**	**101.49**	**1,892.89**	**1,156.32**	**16,804.44**	**901.49**	**469.53**	**326.23**	**261.33**	**1,110.88**	**163.82**	**23,188.42**
Charge for the year	5.16	51.80	740.90	167.06	4,647.15	560.74	123.46	86.71	86.66	470.83	43.22	6,983.69
Disposals/deductions/ adjustments	-	-	-	35.10	36.75	-	52.72	25.46	41.30	10.66	10.35	212.34
At 31st March, 2022	**5.16**	**153.29**	**2,633.79**	**1,288.28**	**21,414.84**	**1,462.23**	**540.27**	**387.48**	**306.69**	**1,571.05**	**196.69**	**29,959.77**
Net Carrying Value												
At 31 March ,2021	6,176.40	1,101.67	6,830.91	2,313.40	21,533.51	2,990.67	455.40	173.53	121.04	1,380.26	172.04	43,248.83
At 31st March, 2022	**8,578.49**	**1,049.87**	**9,069.03**	**4,853.86**	**20,498.03**	**2,429.93**	**400.01**	**129.32**	**155.32**	**1,414.70**	**135.05**	**48,713.60**

a. During the year Company has sold/ discarded Property ,Plant and Equipment amounting to ₹ 446.03Lakhs (31st March, 2021 - ₹ 237.07 Lakhs).

b. Depreciation for the year includes ₹ Nil (31st March, 2021 - ₹ 121.58 Lakhs) capitalized as Pre-operative expenses.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

2 PROPERTY, PLANT AND EQUIPMENT (Contd.)

2.1 Capital Work in Progress

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance at the beginning of the year	10,898.69	22,231.99
Add : Expenditure during construction for projects	5,211.66	9,338.25
Less : Capitalised during the year	10,812.68	20,671.55
Balance at the end of the year	**5,297.67**	**10,898.69**

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

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	3,664.26	299.72	91.93	1,241.76	5,297.67
Projects temporarily suspended	-	-	-	-	-

Ageing of Capital work-in-progress as at 31st March, 2021

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	8,033.00	836.68	737.01	1,292.00	10,898.69
Projects temporarily suspended	-	-	-	-	-

There are no projects whose cost have exceeded its budget or has overrun its completion time.

2.2 Right-of-use assets

(₹ in Lakhs)

Particulars	Non Factory Building
Gross Carrying Value	
At 1st April, 2020	**432.88**
Addition	201.48
Disposals	13.59
At 31st March, 2021	**620.77**
Addition	1,333.88
Disposals	638.53
At 31st March, 2022	**1,316.12**
Accumulated Depreciation	
At 1st April, 2020	**148.26**
charge for the year	211.18
Disposals/adjustments	-
At 31st March, 2021	**359.44**
charge for the year	236.63
Disposals/adjustments	2.63
At 31st March, 2022	**593.44**
Net Carrying Value	
At 31st March, 2021	261.33
At 31st March, 2022	**722.68**

a. Depreciation on RTU for the year includes ₹ NIL Lakhs (31st March, 2021 - ₹ 11.54 Lakhs) capitalized as Pre-operative expenses.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

2 PROPERTY, PLANT AND EQUIPMENT (Contd.)

2.3 Intangible assets

(₹ in Lakhs)

Particulars	Computer Software
Gross Carrying Value	
At 1st April, 2020	**76.12**
Additions	22.54
Disposals/adjustments	0.19
At 31st March, 2021	**98.47**
Additions	3.66
Disposals/adjustments	10.23
At 31st March, 2022	**91.90**
Accumulated Amortisation	
At 1st April, 2020	**54.54**
Charge for the year	11.54
Disposals/adjustments	-
At 31st March, 2021	**66.08**
Charge for the year	13.00
Disposals/adjustments	10.23
At 31st March, 2022	**68.85**
Net Carrying Value	
At 31st March, 2021	32.39
At 31st March, 2022	**23.05**

2.4 Intangible assets under development

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance at the beginning of the year	76.50	**76.50**
Add : Expenditure during the year	374.33	-
Less : Capitalised during the year	-	-
Balance at the end of the year	450.83	76.50
Aging -:		
Less than 1 year	374.33	-
1-2 years	-	76.50
2-3 years	76.50	-
More than 3 years	-	-
Total	450.83	76.50

There are no projects whose cost have exceeded its budget or has overrun its completion time.

3 INVESTMENT IN SUBSIDIARIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment in Subsidiaries at cost - Unquoted		
Megha Technical & Engineers Private Limited	2,734.64	2,734.64
2,73,46,400 (2,73,46,400 as at 31st March, 2021,) Equity Shares of ₹ 10/- each fully paid up		
Star Century Global Cement Private Limited	20.03	20.03
300 (300 as at 31st March, 2021) Equity Share of $ 100 each fully paid up		
Star Cement Meghalaya Limited	17,414.67	17,414.67
2,60,88,656 (2,60,88,656 as at 31st March 2021,) Equity Shares of ₹ 10 each fully paid up		
Meghalaya Power Limited	7,597.43	7,597.43
1,71,30,620 (1,71,30,620 as at 31st March, 2021) Equity Share of ₹ 10 each fully paid up		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

3 INVESTMENT IN SUBSIDIARIES (Contd.)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
NE Hills Hydro Limited	7.00	7.00
70,000 (70,000 as at 31st, March 2021) Equity Share of ₹ 10 each fully paid up		
Star Cement (I) Limited {formerly known as Star Cement Lumshnong Limited}	5.00	-
50,000 (Nil as at 31st March, 2021) Equity Share of ₹ 10 each fully paid up		
Star Cement North East Limited	5.00	-
50,000 (Nil as at 31st March, 2021) Equity Share of ₹ 10 each fully paid up		
	27,783.77	**27,773.77**

3.1 During the year the Company has invested in two more wholly owned subsidiaries i.e. Star Cement (I) Limited (formerly known as Star Cement Lumshnong Limited) and Star Cement North East Limited.

4 INVESTMENTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment at FVTPL		
Investment in Unquoted Equity Instruments		
Adonis Vyapaar Private Limited	37.26	35.52
3,55,509 (3,55,509 as at 31st March, 2021,) Equity Share of ₹ 10 each fully paid up		
Apanapan Viniyog Private Limited	37.26	35.52
3,55,509 (3,55,509 as at 31st March, 2021,) Equity Share of ₹ 10 each fully paid up		
Ara Suppliers Private Limited	37.12	35.37
3,55,509 (3,55,509 as at 31st March, 2021,) Equity Share of ₹ 10 each fully paid up		
Arham Sales Private Limited	37.29	35.55
3,55,509 (3,55,509 as at 31st March, 2021,) Equity Share of ₹ 10 each fully paid up		
Investment in Quoted Equity Instruments		
Reliance Power Limited	1.18	0.38
8,743 (8,743 as at 31st March, 2021) Equity Shares of ₹ 10 each fully paid up		
	150.11	**142.34**
Aggregate market value of Quoted investment	1.18	0.38
Aggregate carrying amount of Quoted investment	24.54	24.54
Aggregate amount of unquoted investments	27,932.70	27,915.73
Aggregate amount of impairment in value of investments	-	-

5 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, consider good		
Security deposits	417.32	426.63
Fixed Deposit accounts with original maturity of more than 12 months	5,570.00	-
Interest accrued on Fixed Deposits	22.79	-
	6,010.11	**426.63**

6 DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Deferred tax assets		
Gratuity and leave encashment	157.50	237.74
Property, plant and equipment	1,650.39	916.78
MAT credit entitlement	20,456.75	17,614.32
Deferred tax assets (net)	**22,264.64**	**18,768.84**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

7 NON CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Advance income tax & TDS receivables (net)	82.66	69.49
	82.66	**69.49**

8 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, consider good		
Deposit with statutory authorities	29.02	37.53
Capital advances (Refer note 8.1 below)	5,532.76	4,016.15
	5,561.78	**4,053.68**

8.1 Capital Advances includes advance against land of ₹ 4928.76 Lakhs (31st March, 2021 - ₹ 2,052.33 Lakhs). The Company is in the process of getting registration in its name.

9 INVENTORIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(Valued at Lower of Cost or Net Realisable Value)		
Raw materials (including in transit as at 31st March, 2022 - ₹ 912.38 Lakhs and 31st March, 2021 - ₹ 925.57 Lakhs)	3,150.36	3,628.56
Work - in - progress	19.76	22.13
Finished goods (including in transit as at 31st March, 2022 - ₹ 758.02 Lakhs and 31st March, 2021 - ₹ 470.24 Lakhs)	1,898.06	2,166.92
Fuels, packing materials, etc.	1,361.15	819.99
Stores & spares	3,198.79	2,849.85
	9,628.12	**9,487.45**

10 INVESTMENTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment in Bond - Quoted (at amortised Cost)		
8.75% Axis Bank Limited SR-28 Perpetual Bond, 150 Units (FV ₹ 10 Lakhs)	1,500.00	-
8.65% Bank of Baroda SR-IX Perpetual Bond, 250 Units (FV ₹ 10 Lakhs)	2,500.00	-
8.60% Bank of Baroda SR-VIII Perpetual Bond, 100 Units (FV ₹ 10 Lakhs)	1,000.00	-
8.85% HDFC Bank Limited SR-1 Perpetual Bond, 50 Units (FV ₹ 10 Lakhs)	500.00	-
9.90% ICICI Bank Limited SR Perpetual Bond, 100 Units (FV ₹ 10 Lakhs)	1,000.00	-
9.15% ICICI Bank Limited SR Perpetual Bond, 120 Units (FV ₹ 10 Lakhs)	1,200.00	-
8.55% ICICI Bank Limited SR-DOT Perpetual Bond, 150 Units (FV ₹ 10 Lakhs)	1,500.00	-
9.56% State Bank of India Series 1 Perpetual Bond, 44 Units (FV ₹ 10 Lakhs)	440.00	-
9.37% State Bank of India Series II BD Perpetual Bond, 50 Units (FV ₹ 10 Lakhs)	500.00	-
8.15% State Bank of India - SR-IV Perpetual Bond, 255 Units (FV ₹ 10 Lakhs)	2,550.00	-
	12,690.00	**-**
Aggregate Market value of Quoted investment	**12,967.81**	**-**
Aggregate amount of impairment in value of investments	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

11 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Secured considered Good	7,625.95	5,895.67
Unsecured, considered good	5,251.87	7,213.04
Receivable which have significant increase in credit risk	59.10	54.11
Less: Allowance for credit losses	(59.10)	(54.11)
	12,877.82	**13,108.71**

Ageing of outstanding trade receivables as on 31 March 2022 from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - Considered Good	10,469.45	850.02	752.25	198.46	607.64	-	12,877.82
Undisputed - significant increase in credit risk **(consider doubtful)**	-	-	-	-	-	59.10	59.10
Less: Allowance for credit losses							(59.10)
Total Trade Receivables							**12,877.82**

Ageing of outstanding trade receivables as on 31 March 2021 from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - Considered Good	11119.29	1103.16	340.03	546.22	-	-	13,108.71
Undisputed - significant increase in credit risk **(consider doubtful)**			-	-	-	54.11	54.11
Less: Allowance for credit losses							(54.11)
Total Trade Receivables							**13,108.71**

12 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Cash on hand	40.70	45.75
Cheques on hand	18.35	66.64
Balance with Banks		
- In current accounts/cash credit accounts	418.40	380.37
- In Fixed Deposit accounts with original maturity of upto 3 months	-	3,106.19
	477.45	**3,598.95**

13 OTHER BANK BALANCES (OTHER THAN NOTE 12 ABOVE)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unpaid dividend account (Refer Note 13.1 below)	12.50	14.40
In fixed deposit accounts with original maturity of more than 3 months and upto 12 months	18,582.00	25,418.10
In Fixed Deposit accounts with original maturity of more than 12 months	4,461.00	7,456.00
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months (Refer Note 13.1 below)	99.37	103.76
	23,154.87	**32,992.26**

13.1 The bank balance disclosed above represents margin money against unpaid dividend account and bank gurantee are subject to regulatory restrictions and are therefore not available for general use by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

14 LOANS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
Loans to Body Corporate (other than related party)	1,661.06	1,605.32
	1,661.06	**1,605.32**

15 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
Advances recoverable from an associate and other related party	194.64	39.63
Security deposits	61.23	58.98
Interest accrued but not due on		
Fixed deposits	1,230.41	1,414.94
Bonds	181.25	-
	1,667.53	**1,513.55**

16 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
-Advances to suppliers	1,692.17	2,176.76
-Stamp paper in hand	0.26	0.24
-Advances to employees	87.31	89.29
-Balances with statutory/government authorities	1,384.70	3,418.37
-Subsidies /incentives receivable from central/state governments	7,520.00	13,814.32
-Advances for services & expenses	530.59	747.32
-Prepaid expenses	700.53	934.96
-Insurance Claim Receivable	50.00	50.00
Unsecured, considered doubtful		
- Doubtful advances for services & expenses	7.09	7.09
Less: Allowance for bad & doubtful advances for services & expenses	(7.09)	(7.09)
	11,965.56	**21,231.26**

17 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Authorized capital	8,300.00	8,300.00
83,00,00,000 (83,00,00,000 as at 31st March, 2021) Equity Shares of ₹ 1/- each)		
Issued, subscribed & fully paid -up shares	4,041.80	4,124.29
40,41,80,417 (41,24,28,997 as at 31st March, 2021) Equity Shares of ₹ 1/- each fully paid)	**4,041.80**	**4,124.29**

a Terms/Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

17 EQUITY SHARE CAPITAL (Contd.)

b In terms of approval of the Board of Directors obtained at its meeting held on 13th August, 2021, the Company had offered Buy Back of Equity shares of all eligible equity shareholders of the Company on a proportionate basis through tender offer route using Stock Exchange mechanism. The buyback of equity shares through the Stock Exchange commenced on 22nd September, 2021 and closed on 5th October, 2021. Accordingly, the Company bought back and extinguished a total of 82,48,580 equity shares of ₹ 1 each at a price of ₹ 150 per equity share, representing 2.00% of the pre-buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹ 123.73 Crore (excluding transaction costs such as Brokerage, Buy Back Tax, Securities Transaction Tax, GST, Stamp duty and other related expenses etc.). Payments to the eligible shareholders were completed on 13th October, 2021. In the last five financial year company had buy back 1,50,48,580 number of equity shares.

c Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity shares	No. of Shares	No. of Shares
At the beginning of the year	41,24,28,997	41,24,28,997
Buyback of shares for the year 21-2022	(82,48,580)	-
Outstanding at the end of the year	**40,41,80,417**	**41,24,28,997**

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
Sajjan Bhajanka	4,78,86,362	4,68,31,636
	11.85%	11.36%
Prem Bhajanka	3,73,53,344	3,77,18,954
	9.24%	9.15%
SBI Equity Hybrid Fund	2,38,27,667	2,50,13,431
	5.90%	6.06%

e Details of shares held by the promoters at the end of the year

Sr No	Promoter Name	FY 21-22		% Change during the year
		No. of Shares	% of Total Shares	
1	Sajjan Bhajanka	4,78,86,362	11.85	0.26
2	Prem Kumar Bhajanka	3,73,53,344	9.24	(0.09)
3	Rajendra Chamaria	1,95,34,116	4.83	(0.09)
4	Sanjay Agarwal	1,76,23,185	4.36	0.14
5	Rajesh Kumar Agarwal	35,15,625	0.87	(0.02)

Details of shares held by the promoters at the end of the year

Sr No	Promoter Name	FY 20-21		% Change during the year
		No. of Shares	% of Total Shares	
1	Sajjan Bhajanka	4,68,31,636.00	11.36	0.03
2	Prem Kumar Bhajanka	3,77,18,954.00	9.15	-
3	Rajendra Chamaria	1,98,91,358.00	4.82	-
4	Sanjay Agarwal	1,70,45,480.00	4.13	-
5	Hari Prasad Agarwal *	-	-	(0.77)
6	Rajesh Kumar Agarwal	35,79,919.00	0.87	0.87

* Demised on 18.12.2020

17.1 As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

18 OTHER EQUITY

(₹ in Lakhs)

Particulars	31st March, 2021	31st March, 2020
Capital reserve		
Opening Balance	643.53	643.53
Addition/(deduction) during the year	-	-
Closing Balance	**643.53**	**643.53**
Capital Redemption Reserve Account		
Opening Balance	68.00	68.00
Addition during the year-Transferred from Retained Earning	82.49	-
Closing Balance	**150.49**	**68.00**
General reserve		
Opening Balance	3,187.83	3,187.83
Addition/(deduction) during the year	-	-
Closing Balance	**3,187.83**	**3,187.83**
Retained earnings		
Opening Balance	1,19,514.74	1,03,782.11
Profit /(loss) for the year	17,632.17	15,727.21
Buyback of Shares for the year	(15,236.04)	-
Other comprehensive income		
Remeasurement gain/(loss) on Defined Benefit Plans (net of tax)	2.33	5.42
Closing Balance	**1,21,913.20**	**1,19,514.74**
Total Other equity	**1,25,895.05**	**1,23,414.10**

Nature and purpose of reserves

Capital Reserve

During amalgamation with Star Ferro and Cement Limited , the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

Capital Redemption Reserve

In accordance with section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from retained earnings.

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.

19 BORROWINGS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Loans from related party (unsecured)		
- From a subsidiary [Refer note (a) and (c) below]	7,218.08	11,533.46
Other loans (secured)		
-Hire purchase finance from banks [Refer note (b) and (c) below]	-	1.06
Less: Current maturities of long term borrowings	-	(1.06)
	7,218.08	**11,533.46**

a. Term loan from a related party (subsidiary company) is long term in nature i.e. payable at the end of 5 years and the rate of interest is 4.76% (March 31,2021: 5.60%)

b. Hire purchase finance is secured by hypothecation of respective vehicles and is repayable within four years having varying date of payment.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

20 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Lease Liabilities (Refer note 46)	553.65	146.35
	553.65	**146.35**

21 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Security deposit	15,534.89	12,882.48
	15,534.89	**12,882.48**

22 PROVISIONS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Provision for employee benefits (Refer Note 42)		
- Gratuity	110.65	326.98
	110.65	**326.98**

23 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
-Deferred government grant	25.69	47.83
	25.69	**47.83**

24 BORROWINGS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Secured-Repayable on demand		
Working capital facilities from banks [Refer Note (a,b & c) below & Note No.54]		
- Cash credit	405.36	685.82
Current maturities of long term borrowings	-	1.06
	405.36	**686.88**

a. Working capital facilities of ₹ 139.42 Lakhs (31st March, 2021: ₹ 541.23 Lakhs) from banks are secured by pari passu first charge on current assets of the Company's cement grinding unit at Guwahati, Assam. The said working capital facility has been guaranteed by some of the Directors of the Company. (Refer Note 50)

b. Working Capital facilities of ₹ 195.43 Lakhs (31st March 2021: ₹ 144.59 Lakhs) from banks are secured by pari passu first charge on current assets of the Company's plant at Lumshnong, Meghalaya.

c. Working Capital facility of ₹ 70.51 Lakhs (31st March, 2021 : Nil) from bank is secured by first hypothecation charge on all current assets of the Company's cement grinding unit at Siliguri, West Bengal.

25 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Lease Liabilities (Refer note 46)	194.36	133.14
	194.36	**133.14**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

26 TRADE PAYABLES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
MSME Creditors {Refer Note 51 (a)}	493.94	456.48
Trade Payables other than above	14,097.73	19,056.98
	14,591.67	**19,513.46**

Ageing of outstanding trade payables as on 31st March, 2022 from due date of payment

Sr No	Particulars	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed - MSME	463.99	29.96	-	-	-	**493.94**
(ii)	Undisputed - Other than MSME	11,924.87	1,770.75	183.00	6.74	212.37	**14,097.73**

Ageing of outstanding trade payables as on 31st March, 2021 from due date of payment

Sr No	Particulars	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed - MSME	440.32	16.16	-	-	-	**456.48**
(ii)	Undisputed - Other than MSME	17,734.14	1,290.23	32.45	0.16	-	**19,056.98**

27 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest accrued but not due on borrowings	-	0.01
Unclaimed dividend (Refer Note 27.1)	12.50	14.40
Other payables		
- Creditors for capital goods	434.26	602.63
- Salary and bonus to employees	545.68	462.33
- Retention money	371.74	427.16
- Creditors for services and expenses	5,231.41	2,936.34
- Discounts and incentives to dealers	5,303.84	4,224.09
- Creditors for employees expenses	28.05	32.64
- Other liabilities (including liability for expenses of ₹ 2,493.96 Lakhs (31st March, 2021: ₹ 2,082.30 Lakhs))	2,857.08	2,362.90
	14,784.56	**11,062.50**

27.1 Amount to be transferred to the Investor Education and Protection Fund shall be determined on the respective due date and does not include any amounts due and outstanding to be credited to Investor Education and Protection Fund on the basis of the information available with the Company.

28 PROVISIONS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Provision for employee benefits (Refer Note 42)		
-Leave encashment	273.08	291.16
-Gratuity	67.00	62.19
	340.08	**353.35**

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Statutory liabilities	4,891.30	3,572.26
Advances from customer	2,386.43	1,233.07
Current portion of Deferred government grant	12.87	9.22
	7,290.60	**4,814.55**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

30 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Provision for taxation (net of advance income tax of ₹ 2,712.27 Lakhs as at 31st March' 2022 & ₹ 2,705.81 Lakhs as at 31 March 2021)	196.87	250.62
	196.87	**250.62**

31 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Sale of products		
Domestic	2,17,488.65	1,65,874.96
Export	-	249.92
	2,17,488.65	**1,66,124.88**
Other operating income		
Sale of Scrap	164.08	77.49
Bad Debts Recovery Account	-	2.19
Others	146.69	195.41
	2,17,799.42	**1,66,399.97**

Note:

a) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Revenue as per contract price	2,37,626.52	1,80,397.83
Discount and incentives	(20,137.87)	(14,272.95)
Revenue as per statement of profit and loss	**2,17,488.65**	**1,66,124.88**

32 OTHER INCOME

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest income from financial instrument measured at amortised cost		
Bank deposits	1,438.95	1,929.76
Interest on Loan	95.27	88.22
Others {including interest on Bond ₹ 662.74 Lakhs (31st March, 2021: ₹ Nil)}	748.80	8.08
Fair Value of Equity Instrument	7.77	6.53
Miscellaneous receipts	12.00	83.60
	2,302.79	**2,116.19**

33 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Inventory at the beginning of the year	3,628.56	3,048.13
Add: Purchases	94,942.33	68,359.60
	98,570.89	71,407.73
Less : Inventory at the end of the year	3,150.36	3,628.56
	95,420.53	**67,779.17**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

33 COST OF MATERIALS CONSUMED (Contd.)

Details of raw materials consumed

(₹ in Lakhs)

Raw Material	31st March, 2022	31st March, 2021
Limestone	1,688.64	1,142.66
Shale	203.92	96.46
Iron Mill Scale	82.43	159.72
Clinker	72,906.09	52,661.98
Fly ash	14,456.11	11,497.40
Gypsum	6,008.74	2,159.34
Others	74.60	61.61
	95,420.53	**67,779.17**

34 COST OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Inventory at the beginning of the year	-	59.65
Add: Purchases	-	5,717.44
	-	**5,777.09**
Less : Inventory at the end of the year	-	-
	-	**5,777.09**

35 CHANGES IN INVENTORIES OF FINISHED GOOD AND WORK- IN- PROGRESS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Work in progress		
Opening stock	22.13	24.69
Closing stock	19.76	22.13
	2.37	2.56
Finished goods		
Opening stock	2,166.92	1,610.42
Trial Run Production	-	192.66
Closing stock	1,898.06	2,166.92
	268.86	(363.84)
	271.23	**(361.28)**

36 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Salaries & wages	9,917.90	8,073.36
Contribution to provident fund and other funds	336.72	279.01
Staff Welfare expenses	495.02	318.28
	10,749.64	**8,670.65**

36.1: Employee cost is inclusive of remuneration paid to Directors & Key Management Personnel. (Refer Note No. 50)

37 FINANCE COSTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest expense		
- On loans measured at amortised cost [including interest on Lease ₹ 40.18 Lakhs (31st March, 2021 ₹ 31.69 Lakhs)	1,077.15	1,169.52
Other Borrowing costs	159.04	86.35
	1,236.19	**1,255.87**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

38 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Depreciation on Property,plant and equipment	6,965.22	4,562.12
Depreciation on right-of-use assets	236.63	199.63
Amortisation of Intangible Assets	13.00	11.54
	7,214.85	**4,773.29**

38.1 : Depreciation is net of amortisation of Government Grant of ₹ 18.47 Lakhs as at 31st March, 2022 and ₹ 11.38 Lakhs at 31st March, 2021.

38.2 : Depreciation of right-of-use- assets of ₹ Nil (31st March, 2021 - ₹ 11.54 Lakhs) capitalized as Pre-operative expenses.

39 OTHER EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Consumption of stores & spares	501.23	695.01
Packing materials	7,982.91	5,073.37
Power & fuel	18,752.59	13,401.46
Repairs & maintenance		
- Building	352.19	195.31
- Plant & machinery	1,440.99	847.76
- Others	616.72	687.67
Heavy vehicle / equipment running expenses	322.71	270.73
Rent	336.15	339.49
Travelling and conveyance	726.24	419.84
Insurance	199.42	256.96
Rates & Taxes	39.36	50.89
Research & development expenses	44.50	31.35
Charity & donation (refer note 39.2)	1,072.15	1,305.19
Miscellaneous expenses (including payment to auditors, refer note 39.1)	4,920.68	2,456.94
CSR expenses (Refer Note 51 (d))	718.56	611.02
Advertisement & publicity	4,380.38	1,710.33
Outward Freight Charges	43,678.94	30,614.14
Sales promotion expenses	762.85	439.81
Commission & incentives	1,323.68	1,028.62
	88,172.25	**60,435.89**

39.1: Payment to auditors

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
i) Statutory Audit Fees	12.50	12.50
ii) Limited Audit Review Fees	6.00	6.00
iii) In other capacity:		
Certification Fees and other services	0.70	0.24
Reimbursement of expenses	0.62	-
	19.82	**18.74**

39.2: Charity & donation includes ₹ 500.00 Lakhs (₹ 1000.00 Lakhs as at 31st March, 2021) paid to political parties.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

40 TAX EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(a) Current tax		
Current tax on profits for the year	-	1,725.98
Total current tax expense	**-**	**1,725.98**
(b) Deferred tax		
Deferred tax	(589.73)	(199.07)
Total deferred income tax expense/(benefit)	**(589.73)**	**(199.07)**
Tax in respect of earlier years	(4.92)	-
Tax expenses	**(594.65)**	**1,526.92**

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit before tax	17,037.52	17,254.12
Tax at the Indian tax rate of 34.944% (31st March, 2020 - 34.944%)	**5,953.59**	**6,029.28**
Item not deductible/ taxable under tax	204.33	(420.22)
Effect of allowances/ tax holidays for tax purpose	(6,157.92)	(3,883.07)
Effect of tax on exempt income	-	-
Others	(589.73)	(199.08)
Tax in respect of earlier years	(4.92)	-
Tax expenses	**(594.65)**	**1,526.91**

40.2 .The Tax Rate used for the year FY 21-22 and FY 20-21 reconciliation above is the Corporate tax rate of 34.944% (30%+ surcharge @12% + education cess @4%) payable on taxable profits under the Income Tax Act, 1961.

40.3 During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provision of the Income Tax Act,1961). Accordingly, there are no transactions which are not recorded in the books of accounts.

41 EARNINGS PER SHARE

(a) Basic earnings per share

Particulars	31st March, 2022	31st March, 2021
Basic earnings per share attributable to the equity holders of the Company (in ₹)	**4.32**	**3.81**

(b) Diluted earnings per share

Particulars	31st March, 2022	31st March, 2021
Diluted earnings per share attributable to the equity holders of the Company (in ₹)	**4.32**	**3.81**

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basic earnings per share	17,632.17	15,727.21
Diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	17,632.17	15,727.21

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

Particulars	31st March, 2022	31st March, 2021
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	40,85,87,193	41,24,28,997
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	40,85,87,193	41,24,28,997

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

42 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 Lakhs)

Particulars	31st March, 2022	31st March, 2021
Leave obligations not expected to be settled within the next 12 months	227.15	253.70

(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 Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2020	489.29	(186.45)	302.84
Current service cost	71.75	-	71.75
Interest expense/(income)	34.24	(12.17)	22.07
Total amount recognised in profit or loss	**105.99**	**(12.17)**	**93.82**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.69	0.69
Actuarial (gain)/loss from change in financial assumptions	7.37	-	7.37
Actuarial (gain)/loss from unexpected experience	(15.55)	-	(15.55)
Total amount recognised in other comprehensive income	**(8.18)**	**0.69**	**(7.49)**
Benefit paid	(25.24)	25.24	-
31st March, 2021	**561.86**	**(172.69)**	**389.17**

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2021	561.86	(172.69)	389.17
Current service cost	73.52	-	73.52
Interest expense/(income)	38.77	(20.29)	18.48
Total amount recognised in profit or loss	**112.29**	**(20.29)**	**92.00**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	4.74	4.74
Actuarial (gain)/loss from change in financial assumptions	(0.72)	-	(0.72)
Actuarial (gain)/loss from unexpected experience	(7.54)	-	(7.54)
Total amount recognised in other comprehensive income	**(8.26)**	**4.74**	**(3.52)**
Employer contributions/ premium paid	-	(300.00)	(300.00)
Benefit paid	(57.18)	57.18	-
31st March, 2022	**608.71**	**(431.06)**	**177.65**

Net asset / (liability) recognised in the balance sheet

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Present value of Defined Benefit Obligation	608.71	561.86
Fair Value of Plan Assets	(431.06)	(172.69)
Net Asset / (Liability) in the Balance Sheet	177.65	389.17
Current Asset/(liability)	67.00	62.19
Non-Current Asset/(liability)	110.65	326.98

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

42 EMPLOYEES BENEFIT OBLIGATIONS (Contd.)

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021
Discount rate	7.10%	6.90%
Expected return on plan asset	6.00%	6.90%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table

(iii) Sensitivity analysis

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

Particulars	Impact on defined benefit obligation			
	31st March, 2022		31st March, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(560.15)	664.59	(515.94)	375.71
Salary growth rate (-/+ 1%)	660.80	(562.07)	611.55	(322.41)
Withdrawal rate (-/+ 1%)	612.94	(603.94)	564.80	(343.36)

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 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 Company of India. The Company does not have any liberty to manage the funds provided to insurance company. Thus the composition of each major category of plan assets has not been disclosed.

Major Categories of Plan Assets as a percentage of total plan assets	Gratuity (Funded)	
	31st March, 2022	31st March, 2021
Funds managed by Insurer	100%	100%

(v) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the life expectancy of the plan participants will increase the plan liability.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

42 EMPLOYEES BENEFIT OBLIGATIONS (Contd.)

(vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31st March, 2023 are ₹ 88.42 Lakhs.

The weighted average duration of the defined benefit obligation is 5.22-5.77 years (31st March, 2021: 6.00-6.88 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lakhs)

Particulars	Less than a year	Between 2- 5 years	Over 5 years
31st March, 2022	67.00	173.40	255.20
31st March, 2021	62.19	94.63	318.12

c) Provident Fund:

Contribution towards provident fund are recomputed as expenses in the statement of profit and loss. The Company has a defined contribution plan. Under the defined contribution plan, provident fund is contributed to the Government administered provident fund. The Company has no further contractual nor any constructive obligation, other than the contribution payable to the provident fund. The expense recognised during the period towards defined contribution plan is ₹ 336.72 Lakhs (31st March, 2021 ₹ 279.01 Lakhs)

43 CAPITAL MANAGEMENT

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.

The Company does not have any externally imposed capital requirements.

44 ASSETS PLEDGED AS SECURITY

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

(₹ in Lakhs)

Particulars	31st March, 2021	31st March, 2020
Current		
First charge		
Trade receivables	12,877.82	12,213.78
Inventories	9,628.12	7,556.60
Total current assets	**22,505.94**	**19,770.38**
Non Current		
First charge		
Property, plant and equipment(including Capital work-in-progress)	-	26,448.74
Total non-currents assets	**-**	**26,448.74**
Total assets pledged as security	**22,505.94**	**46,219.13**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

45 FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis	Diversification of customer base
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (₹).	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
Market risk – interest rate	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions
Market risk – price risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. Further the Company receives security deposit from its customers which mitigates the credit risk. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

(₹ in Lakhs)

Particulars	Not past due	Less than 6 Months	More than 6 Months and upto 1 years	More than 1 years	Allowances for doubtful trade receivables	Net carrying amount of trade receivables
As on 31st March, 2022	10,469.45	850.02	752.25	865.20	(59.10)	12,877.82
As on 31st March, 2021	11,119.29	1,103.16	340.03	600.33	(54.11)	13,108.70

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 Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Loans are given to body corporate are as per the Company policy and the receipt of repayment are reviewed on regular basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial Assets are considered to be of good quality and there is no significant credit risk.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as at 31st March, 2022 and 31st March, 2021 is the carrying amounts as illustrated in Note 47.

(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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

45 FINANCIAL RISK MANAGEMENT (Contd.)

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 Lakhs)

Particulars	31st March, 2022	31st March, 2021
Expiring within one year (bank overdraft and other facilities)	12,694.64	9,314.18
	12,694.64	**9,314.18**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Lakhs)

Contractual maturities of financial liabilities - 31st March, 2022*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	405.36	-	7,218.08	-	7,623.44
Interest on borrowing	371.25	343.58	1,030.74	-	1,745.57
Trade payables	14,591.67	-	-	-	14,591.67
Lease Liabilities	200.26	164.95	152.43	237.60	755.24
Other payables	14,784.57	-	-	-	14,784.57
Total financial liabilities	**30,353.11**	**508.53**	**8,401.25**	**237.60**	**39,500.49**

(₹ in Lakhs)

Contractual maturities of financial liabilities - 31st March, 2021*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	686.88	-	11,533.46	-	12,220.34
Interest on borrowing	695.27	645.87	1,937.62	-	3,278.76
Trade payables	19,513.46	-	-	-	19,513.46
Lease Liabilities	177.81	75.83	54.53	-	308.17
Other payables	11,062.48	-	-	-	11,062.48
Total financial liabilities	**32,135.90**	**721.70**	**13,525.61**	**-**	**46,383.21**

*Security deposit received from customer has not been included in the above maturity profile as the repayment of the same cannot be reasonably estimated.

(C) Market risk

(i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company deals with an international customer and is therefore exposed to foreign exchange risk (primarily with respect to USD) arising from this foreign currency transactions. In view of low proportion of export/import, as compared to the overall operations, the exposure of the Company to foreign exchange risk is also not considered to be material.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

45 FINANCIAL RISK MANAGEMENT (Contd.)

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.

(ii) Interest rate risk

IInterest 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 31st March, 2022 and 31st March, 2021 , the Company's borrowings at variable rate were denominated in INR .

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 Lakhs)

Particulars	31st March, 2022	31st March, 2021
Variable rate borrowings	7,623.45	12,219.27
Fixed rate borrowings	-	1.06
Total borrowings	**7,623.45**	**12,220.33**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31st March, 2022	31st March, 2021
Interest expense rates – increase by 50 basis points (2021: 50 bps)*	(38.12)	(61.10)
Interest expense rates – decrease by 50 basis points (2021: 50 bps)*	38.12	61.10

* 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 quoted and unquoted equity securities. Investment is done in accordance with the limits set by the Company. The Company's Board of Directors reviews and approves all investment decisions.

Sensitivity

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

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31st March, 2022	31st March, 2021
Increase by 5% (2021: 5%)*	7.51	7.12
Decrease by 5% (2021: 5%)*	(7.51)	(7.12)

** Holding all other variables constant*

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

46 LEASE

Movement of lease liabilities

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Opening balance	279.49	295.76
Additions	842.57	201.48
Deletions	(144.96)	(14.18)
Add: Interest recognised during the year	40.18	31.69
Less: Payments made	(269.27)	(235.26)
Closing balance	**748.01**	**279.49**
Non Current Lease liability	553.65	146.35
Current Lease liability	194.36	133.14

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has recognized interest on lease liability of ₹ 40.18 Lakhs under Finance Costs (Previous year ₹ 29.32 Lakhs). Further ₹ Nil (Previous year ₹ 2.37 Lakhs) capitalized as Pre-operative expenses.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

47 FINANCIAL INSTRUMENTS BY CATEGORY

(₹ in Lakhs)

Particulars	31st March, 2022			31st March, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investment in equity instruments	150.11	-	-	142.34	-	-
Loans	-	-	1,661.06	-	-	1,605.32
Current Investment	-	-	12,690.00	-	-	-
Trade receivables	-	-	12,877.82	-	-	13,108.71
Cash and cash equivalent	-	-	477.45	-	-	3,598.95
Balance with banks	-	-	23,154.87	-	-	32,992.26
Other financial assets	-	-	7,677.64	-	-	1,940.18
	150.11	**-**	**58,538.84**	**142.34**	**-**	**53,245.42**
Financial liabilities						
Borrowing	-	-	7,623.45	-	-	12,220.34
Security deposit	-	-	15,534.89	-	-	12,882.48
Lease Liabilities			748.01	-	-	279.49
Trade payable	-	-	14,591.67	-	-	19,513.46
Creditors for capital goods	-	-	434.26	-	-	602.63
Salary and bonus to employees	-	-	545.68	-	-	462.33
Retention money	-	-	371.74	-	-	427.16
Creditors for services and expenses	-	-	5,231.41	-	-	2,936.34
Discounts and incentives to dealers	-	-	5,303.84	-	-	4,224.09
Creditors for employees expenses	-	-	28.05	-	-	32.64
Other liabilities including Unclaimed dividend and Interest accrued but not due on borrowings	-	-	2,869.58	-	-	2,377.30
	-	**-**	**53,282.58**	**-**	**-**	**55,958.24**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

47 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 Lakhs)

Particulars	31st March, 2022			31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments	1.18	-	148.93	0.38	-	141.95
Total financial assets	**1.18**	**-**	**148.93**	**0.38**	**-**	**141.95**

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

(₹ in Lakhs)

Particulars	31st March, 2022		31st March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security Deposits	478.55	478.55	485.61	485.61
Total financial assets	**478.55**	**478.55**	**485.61**	**485.61**
Financial liabilities				
Borrowings	-	-	1.06	1.07
Security deposits	15,534.89	15,534.89	12,882.48	12,882.48
Lease Liabilities	748.01	748.01	279.49	279.49
Total financial liabilities	**16,282.90**	**16,282.90**	**13,163.03**	**13,163.04**

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

48 CONTINGENT LIABILITY & COMMITMENTS

a) Contingent Liability

(₹ in Lakhs)

Sl. No	Particulars	31st March, 2022	31st March, 2021
1	Claims against the Company not acknowledge as debts – Excise/ VAT/ royalty/IncomeTax etc.	7,846.08	5,518.46
2	Duty saved under EPCG scheme	-	46.65

b) Commitments

(₹ in Lakhs)

Sl. No	Particulars	31st March, 2022	31st March, 2021
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	870.63	223.24
2	Letters of credit issued by bank	469.07	335.99
3	Bank guarantee given	7,963.89	-

Note: Based on legal opinion / decisions in similar cases, the Management believes that the Company has a fair chance of favorable decisions in cases mentioned here-in-above and hence no provision is considered necessary.

(a) On the basis of the direction of the High Court of Meghalaya dated 30th August, 2018 following the decision of the Supreme Court dated 10th November, 2017 passed in SRD Nutrients Private Limited Vs. Commissioner of Central Excise, Guwahati, Company has received a refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 566.05 Lakhs in earlier years. However, the Apex court vide its order dated 6th December, 2019 have taken a contrary view in the matter of M/S Unicorn Industries Vs Union of India and Others. Based on the later judgement a demand letter was raised by the department to refund back the amount granted. As the order dated 30th August, 2018, has attained its finality and the refund was granted accordingly, the Company has preferred a writ petition before the Meghalaya High Court against the above demand letter. Meghalaya High Court has stayed the said demand vide its order dated 16th June, 2020. The final hearing of the case is yet to be conducted before the Meghalaya High Court. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood that the said demand will be quashed and therefore no provision have been taken in the books of account.

(b) In respect of demand notice dated 19th February, 2020 received by the Company from Director of Mineral Resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹ 4,184.06 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17th January, 2020 passed in O.A. No. 110(TCH)/2012 for alleged illegal coal procurement. By passing the said order NGT has accepted the Recommendation of the 5th Interim Report of the Independent Committee set up by NGT, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya.The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. Further to note that the Company has neither been issued a show-cause nor any opportunity of being heard was given to the Company before submitting the Interim reports by the Independent Committee to NGT. Even NGT has not served any notice on the Company before passing the impugned order dated 17th January, 2020 which is clear violation of principles of natural justice.The Company backed by the legal opinions, believes that it has a good case in the matter as the said order was issued based on certain hypothetical assumptions and views and not on hard facts. No opportunity of being heard was provided to the Company either by NGT committee or by NGT itself which passed order without going into the merits & facts and accepted the recommendations of 5th Interim Report. Therefore, there is every likelihood of the Demand Notice and the order of the NGT being set aside. The Company has preferred an appeal before the Supreme Court of India against the NGT Order which is pending, and accordingly, no provisions has been made in the accounts.

49 EXCEPTIONAL ITEMS

(a) Supreme Court vide its' order dated 17th November, 2020 has rejected the Review petitions filed by some of the Petitioners against its' Judgment dated 22-04-2020 in the matter of Union of India –vs- M/s V.V.F Limited & Others. As the said order reached its' finality , the Company has Refunded and provided for Excise duty amounting to ₹ 2,931.36 Lakhs which was received by the Company in earlier years and shown as Exceptional Item in the Statement of Profit and Loss Account for the previous financial year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

50 RELATED PARTY DISCLOSURES

A	Names of the related parties	Nature of relationship
	Megha Technical & Engineers Private Limited (MTEPL)	Subsidiary Company
	Star Cement Meghalaya Limited (SCML)	Subsidiary Company
	Meghalaya Power Limited (MPL)	Subsidiary Company
	NE Hills Hydro Limited (NEHL)	Subsidiary Company
	Star Century Global Cement Private Limited (SCGCPL)	Subsidiary Company
	Star Cement (I) Limited (Formerly known as Star Cement Lumshnong Limited) (SCIL)	Subsidiary Company (w.e.f. 20th May, 2021)
	Star Cement North East Limited	Subsidiary Company (w.e.f. 25th May, 2021)
	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
	Shyam Sel & Power Limited. (SSPL)	Enterprises influenced by KMP
	Profound Cement Work LTD (PCWL) (Formerly known as Star India Cement Limited)	Enterprises influenced by KMP
	Nefa Udyog (NU)	Enterprises influenced by KMP
	II. Key Management Personnel	
	Mr. Sajjan Bhajanka	Chairman ,Managing Director & CEO (CEO w.e.f 1st February, 2022)
	Mr. Rajendra Chamaria	Vice Chairman & Managing Director
	Mr. Sanjay Agarwal	Managing Director
	Mr. Prem Kumar Bhajanka	Director upto 12th August, 2021,Managing Director w.e.f. 13th August, 2021
	Mr. Pankaj Kejrewal	Whole Time Director & Chief Operating Officer(COO) {w.e.f 1st February, 2022}
	Mr. Brij Bhushan Agarwal	Director (w.e.f 1st February, 2022)
	Mr. Sanjay kumar Gupta	Chief Executive Officer (upto 31st January, 2022)
	Mr. Manoj Agarwal	Chief Financial Officer
	Mr. Debabrata Thakurta	Company Secretary
	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
	Mr. Tushar Bhajajnka	Son of Mr. Prem Kumar Bhajajnka, Managing Director
	Mrs. Renu Chamaria	Wife of Mr. Rajendra Chamaria, Vice Chairman & Managing Director
	Rahul Chamaria (HUF)	HUF of Mr. Rahul Chamaria,son of Rajendra Chamaria, Vice Chairman & Managing Director
	Rajendra Udyog (HUF)	HUF of Mr. Rajendra Chamaria, Vice Chairman & Managing Director
	Mrs. Yash Bala Bhajanka	Wife of Mr. Prem Kumar Bhajanka, Managing Director

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

50 RELATED PARTY DISCLOSURES (Contd.)

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

(₹ in Lakhs)

B	Types of Transactions	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their relatives	
		FY 21-22	FY 20-21	FY 21-22	FY 20-21	FY 21-22	FY 20-21
	1. Purchase Transactions						
	MPL	7,030.72	5,613.87	-	-	-	-
	MTEPL	20.49	4.92	-	-	-	-
	SCML	94,956.90	66,223.23	-	-	-	-
	2. Sale Transactions			-	-	-	-
	MTEPL	6.51	2.25	-	-	-	-
	SCML	3,182.64	2,737.77	-	-	-	-
	MPL	125.78	1,223.06	-	-	-	-
	CPIL	-	-	24.03	14.61	-	-
	3. Services Rendered						
	MTEPL	0.05	0.01	-	-	-	-
	SCML	6.60	-	-	-	-	-
	4. Service Received						
	SCML	940.39	5.20	-	-	-	-
	MPL	-	15.68	-	-	-	-
	CPIL	-	-	117.60	136.87	-	-
	NU	-	-	6.12	5.10	-	-
	Rahul Chamaria (HUF)	-	-	-	-	4.70	-
	Rajendra Udyog (HUF)	-	-	-	-	4.63	-
	Mrs. Renu Chamaria	-	-	-	-	13.43	-
	Mrs. Yash Bala Bhajanka	-	-	-	-	12.50	13.49
	5. Purchase of Capital Goods						
	SCML	-	8.74	-	-	-	-
	SSPL	-	-	26.51	-	-	-
	6. Sale of Capital Goods						
	SCML	86.84	29.16	-	-	-	-
	7. Purchase of Investment						
	SCFL	-	-	-	4,012.32	-	-
	8. Loan & advances repaid					-	-
	MTEPL	4,315.37	2,751.00	-	-	-	-
	9. Loan Given						
	MPL	-	-	-	-	-	-
	10 Loan & advances repaid back						
	PCWL	-	-	0.61	-	-	-
	11. Interest Paid						
	MTEPL	439.94	676.19	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

50 RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

B	Types of Transactions	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their relatives	
		FY 21-22	FY 20-21	FY 21-22	FY 20-21	FY 21-22	FY 20-21
	12. Interest Received						
	MPL	-	-	-	-	-	-
	13. Remuneration Paid						
	Mr. Sajjan Bhajanka	-	-	-	-	198.00	198.00
	Mr.Rajendra Chamaria	-	-	-	-	304.20	304.20
	Mr.Sanjay Agarwal	-	-	-	-	198.00	198.00
	Mr. Prem Kumar Bhajanka	-	-	-	-	125.40	0.00
	Mr. Pankaj Kejrewal	-	-	-	-	33.33	0.00
	Mr. Sanjay kumar Gupta	-	-	-	-	249.91	200.64
	Mr.Rahul Chamaria	-	-	-	-	60.00	60.00
	Mr. Sachin Chamaria	-	-	-	-	60.00	60.00
	Mr. Manoj Agarwal	-	-	-	-	80.90	71.83
	Mr. Debabrata Thakurta	-	-	-	-	28.15	25.61
	14. Investment						
	Equity investment in Star Cement(I) Limited	5.00	-	-	-	-	-
	Equity investment in Star Cement North East Limited	5.00	-	-	-	-	-
	15. Balance Outstanding						
	(a) Creditors						
	MPL	637.66	1,144.52	-	-	-	-
	SCML	7,748.18	10,977.15	-	-	-	-
	MTEPL	17.55	-	-	-	-	-
	CPIL	-	-	11.84	-	-	-
	SSPL	-	-	13.07	-	-	-
	Mrs. Yash Bala Bhajanka	-	-	-	-	0.06	-
	Rahul Chamaria (HUF)	-	-	-	-	4.23	-
	Rajendra Udyog (HUF)	-	-	-	-	4.17	-
	Mrs. Renu Chamaria	-	-	-	-	12.08	-
	NU	-	-	-	0.46	-	-
	(b) Advance :(Given)						
	PCWL	-	-	35.00	35.61	-	-
	NE Hills Hydro	0.71	0.51	-	-	-	-
	SSPL	-	-	3.03	-	-	-
	SCGCPL	-	3.50	-	-	-	-
	SCNEL	43.49	-	-	-	-	-
	SC(I)L	0.07	-	-	-	-	-
	(c) Debtors						

(₹ in Lakhs)

B	Types of Transactions	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their relatives	
	0.19-21	FY 21-22	FY 20-21	FY 21-22	FY 20-21	FY 21-22	FY 20-21
	SSPL	-	-				

51 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 Lakhs)

Particulars	31st March, 2022	31st March, 2021

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

52 RATIO ANALYSIS

Sl. No.	Ratios	Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.96	2.27	-13.59%
2	Debt- Equity Ratio (in times)^	Total Debt (Long term + Short term borrowing)	Equity (Share Capital + Other equity)	0.06	0.10	-38.77%
3	Debt Service Coverage Ratio (in times)	Earning available for debt service	Debt Service	4.44	5.39	-17.59%
4	Return on Equity Ratio (%)	Net Profit	Average Equity Share Capital (incl. other equity) (5)	13.70%	13.14%	4.22%
5	Inventory Turnover Ratio (in times)	Sales	Average Inventory (1)	22.76	18.55	22.68%
6	Trade Receivables Turnover Ratio (in times)	Sales	Average Trade receivable (2)	16.74	13.96	19.91%
7	Trade Payables Turnover Ratio (in times)	Purchase	Average Trade Payable (3)	6.12	5.11	19.78%
8	Net Capital Turnover Ratio (in times)$	Sales	Working Capital	5.99	3.56	68.42%
9	Net Profit Ratio (%)	Net Profit	Sales	8.11%	9.47%	-14.36%
10	Return on Capital Employed (%)	Earning Before Interest & Tax (EBIT)	Capital Employed (4)	11.88%	12.10%	-1.87%
11	Return on Investment (%)	Gain/(Loss) on Investment	Average Investment (6)	5.42%	6.22%	-12.78%

(1) ' Average Inventory -: (Opening Inventory+Closing Inventory)/2

(2) ' Average Trade Receivable -: (Opening Trade Receivable+Closing Trade Receivable)/2

(3) ' Average Trade Payable -: (Opening Trade Payable+Closing Trade Payable)/2

(4) ' Capital Employed -: (Equity (incl. other equity) + Current Borrowing + Non Current Borrowing+ Lease liability+Security deposit received from customer)

(5) ' Average Equity Share Capital -: (Opening Equity (incl. other equity) +Closing Equity (incl. other equity))/2

(6) ' Average Investment -: ((Opening Fixed deposit, bond & other current investment +Closing fixed deposit, bond & other current investment)/2

Reasons for variances -:

^ Lower Debt Equity ratio because of reduction in debt.

$ Increase in Net Capital turnover ratio because of increase in sales.

53 OTHER STATUTORY INFORMATION

i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) Struck off Compnay: Transaction with the struck off company is as under -:

Name of Company	Nature of Transactions	Transactions during the year 31st March, 2022	Balance Outstanding at the end of the year as at 31st March, 2022	Relationship with the Company
Digaru Construction Private Limited	Payables	37.57	8.43	Vendor (non - related)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

53 OTHER STATUTORY INFORMATION (Contd.)

Name of Company	Nature of Transactions	Transactions during the year 31st March, 2021	Balance Outstanding at the end of the year as at 31st March, 2021	Relationship with the Company
Digaru Construction Private Limited	Payables	43.02	4.21	Vendor (non - related)

54 BORROWING

The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

Name of the Bank	Aggregate working capital limits sanctioned	Quarter ended	Amount disclosed as per quarterly return/ statements	Amount as per books of account	Diff	Reason for variance
State Bank of India and consortium of banks	10,000.00	June'21	16,480.04	20,426.78	-3,946.73	Certain debtors such as those who have outstanding balances of more than 90 days and inter company balances are eliminated while filing bank return.
	10,000.00	June'20	16,304.27	17,200.63	-896.36	
	11,600.00	September'21	23,228.34	29,879.41	-6,651.07	
	10,000.00	September'20	16,064.63	17,401.19	-1,336.56	
	11,600.00	December'21	26,751.67	34,688.42	-7,936.76	
	10,000.00	December'20	19,057.36	19,786.53	-729.17	
	11,600.00	March'22	22,086.89	22,505.94	-419.05	
	10,000.00	March'21	19,005.63	19,770.38	-764.74	

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

56 The financial statements are approved by the audit committee at its meeting held on 17th May, 2022 and by the Board of Directors on the same date.

As per our report of even date

For and on behalf of the Board of Directors

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

Manoj K Roongta
Partner
Membership No.: 057761

Place: Kolkata
Date : 17th May, 2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman ,Managing Director & CEO
DIN: 00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of Star Cement Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated Financial Statements of **Star Cement Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, of the consolidated profit and other comprehensive income, consolidated changes in equity and the consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT (Contd.)

We have determined the matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matters	Auditor's Response
1	**Revenue Recognition** (Refer Note no. 31 to the Consolidated Financial Statements and Note 2.20 (A) of the significant accounting policies of the Consolidated Financial Statements). Revenue is recognised when the control of the underlying products has been transferred to customer along with the satisfaction of the Group's performance obligation under a contract with customer. The Group focuses on revenue as a key performance measure which could create an incentive for revenue to be recognized before completion of the performance obligation. Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Due to the Group's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts and incentive schemes to be recognised based on sales made during the year is material and considered to be complex and judgmental. There is a risk of revenue being affected as a result of variations in assessment of discounts, incentives and rebates recognised on sales. There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue as a result of faulty estimations over discounts, incentives, and rebates and hence this was determined to be a key audit matter in our audit of the Consolidated Financial Statements.	**Our principal audit procedures to assess the appropriateness of revenue recognized included:** - Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Group's key internal controls over the revenue recognition process. - Assessing the appropriateness of the Group's accounting policies relating to discounts, incentives, rebates, etc by comparing with Ind AS 115. - Obtaining and inspecting, on a sample basis, supporting documentation for discounts, incentives and rebates recorded and disbursed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. - Examination of significant contracts entered into close to year end to ensure revenue recognition is made in the correct period. - Obtaining management's calculations for discounts, incentives and rebates accruals under applicable schemes on a sample basis and comparing the accruals made with the approved schemes. - Comparing the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to determine the appropriateness of current year provisions. - Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items. Our testing as described above showed that revenue, discount, incentive and rebates have been recorded in accordance with the terms of applicable contracts and accounting policy in this area.
2	**Related Party Transactions** (Refer Note no. 52 to the Consolidated Financial Statements) The Holding Company operates within a conglomerate of group entities. The subsidiaries operate in the same line of business as the Holding Company. These group companies operate in the same sector and have significant transactions amongst themselves during the year. We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the Consolidated Financial Statements as a key audit matter due to: • the significance of transactions with related parties during the year ended 31st March, 2022 necessitated to be at arm's length, significant cash flow between parties, inter-company contracts and common management amongst other things. • the fact that Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	**Our principal audit procedures in relation to the evaluation and disclosure of related party transactions included:** - Obtaining an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the Consolidated Financial Statements. - Obtaining an understanding of the Group's Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. - Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the Act and SEBI (LODR) 2015. Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit. Our examination has showed that the Related Party Transactions have been evaluated and disclosed appropriately.

INDEPENDENT AUDITORS' REPORT (Contd.)

S. No.	Key Audit Matters	Auditor's Response
3	**Income Tax Provisions:** (Refer Note no. 30, 40 and 47 to the Consolidated Financial Statements and Note 2.22 of the significant accounting policies of the Consolidated Financial Statements) This matter has been identified as a Key Audit Matter due to the significant level of management judgement required in the estimation of provision for income taxes including any write-back of provisions, due to the following factors: • The Group operates in a complex tax jurisdiction and is subject to periodic challenges by tax authorities on various matters relating to claims for tax exemptions / deductions. • The determination of provision for income tax and deferred taxes involve significant judgement in determining the possible outcome of uncertain tax positions and interpretation of various rules and laws.	**Our principal audit procedures to assess the appropriateness of income tax provisions made included:** - Analyzing the current and deferred tax calculations for compliance with the relevant tax legislation - Evaluating management's assessment of the estimated manner in which the timing differences, including the recoverability of the deferred tax assets, would be realized by comparing this to evidence obtained in respect of other areas of the audit, including cash flow forecasts, business plans, minutes of directors' meetings etc. - Understanding processes, evaluation of design and implementation of controls and testing of operating effectiveness of the Group's controls over provision for taxation, assessment of uncertain tax positions and disclosure of contingencies. - Discussing with appropriate senior management personnel, independently assessing management's estimate of the possible outcome of the disputed cases by involving our tax specialists; and evaluating the management's underlying key assumptions in estimating the tax provisions. - Obtaining details of completed tax assessments and demands as of 31st March, 2022 from the management. - Considering legal precedence and other rulings in evaluating management's positions on these uncertain tax positions and the provisions made. - Assessing the adequacy of the Group's disclosures for income taxes in the Consolidated Financial Statements. - Our examination has showed that the provisions and disclosures are adequate.
4	**Litigation, Claims and Contingent Liabilities** (Refer Note no. 47 to the Consolidated Financial Statements and Note 2.24 of the significant accounting policies of the Consolidated Financial Statements) The Group operates in various states within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims. The Group applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter. These estimates could change significantly over time as new facts emerge and each legal case progresses. The Group is involved in legal proceedings on disputed tax demands. The Group's management has assessed that the probability of success of the demand is remote and accordingly has not provided for the disputed demand This has been considered a key audit matter in view of the uncertain outcome of the litigations and involvement of significant management judgement in assessing the probability of outflow of economic resources.	**Our audit procedures to assess the appropriateness of provisions and adequacy of disclosures included:** - Reviewing the outstanding litigations against the Group for consistency with the previous years. Enquiring and obtaining explanations for movement during the year. - Reading the latest correspondence between the Group and the various tax/legal authorities - Discussing the status of significant litigation with the Group's in-house Legal Counsel and other senior management personnel and assessing their responses. - On sample basis, examining the Group's legal expenses and read the minutes of the board meetings of the respective Group companies in order to ensure all cases have been identified. - With respect to tax matters, discussing with the tax officers of the Group Companies, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. - For those matters where management concluded that no provision should be recorded, considering the adequacy and completeness of the Group's disclosures with regard to facts and circumstances of the legal and litigation matters On the basis of the above procedures performed, we considered the management's assessment in respect of contingencies and provision for taxes and other litigations and claims to be reasonable and disclosures to be appropriate.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Management Discussion & Analysis, Report on Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls with reference to financial statements, 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 and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based

INDEPENDENT AUDITORS' REPORT (Contd.)

on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of four subsidiaries (NE Hills Hydro Limited, Star Cement North East Limited, Star Cement (I) Limited and Star Century Global Cement Private Limited) whose financial statements reflect total assets of Rs. 86.22 lakhs as at 31st March, 2022, total Nil revenue, total net profit of Rs. 4.10 lakhs, total comprehensive income of Rs. 7.61 lakhs and net cash outflows amounting to Rs.7.08 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements.

The above financial information is 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 Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsections (3) and (11) 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.

Of the above, the financial statements of one subsidiary located outside India (Star Century Global Cement Private Limited), included in the Consolidated Financial Statements, which constitute total assets of Rs. 22.85 lakhs as at 31st March, 2022, total Nil revenue, total net profit of Rs. 4.30 lakhs and total comprehensive income of Rs. 4.30 lakhs, 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 Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country 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 Holding Company and audited by us.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, 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 and the Financial Statements certified by the Management.

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 the reports of the other auditors on the financial statements of the subsidiaries referred to in the Other Matters section above, we report, to the extent applicable that:

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

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

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India none of the directors of the Group Companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

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

i. The Consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group- Refer Note no 47 to the Consolidated Financial Statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India during the year ended 31st March, 2022

iv. a) The respective Managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective Managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries, incorporated in India whose financial statements have been audited under

INDEPENDENT AUDITORS' REPORT (Contd.)

the Act nothing has come to our or other auditor's notice that has caused us or the auditors to believe that the Management representations under sub-clauses (a) and (b) above, contain any material misstatement.

v. The Board of Directors of the Holding Company and its subsidiary Companies, incorporated in India have not proposed / paid any dividend for the year ended 31st March, 2022, hence, no compliance of Section 123 of the Act was required.

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, and based on the reports of the statutory auditors of such subsidiary companies, incorporated in India which were not audited by us, the remuneration paid by the Group to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) of the Act which are required to be commented upon by us.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective subsidiaries included in the Consolidated Financial Statements, to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Manoj K Roongta
Partner
Membership No.: 057761
UDIN: 22057761AJCWKY9558

Place: Kolkata
Date: 17th May, 2022

Annexure A to the Independent Auditor's Report

(Referred to under the heading "Report on Other Legal and Regulatory Requirements" in Paragraph 1(f) of our Independent Auditors' report of even date)

Report on the Internal Financial Controls with reference to the Consolidated Financial Statements under Clause (i) of Sub-section3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls with reference to the Consolidated Financial Statements of **Star Cement Limited** ("the Holding Company") and its subsidiary Companies, which are Companies incorporated in India, as at 31st March, 2022 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Internal Financial Controls with reference to financial statements of the Holding Company and its subsidiaries, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements 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 with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated 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 section below is sufficient and appropriate to provide basis for our audit opinion on the internal financial controls system with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries, which are incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of Internal Financial Controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries, which are Companies incorporated in India have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to three subsidiaries incorporated in India, is based solely on the corresponding reports of the auditor of such subsidiaries incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Manoj K Roongta
Partner
Membership No.: 057761
UDIN: 22057761AJCWKY9558

Place: Kolkata
Date: 17th May, 2022

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	31st March, 2022	31st March, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	91,325.24	81,991.46
(b) Capital work-in-progress	3.1	10,454.95	12,584.54
(c) Right-of-use assets	3.2	995.74	268.58
(d) Intangible assets	3.3	26.25	36.55
(e) Intangible assets under development	3.4	450.83	76.50
(f) Financial assets			
(i) Investments	4	177.50	166.22
(ii) Other financial assets	5	12,282.40	613.15
(g) Deferred tax assets (net)	6	35,392.02	31,122.85
(h) Non-current tax assets (net)	7	1,107.90	631.63
(i) Other non-current assets	8	9,298.57	6,279.09
Total non-current assets		**1,61,511.40**	**1,33,770.57**
Current assets			
(a) Inventories	9	19,529.52	23,468.04
(b) Financial assets			
(i) Investments	10	16,190.00	-
(ii) Trade receivables	11	12,874.92	13,173.41
(iii) Cash and cash equivalents	12	807.55	5,548.30
(iv) Bank balances (other than note 12 above)	13	37,659.17	41,623.42
(v) Loans	14	3,409.77	4,229.86
(vi) Other financial assets	15	2,439.11	1,829.33
(c) Other current assets	16	20,088.02	32,573.09
Total current assets		**1,12,998.06**	**1,22,445.45**
Total assets		**2,74,509.46**	**2,56,216.02**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	4,041.80	4,124.29
(b) Other equity	18	2,12,801.60	2,03,291.84
Total equity		**2,16,843.40**	**2,07,416.13**
LIABILITES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	18.74
(ii) Lease Liabilities	20	800.82	149.17
(iii) Other financial liabilities	21	15,573.54	12,923.22
(b) Provisions	22	157.02	523.15
(c) Other non current liabilities	23	877.13	1,056.10
Total non-current liabilities		**17,408.51**	**14,670.38**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	537.78	1,512.46
(ii) Lease liabilities	25	226.63	137.99
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		498.25	594.12
Total outstanding dues of creditors other than micro enterprises and small enterprises		10,961.24	9,254.05
(iv) Other financial liabilities	27	18,448.44	14,428.29
(b) Provisions	28	501.17	471.84
(c) Other current liabilities	29	8,887.17	7,480.14
(d) Current tax liabilities (net)	30	196.87	250.62
Total current liabilities		**40,257.55**	**34,129.51**
Total liabilities		**57,666.06**	**48,799.89**
Total equity and liabilities		**2,74,509.46**	**2,56,216.02**
Significant accounting policies	1 & 2		

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj Agarwal
Chief Financial Officer

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Manoj K Roongta
Partner
Membership No. 057761

Debabrata Thakurta
Company Secretary

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

Place : Kolkata
Date : 17th May , 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	31st March, 2022	31st March, 2021
INCOME			
Revenue from operations	31	2,22,181.90	1,71,993.22
Other income	32	3,337.17	2,822.06
Total income		**2,25,519.07**	**1,74,815.28**
EXPENSES			
Cost of materials consumed	33	54,506.61	37,459.55
Cost of stock-in-Trade	34	-	4,157.07
Changes in inventories of finished good and work-in-progress	35	2,854.13	(1,292.82)
Employee benefit expenses	36	15,935.01	13,133.09
Finance costs	37	1,334.03	698.86
Depreciation and amortisation expenses	38	12,162.95	8,999.41
Other expenses	39	1,14,360.99	85,276.31
Total expenses		**2,01,153.72**	**1,48,431.47**
Profit before exceptional items and tax		**24,365.35**	**26,383.81**
Exceptional Items		**-**	**6,457.42**
Profit before tax		**24,365.35**	**19,926.39**
Tax expenses	40		
-Current tax		252.42	1,725.98
-Income tax for earlier years		(2.46)	9.56
-Deferred tax		(562.09)	(522.14)
Total tax expense		**(312.13)**	**1,213.40**
Profit for the year		**24,677.48**	**18,712.99**
Share of non controlling interest		-	-
Profit for the year (after non controlling interest)		**24,677.48**	**18,712.99**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements gain/(loss) of post-employment benefit obligations		(25.46)	17.93
Changes in fair value of FVOCI equity instruments		3.51	1.62
Income tax related to above		7.78	(5.10)
Other comprehensive income for the year , (net of tax)		**(14.17)**	**14.45**
Share of non controlling interest		-	-
Other comprehensive income for the year, net of tax (after non controlling interest)		**(14.17)**	**14.45**
Share of non controlling interest		-	-
Total comprehensive income for the year		**24,663.31**	**18,727.44**
Total comprehensive income for the year, (after non controlling interest)		**24,663.31**	**18,727.44**
Earnings Per equity share (face value of ₹ 1 each)	41		
Basic earnings per share (in ₹)		6.04	4.54
Diluted earnings per share (in ₹)		6.04	4.54
Significant accounting policies	1 & 2		

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Place : Kolkata
Date – 17th May ,2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at 1st April, 2020	**4,124.29**
Changes in equity share capital	-
As at 31st March, 2021	**4,124.29**
Changes in equity share capital	(82.49)
As at 31st March, 2022	**4,041.80**

B. Other equity

(₹ in Lakhs)

Particulars	Reserve and surplus				Other reserve	Equity attributable to owners of Star Cement Limited	Non controlling interest	Total
	Capital Redemption Reserve Account	Capital reserve	General reserve	Retained Earnings	FVOCI-equity investments			
Balance as at 1st April, 2020	**68.00**	**655.17**	**3,187.83**	**1,77,654.16**	**23.22**	**1,81,588.38**	**7,005.14**	**1,88,593.52**
Addition during the year	-	2,976.02	-	-	-	2,976.02	(7,005.14)	(4,029.12)
Profit for the year	-	-	-	18,712.99	-	18,712.99	-	18,712.99
Other comprehensive income-: Remeasurement gain/(loss) on Defined Benefit Plans (net of tax)	-	-	-	12.83	1.62	14.45	-	14.45
Balance as at 1st April, 2021	**68.00**	**3,631.19**	**3,187.83**	**1,96,379.98**	**24.84**	**2,03,291.84**	**-**	**2,03,291.84**
Addition during the year	82.49	-	-	-	-	82.49	-	82.49
Profit for the year	-	-	-	24,677.48	-	24,677.48	-	24,677.48
Buyback of Shares during the year (Refer Note 17)	-	-	-	(15,236.04)	-	(15,236.04)	-	(15,236.04)
Other comprehensive income-: Remeasurement gain/(loss) on Defined Benefit Plans (net of tax)	-	-	-	(17.68)	3.51	(14.17)	-	(14.17)
Balance as at 31st March, 2022	**150.49**	**3,631.19**	**3,187.83**	**2,05,803.75**	**28.35**	**2,12,801.60**	**-**	**2,12,801.60**

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Place : Kolkata
Date : 17th May , 2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
A. Cash flow from operating activities		
Net Profit/(Loss) before tax	24,365.35	19,926.39
Adjustments for :		
Depreciation and amortisation	11,904.39	8,794.29
Depreciation of right-of-use- assets	258.56	205.12
(Profit)/ Loss on Sale of Property Plant and Equipment	4.44	71.91
Interest Income (Refer Note 32)	(3,312.38)	(2,385.06)
Finance Costs (Refer Note 37)	1,334.03	698.86
Fair Valuation (gain)/ Loss on investments	(11.28)	(8.15)
Allowance for doubtful trade receivables	16.47	(17.30)
Operating Profit before working Capital changes	**34,559.58**	**27,286.06**
Adjustments for :		
(Increase)/Decrease in Trade receivables	282.02	(933.86)
(Increase)/Decrease in Inventories	3,938.52	2,222.82
(Increase)/Decrease in Loans	820.09	187.81
(Increase)/ Decrease in Other assets	(3,775.26)	4,308.40
Increase/(Decrease) in trade and other payables	1,611.31	269.78
Increase/(Decrease) in Other Liabilities and Provisions	7,771.10	4,695.65
Cash Generated from Operations	**45,207.36**	**38,036.66**
Income Tax Paid	(3,500.00)	(3,035.00)
Net Cashflow from Operating Activities	**41,707.36**	**35,001.66**
B. Cash flow from Investing Activities		
(Purchase)/sale of Property ,plant and Equipment (including CWIP)	(19,943.84)	(10,749.95)
Sale of Property ,plant and Equipment (including CWIP)	208.23	66.80
Change in Share of Non controlling Interest	-	(4,029.12)
Fixed Deposits/Margin Money Given/(Repaid)	3,964.25	(19,058.01)
(Purchase)/ sale of Investments	(16,190.00)	-
Interest received	3,076.74	466.34
Net Cash used in Investing Activities	**(28,884.62)**	**(33,303.94)**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022 (Contd.)

Notes :

1. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) "Statement of Cash Flow".
3. For the purpose of Consolidated Cash Flow Statement, Cash and Cash Equivalents comprises the followings:

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Cash on hand	77.01	79.75
Cheques on hand	79.25	128.01
Balance with Banks	651.29	5,340.54
	807.55	**5,548.30**

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

As per our report of even date

For and on behalf of Board of Directors

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

Manoj K Roongta
Partner
Membership No. 057761

Place : Kolkata
Date : 17th May , 2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN:00246043

Rajendra Chamaria
Vice-Chairman & Managing Director
DIN:00246171

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2022

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. Inter-company 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 consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015],amendments thereto,and other relevant provisions of the Act.

These consolidated financial statements were approved for issue in accordance with the resolution of the Board of Directors on 17th May, 2022.

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

(ii) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Net defined benefit asset/liability which is Fair value of plan assets less present value of defined benefit obligations
- Certain financial assets and financial liabilities that are measured at fair value.

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) held primarily for the purpose of trading and other criteria set out in the Schedule III to the Act.

(iv) Rounding off amounts

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

2.2 Use of Estimates

The preparation of consolidated financial statements is in conformity with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to

time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, 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 consolidated financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

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

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

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

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

i) Classification of legal matters and tax litigation

ii) Defined benefit obligations

iii) Useful life of property, plant and equipment

iv) Leases Ind AS 116

2.3 Foreign Currency Transactions and Balances

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated financial statements are presented in Indian Rupees, which is also the Parent Company's functional currency.

Transactions in foreign currencies entered into by the Group are accounted at the exchange 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 Group are recognised as income or expenses in the Statement of Profit and Loss. All foreign exchange gains or losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The Group has adopted the provisions of para D13AA of Ind AS 101, "First- Time Adoption of Indian Accounting Standards" for recognising exchange differences for long-term foreign currency monetary items as on the date of Ind AS adoption, as per the provision of para 46A of AS-11, "The Effects of Changes in Foreign Exchange Rates".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 recoverable amount, wherever applicable) less accumulated depreciation, amortisation 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 vests with the Railway authorities are depreciated over five years.

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced the Group depreciates them separately based on their specific useful lives. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Capital Work In Progress

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition/ construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets"

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, until the project is ready for its intended use 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. Office building is owned by the Group and is amortised using the straight- line method over the period of lease of land on which it is constructed.In respect of an asset for which impairment loss is recognised, 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 recognised 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 recognised impairment loss is further provided or reversed depending on changes in circumstances.

2.5 Intangible Asset

An intangible asset is recognised 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 is written off over a period of three years.

2.6 Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

2.7 Lease-

As a Lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities

interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a Lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the statement of profit and loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

2.8 Government Grants and Subsidies

Government grants and subsidies are recognised 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 recognised in the Statement of Profit and Loss as deduction from related item of expenditure. Grants related to assets which are recognised in the Balance Sheet as deferred income, are recognised to the Statement of Profit andLoss 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 spare parts, fuel and packing material:

Raw materials, stores and spares and fuel and packing material are valued at lower of cost and net realisable value. Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and taxes for which credit is not available. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average basis.

Work-in-progress, finished goods and stock in trade:

Work-in-progress, finished goods and stock in trade are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs. Cost of Stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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 non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

2.11 Investment in Subsidiaries

The Group's investments in its subsidiaries are carried at cost.

2.12 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group 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.

2.13 Trade receivables

Trade receivables are recognised initially at transaction price. Upon initial recognition of a receivable from a contract with a customer, any difference between the measurement of the receivable in accordance with Ind AS 109 and the corresponding amount of revenue recognised shall be presented as an expense. Subsequently, the trade receivables are measured at cost less expected credit losses. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. The Group follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The loss allowance is measured at an amount equal to lifetime expected credit losses.

2.14 Cash and Cash Equivalents

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

2.15 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 orloss, 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.

2.16 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 consolidated financial statements for issue, not to demand payment as a consequence of the breach.

2.17 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised 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 recognised 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.

2.18 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.

2.19 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.20(A) Revenue Recognition

Revenue from sale of goods is recognised when control of the products has been transferred. The domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export / bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence/ loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based fair on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue is exclusive of goods and service tax and net ofdiscounts, sales returns and foreign exchange gain/ (loss).

Unfulfilled performance obligations

The Group provides certain benefits to customers for purchasing products from the Group. These provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide such benefits to the customer is a separate performance obligation. The transaction price is allocated to the product and the benefit to be provided on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of providing cost of such benefits. These estimates are established using historict
on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence. To the extent these benefits are not settled/ disbursed till the end of a reporting period these are recorded.

A contract liability is not recognised until the benefit is provided.

(B) Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the princip t and at
the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initit ecognition.

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

2.21 Employee Benefits

(i) 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'

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Defined Contribution Plan

Employees benefits in the form of provident fund, ESIC and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

(iii) 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 incomeand transferred to retained earnings.

(iv) 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 Tax Expenses

Tax expense comprises current tax and deferred tax. Provision for the current tax is made on the for the current accounting year in accordance with the provisions of Income Tax Act, 1961. basis of taxable income

Deferred tax is computed on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the 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 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 taxes are recognised in profit and loss, except to the extent that they relate to items recognised in other comprehensive income or directly in equity. In this case, the taxes are 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 recognised to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period

2.23 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive incomefor the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

2.24 Provisions and Contingencies

A Provision is recognised 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.

2.25 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.26 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 amount is recognised directly in other equity.

3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land & Site Development	Office Building	Factory Building	Non Factory Building	Plant & Machinery	Railway Siding	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Tools & Tackles	Total
Gross Carrying Value												
At 1st April, 2020	**9,814.66**	**1,203.16**	**14,290.01**	**6,665.50**	**74,372.12**	**3,563.90**	**948.02**	**477.15**	**387.41**	**3,927.86**	**538.12**	**1,16,187.91**
Additions	1,065.76	-	4,001.06	102.06	15,303.51	328.26	75.09	55.85	77.10	989.00	28.65	22,026.35
Disposals/deductions/ adjustments	-	-	-	-	159.72	-	7.59	5.33	12.49	162.35	46.21	393.69
At 31st March, 2021	**10,880.42**	**1,203.16**	**18,291.07**	**6,767.56**	**89,515.91**	**3,892.16**	**1,015.52**	**527.67**	**452.02**	**4,754.51**	**520.56**	**1,37,820.57**
Additions	2,576.80	-	3,015.72	2,994.73	5,390.59	-	102.22	50.97	156.60	7,213.45	183.66	21,684.74
Disposals/deductions/ adjustments	-	-	-	190.63	89.11	-	64.54	28.12	48.16	40.35	36.15	497.06
At 31st March, 2022	**13,457.22**	**1,203.16**	**21,306.79**	**9,571.66**	**94,817.39**	**3,892.16**	**1,053.20**	**550.52**	**560.46**	**11,927.61**	**668.07**	**1,59,008.25**
Accumulated Depreciation												
At 1st April, 2020	**-**	**47.14**	**4,619.74**	**2,158.40**	**36,828.94**	**283.51**	**381.79**	**226.30**	**244.17**	**1,845.43**	**254.00**	**46,889.42**
Charge for the year	-	54.35	999.50	364.59	6,045.34	617.98	149.99	114.90	72.84	671.45	65.92	9,156.87
Disposals/deductions/ adjustments	-	-	-	-	58.21	-	2.57	1.32	7.19	115.64	32.24	217.18
At 31st March, 2021	**-**	**101.49**	**5,619.24**	**2,522.99**	**42,816.07**	**901.49**	**529.21**	**339.88**	**309.82**	**2,401.24**	**287.68**	**55,829.11**
Charge for the year	5.16	51.80	1,301.52	336.55	7,622.92	560.74	134.06	91.20	103.64	1,832.13	67.06	12,106.79
Disposals/deductions/ adjustments	-	-	-	35.10	40.48	-	59.58	26.96	45.47	34.10	11.21	252.89
At 31st March, 2022	**5.16**	**153.29**	**6,920.76**	**2,824.44**	**50,398.51**	**1,462.23**	**603.69**	**404.12**	**367.99**	**4,199.27**	**343.53**	**67,683.01**
Net Carrying Value												
At 31st March, 2021	**10,880.42**	**1,101.67**	**12,671.83**	**4,244.57**	**46,699.84**	**2,990.67**	**486.31**	**187.79**	**142.20**	**2,353.27**	**232.88**	**81,991.46**
At 31st March, 2021	**13,452.06**	**1,049.87**	**14,386.03**	**6,747.22**	**44,418.88**	**2,429.93**	**449.51**	**146.40**	**192.47**	**7,728.34**	**324.54**	**91,325.24**

a. Depreciation for the year includes ₹ Nil (31st March, 2021 - ₹ 121.58 Lakhs) capitalised as Pre-operative expenses.

b. During the year ended foreign exchange gain/(loss) of ₹ Nil (31st March, 2021 - Nil is adjusted to Property, Plant & Equipment in accordance with para 46A of AS-11 (Previous GAAP) and Ind AS 101.

c. During the year Group has sold/discarded of Property, plant & equipment amounting to ₹ 497.06 Lakhs (31st March, 2021 - ₹ 393.69 Lakhs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

3 PROPERTY, PLANT AND EQUIPMENT (Contd.)

3.1 Capital work-in-progress

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance at the beginning of the year	12,584.54	23,678.33
Add : Expenditure during construction for projects	21,223.94	9,743.56
Less : Capitalised during the year	23,353.53	20,837.35
Balance at the end of the year	**10,454.95**	**12,584.54**

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

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	8,274.77	498.76	240.07	1,441.35	10,454.95
Projects temporarily suspended	-	-	-	-	-

Ageing of Capital work-in-progress as at 31st March, 2021

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	8,676.17	1,222.30	1,213.15	1,472.92	12,584.54
Projects temporarily suspended	-	-	-	-	-

There are no projects whose cost have exceeded its budget or has overrun its completion time.

3.2 Right-of-use assets

(₹ in Lakhs)

Particulars	Non Factory Building
Gross Carrying Value	
At 1st April, 2020	**441.25**
Addition	208.81
Disposals	13.59
At 31st March, 2021	**636.47**
Addition	1,621.82
Disposals	638.73
At 31st March, 2022	**1,619.56**
Accumulated Depreciation	
At 1st April, 2020	**151.23**
charge for the year	216.66
Disposals/deductions/adjustment	-
At 31st March, 2021	**367.89**
charge for the year	258.56
Disposals/deductions/adjustment	2.63
At 31st March, 2022	**623.82**
Net Carrying Value	
At 31st March, 2021	268.58
At 31st March, 2022	**995.74**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

3 PROPERTY, PLANT AND EQUIPMENT (Contd.)

3.3 Intangible assets

(₹ in Lakhs)

Particulars	Computer Software
Gross Carrying Value	
At 1st April, 2020	**75.81**
Additions	25.74
Disposals/deductions/adjustments	0.19
At 31st March, 2021	**101.36**
Additions	5.82
Disposals/deductions/adjustments	10.26
At 31st March, 2022	**96.92**
Accumulated Amortisation	
At 1st April, 2020	**51.72**
Charge for the year	13.09
Disposals/deductions/adjustments	-
At 31st March, 2021	**64.81**
Charge for the year	16.09
Disposals/deductions/adjustments	10.23
At 31st March, 2022	**70.67**
Net Carrying Value	
At 31st March, 2021	36.55
At 31st March, 2022	**26.25**

3.4 Intangible assets under development (IAUD)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance at the beginning of the year	76.50	76.50
Add : Expenditure during construction for projects	374.33	-
Less : Capitalised during the year	-	-
Balance at the end of the year	**450.83**	**76.50**
Aging of IAUD		
Less than 1 year	374.33	-
1-2 years	-	76.50
2-3 years	76.50	-
More than 3 years	-	-
Total	450.83	76.50

There are no projects whose cost have exceeded its budget or has overrun its completion time.

4 INVESTMENTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment at FVOCI (Unquoted Equity Instruments)		
Ribhoi Engineering Company Private Limited		
27,000 (27,000 as at 31st March, 2021) Equity Share of ₹ 10/- each fully paid up)	31.05	27.54
Investment at FVTPL		
Unquoted Equity Instruments		
Adonis Vyapaar Private Limited	36.36	34.61
3,55,509 (3,55,509 as at 31st March, 2021) Equity Shares of ₹ 10/- each fully paid up		
Apanapan Viniyog Private Limited	36.36	34.62
3,55,509 (3,55,509 as at 31st March, 2021) Equity Shares of ₹ 10/- each fully paid up		
Ara Suppliers Private Limited	36.16	34.42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

4 INVESTMENTS (Contd.)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
3,55,509 (3,55,509 as at 31st March, 2021) Equity Shares of ₹ 10/- each fully paid up		
Arham Sales Private Limited	36.39	34.65
3,55,509 (3,55,509 as at 31st March, 2021) Equity Shares of ₹ 10/- each fully paid up		
Quoted Equity Instruments		
Reliance Power Limited	1.18	0.38
8,743 (8,743 as at 31st March, 2021) Equity Shares of ₹ 10/- each fully paid up.		
	177.50	**166.22**
Aggregate market value of Quoted investment	1.18	0.38
Aggregate cost amount of Quoted investment	24.54	24.54
Aggregate amount of Unquoted investments	176.32	165.84
Aggregate amount of impairment in value of investments	-	-
	177.50	**166.22**

5 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Security deposits (unsecured, considered good)	450.48	436.42
Balance with banks held as margin money deposits with original maturity of more than 12 months	176.59	176.59
In Fixed Deposit accounts with original maturity of more than 12 months	11,625.00	-
Interest on Fixed Deposits with original maturity of more than 12 months	30.33	0.14
	12,282.40	**613.15**

6 DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Deferred tax liabilities		
-Property, plant and equipment	128.78	849.03
Gross deferred tax liabilities	**128.78**	**849.03**
Deferred tax assets		
- MAT credit entitlement	34,724.82	31,089.75
- Gratuity & leave encashment	184.34	274.43
-Adjustments on Consolidation	199.08	226.09
-Business Loss	412.56	381.61
Gross deferred tax assets	**35,520.80**	**31,971.88**
Deferred tax assets (net)	**35,392.02**	**31,122.85**

7 NON-CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Advance income tax & TDS receivables (net) of provision for taxation of ₹ Lakhs , ₹ 5,814.12 Lakhs as on 31 March,2021)	1,107.90	631.63
	1,107.90	**631.63**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

8 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Capital advances [Refer note 8.1 below)		
Secured, considered good	1,187.74	92.07
Unsecured, considered good	8,046.83	6,095.46
Deposits with statutory authority		
Unsecured, considered good	63.58	91.14
Unamortised Expenses		
Unsecured, considered good	0.42	0.42
	9,298.57	**6,279.09**

8.1 Capital Advances includes advance against land of ₹ 6,883.71 (31st March, 2021: ₹ 3,928.71 Lakhs). The Company and its subsidiaries are in the process of getting registration in its name.

9 INVENTORIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(Valued at Lower of Cost or Net Realisable Value)		
Raw materials [including in transit- ₹ 912.38 Lakhs , 31st March, 2021:₹ 925.57 Lakhs]	4,725.04	4,464.04
Work - in - progress	297.93	205.13
Finished goods [including in transit- ₹ 825.58 Lakhs (31st March, 2021: ₹ 550.19 Lakhs) and Power inventory (with MeSCL) ₹ 170.54 Lakhs (31st March, 2021: ₹ 170.54 Lakhs)	3,137.67	6,084.60
Fuels, packing materials, etc.	5,558.58	7,887.36
Stores & Spares	5,810.30	4,826.91
	19,529.52	**23,468.04**

10 INVESTMENTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Investment in Bond - Quoted (at amortised Cost)		
8.75% Axis Bank Limited SR-28 Perpetual Bond, 150 Units (FV ₹ 10 Lakhs)	1,500.00	-
8.65% Bank of Baroda SR-IX Perpetual Bond, 250 Units (FV ₹ 10 Lakhs)	2,500.00	-
8.60% Bank of Baroda SR-VIII Perpetual Bond, 100 Units (FV ₹ 10 Lakhs)	1,000.00	-
8.85% HDFC Bank Limited SR-1 Perpetual Bond, 50 Units (FV ₹ 10 Lakhs)	500.00	-
9.90% ICICI Bank Limited SR Perpetual Bond, 100 Units (FV ₹ 10 Lakhs)	1,000.00	-
9.15% ICICI Bank Limited SR Perpetual Bond, 120 Units (FV ₹ 10 Lakhs)	1,200.00	-
8.55% ICICI Bank Limited SR-DOT Perpetual Bond, 150 Units (FV ₹ 10 Lakhs)	1,500.00	-
9.56% State Bank of India Series 1 Perpetual Bond, 394 Units (FV ₹ 10 Lakhs)	3,940.00	-
9.37% State Bank of India Series II BD Perpetual Bond, 50 Units (FV ₹ 10 Lakhs)	500.00	-
8.15% State Bank of India - SR-IV Perpetual Bond, 255 Units (FV ₹ 10 Lakhs)	2,550.00	-
	-	
	16,190.00	**-**
Aggregate Market value of Quoted investment	16,702.79	-
Aggregate amount of impairment in value of investments	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

11 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Secured, considered good	7,656.63	5,926.11
Unsecured ,considered good	5,218.29	7,247.30
Receivable which have significant increase in credit risk	148.59	132.12
Less: Allowance for credit losses	(148.59)	(132.12)
	12,874.92	**13,173.41**

Ageing of outstanding trade receivables as on 31 March 2022 from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - Considered Good	10,405.78	854.78	752.25	211.94	608.39	-	12,833.13
Undisputed - significant increase in credit risk	-	14.72	-	-	-	59.10	73.82
Undisputed - credit impaired	-	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-	30.44	30.44
Disputed - significant increase in credit risk	-	-	-	-	-	86.12	86.12
Disputed - credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit losses							(148.59)
Total Trade Receivables							**12,874.92**

Ageing of outstanding trade receivables as on 31 March 2021 from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed - Considered Good	11,114.50	1,128.80	340.03	548.29	-	-	13,131.62
Undisputed - significant increase in credit risk	-	-	-	-	-	54.11	54.11
Undisputed - credit impaired	-	-	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-	30.44	30.44
Disputed - significant increase in credit risk	-	-	-	-	3.24	86.12	89.35
Disputed - credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit losses							(132.12)
Total Trade Receivables							**13,173.41**

12 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Cash on hand	77.01	79.75
Cheques on hand	79.25	128.01
Balance with Banks		
- In current accounts/cash credit accounts	651.29	710.53
- In fixed deposit account with original maturity of upto 3 months	-	4,630.01
	807.55	**5,548.30**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

13 BANK BALANCES (OTHER THAN NOTE 12 ABOVE)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unpaid dividend account [Refer note 13.1 below)	12.50	14.40
In Fixed Deposit accounts with original maturity of more than 3 months and upto 12 months	24,912.01	28,218.10
In Fixed Deposit accounts with original maturity of more than 12 months	12,608.00	13,261.00
Balance with banks held as margin money deposits with original maturity of more than 3 months and upto 12 months [Refer note 13.1 below)	126.66	129.92
	37,659.17	**41,623.42**

13.1 The bank balance disclosed above represents margin money against unpaid dividend account and bank guarantee are subject to regulatory restrictions and are therefore not available for general use by the Company.

14 LOANS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured ,considered Good		
Loans to body corporates (other than related party)	3,409.77	4,229.86
	3,409.77	**4,229.86**

15 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
Security deposits	77.26	78.89
Advances to a related party	35.00	35.61
Interest accrued but not due on		
Fixed deposits	1,707.59	1,714.83
Bonds	289.42	-
Others	151.83	-
Interest Receivable on Bond	178.01	-
	2,439.11	**1,829.33**

16 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
-Advances to suppliers	5,437.40	5,503.24
-Stamp paper in hand	0.66	0.64
-Advances for services & expenses	748.86	753.91
-Prepaid expenses	949.41	1,146.02
-Subsidies /incentives receivable from central/state governments	11,196.76	21,146.82
-Balances with statutory/government authorities	1,564.96	3,624.78
-Advances to employees	122.58	110.45
-Insurance claim Receivable	67.39	287.23
Unsecured, considered doubtful		
-Doubtful advances for services & expenses	17.37	17.37
Less: Allowance for doubtful advances for services & expenses	(17.37)	(17.37)
	20,088.02	**32,573.09**

17 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Authorised Capital	8,300.00	8,300.00
83,00,00,000 (83,00,00,000 as at 31st March, 2021) Equity Shares of ₹ 1/- each)		
Issued, Subscribed & fully Paid -up shares	4,041.80	4,124.29
40,41,80,417 (41,24,28,997 as at 31st March, 2021) Equity Shares of ₹ 1/- each fully paid)	**4041.80**	**4124.29**

a Terms/Rights attached to equity shares

The Company has only one class of equity shares having par value of 1/- per share. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company,after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b In terms of approval of the Board of Directors obtained at its meeting held on 13th August, 2021, the Company had offered Buy Back of Equity shares to all eligible equity shareholders of the Company on a proportionate basis through tender offer route using Stock Exchange mechanism. The buyback of equity shares through the Stock Exchange commenced on 22nd September, 2021 and closed on 5th October, 2021. Accordingly, the Company bought back and extinguished a total 82,48,580 equity shares of ₹ 1 each at a price of ₹ 150 per equity share, representing 2.00% of the pre-buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹ 123.73 Crore (excluding transaction costs such as Brokerage, Buy Back Tax, Securities Transaction Tax, GST, Stamp duty and other related expenses etc.). Payments to the eligible shareholders were completed on 13th October, 2021.In the last five financial year company had buy back 1,50,48,580 number of equity shares.

c Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Number of Equity Shares	31st March, 2022	31st March, 2021
At the beginning of the year	41,24,28,997	41,24,28,997
Buyback of shares during the period	(82,48,580)	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

17 EQUITY SHARE CAPITAL (Contd.)

Details of shares held by the promoters at the end of the year

Sr No	Promoter Name	FY 20-21		% Change during the year
		No. of Shares	% of Total Shares	
1	Sajjan Bhajanka	4,68,31,636.00	11.36	0.03
2	Prem Kumar Bhajanka	3,77,18,954.00	9.15	-
3	Rajendra Chamaria	1,98,91,358.00	4.82	-
4	Sanjay Agarwal	1,70,45,480.00	4.13	-
5	Hari Prasad Agarwal *	-	-	(0.77)
6	Rajesh Kumar Agarwal	35,79,919.00	0.87	0.87

* Demised on 18th December, 2020

17.1 As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership.

18 OTHER EQUITY

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Capital reserves		
Opening balance	3,631.19	655.17
Addition/(Deduction) during the year	-	2,976.02
Closing balance	**3,631.19**	**3,631.19**
Capital Redemption Reserve Account		
Opening balance	68.00	68.00
Addition during the year-Transferred from Retained Earning	82.49	
Closing balance	**150.49**	**68.00**
General reserve		
Opening balance	3,187.83	3,187.83
Addition/(Deduction) during the year	-	-
Closing balance	**3,187.83**	**3,187.83**
Retained earnings		
Opening balance	1,96,379.98	1,77,654.16
Profit/(loss) for the year	24,677.48	18,712.99
	2,21,057.46	**1,96,367.15**
Less : Appropriation		
Buyback of Shares (including buyback tax)	15,236.04	-
	2,05,821.42	**1,96,367.15**
Items of other comprehensive income directly recognised in retained earnings		
Remeasurement gain/(loss) on Defined Benefit Plans (net of tax)	(17.68)	12.83
Closing balance	**2,05,803.74**	**1,96,379.98**
Equity Instruments through Other Comprehensive Income		
Opening balance	24.84	23.22
Change in fair value of FVOCI equity instruments (net of tax)	3.51	1.62
Closing balance	**28.35**	**24.84**
Total Other equity	**2,12,801.60**	**2,03,291.84**

Capital Reserve

During amalgamation with Star Ferro and Cement Limited , the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act,1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

18 OTHER EQUITY (Contd.)

Capital Redemption Reserve

In accordance with section 69 of the Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from retained earnings.

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.

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.

19 BORROWINGS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Other loans (secured)		
-Hire purchase finance from banks [Refer note (a) below]	18.74	74.18
	18.74	74.18
Less: Current maturities of long term borrowings	(18.74)	(55.44)
	-	**18.74**

Notes-

a Hire purchase finance is secured by hypothecation of respective vehicles/equipments of the group and is repayable within three years having varying date of payment.

b The group does not have any continuing defaults in repayment of loans and interest as at reporting period.

20 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Lease Liabilities (Refer Note No 51)	800.82	149.17
	800.82	**149.17**

21 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Security deposits	15,573.54	12,923.22
	15,573.54	**12,923.22**

22 PROVISIONS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Provision for employee benefits (Refer Note No 42)		
- Gratuity	157.02	523.15
	157.02	**523.15**

23 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Deferred government grant	877.13	1,056.10
	877.13	**1,056.10**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

24 BORROWINGS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Secured-Repayable on demand		
Working capital facilities from banks (Secured)		
- Cash credit	519.04	1,457.02
Current maturities of long term borrowings	18.74	55.44
	537.78	**1,512.46**

a Working capital facilities of ₹ 139.42 Lakhs (31st March, 2021: ₹ 541.23 Lakhs) from banks are secured by pari passu first charge on current assets of the Company's cement grinding unit at Guwahati, Assam. The said working capital facility has been guaranteed by some of the Directors of the Company.

b Working Capital facilities of ₹ 195.43 Lakhs (31st March, 2021: ₹ 144.59 Lakhs) from banks are secured by first pari passu charge on current assets of the Company's plant at Lumshnong, Meghalaya.

c Working capital facilities of ₹ 113.68 Lakhs (31st March, 2021 ₹ 735.60) from banks are secured by pari passu first charge on current assets and pari passu second charge on property,plant and equipment of the Company's subsidiary cement clinker unit at Lumshnong, Meghalaya.

d Working Capital facilitiy of ₹ 70.51 Lakhs (31st March, 2021 : Nil) from bank is secured by first hypothecation charge on all current assets of the Siliguri Grinding Unit.

25 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Lease liabilities (Refer Note No 51)	226.63	137.99
	226.63	**137.99**

26 TRADE PAYABLES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
MSME Creditors	498.25	594.12
Trade Payables other than above	10,961.24	9,254.05
	11,459.49	**9,848.17**

Ageing of outstanding trade payables as on 31 March 2022 from due date of payment

Sr No	Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed - MSME	463.99	34.27	-	-	-	**498.25**
(ii)	Undisputed - Other than MSME	6,016.63	4,513.01	185.19	13.68	232.73	**10,961.24**

Ageing of outstanding trade payables as on 31 March 2021 from due date of payment

Sr No	Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed - MSME	440.89	153.24	-	-	-	**594.12**
(ii)	Undisputed - Other than MSME	6,927.66	2,257.65	44.60	4.04	20.10	**9,254.05**

27 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest accrued but not due on borrowings	0.14	0.54
Unclaimed dividend (Refer Note 27.1 below)	12.50	14.40
Retention money	407.37	468.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

27 OTHER FINANCIAL LIABILITIES (Contd.)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Security deposit	0.31	4.16
Creditors for capital goods	434.26	602.63
Salary and bonus to employees	717.96	586.54
Creditors for services and expenses	5,724.84	3,423.80
Discounts and incentives to dealers	5,303.84	4,224.09
Creditors for employees expenses	28.05	33.57
Other liabilities (including liability for expenses of ₹ 4,018.99 Lakhs (31st March, 2021: ₹ 3,378.60 Lakhs))	5,819.17	5,069.77
	18,448.44	**14,428.29**

27.1 Amount to be transferred to the Investor Education and Protection Fund shall be determined on the respective due date and does not include any amounts due and outstanding to be credited to Investor Education and Protection Fund on the basis of the information available with the Company.

28 PROVISIONS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Provision for employee benefits (Refer Note No 42)		
-Leave encashment	383.72	382.58
-Gratuity	117.45	89.26
	501.17	**471.84**

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Statutory Liabilities	6,307.41	6,037.98
Advances from customer	2,410.11	1,236.70
Other liabilities	2.58	2.32
Current Portion of Deferred government grant	167.07	203.14
	8,887.17	**7,480.14**

30 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Provision for taxation (net of advance tax of ₹ 2,712.27 Lakhs and ₹ 2,705.81 Lakhs for 31 March 2021)	196.87	250.62
	196.87	**250.62**

31 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Sale of products		
Domestic	2,21,874.37	1,69,748.52
Export	-	2,112.08
	2,21,874.37	**1,71,860.60**
Other operating income		
Sale of Scrap	213.77	130.36
Bad Debts Recovery Account	-	2.19
Shortage recovery of cement and clinker		
Others	93.76	0.07
	2,22,181.90	**1,71,993.22**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

31 REVENUE FROM OPERATIONS (Contd.)

a) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Revenue as per contract price	2,42,012.24	1,86,133.55
Discount and incentives	(20,137.87)	(14,272.95)
Revenue as per statement of profit and loss	**2,21,874.37**	**1,71,860.60**

32 OTHER INCOME

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest income from financial instrument measured at amortised cost		
-Bank deposits	2,281.71	2,361.74
-*Interest on Loan*	276.28	340.62
-Others {including interest on Bond ₹ 662.74 Lakhs (31 March,21: ₹ Nil)}	754.40	23.32
Fair value of equity instrument	7.77	6.53
Miscellaneous receipts	17.01	89.85
	3,337.17	**2,822.06**

33 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Inventory at the beginning of the year	4,464.04	3,830.90
Add: Purchases	54,767.61	38,092.69
	59,231.65	41,923.59
Less :Inventory at the end of the year	4,725.04	4,464.04
	54,506.61	**37,459.55**

(₹ in Lakhs)

Details of Raw materials Consumed	31st March, 2022	31st March, 2021
Limestone	6,926.44	5,475.26
Shale	774.69	462.69
Iron Mill Scale	82.43	328.33
Clinker		
Gypsum	6,008.74	2,159.34
Fly ash	14,325.23	11,357.16
Others including freight on clinker	26,389.08	17,676.77
	54,506.61	**37,459.55**

34 COST OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Inventory at the beginning of the year	-	59.65
Add: Purchases	-	4,097.42
	-	**4,157.07**
Less :Inventory at the end of the year	-	-
	-	**4,157.07**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

35 CHANGES IN INVENTORIES OF FINISHED GOOD AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Work in progress		
Opening stock	205.13	325.01
Closing stock	297.93	205.13
	92.80	**(119.88)**
Finished goods		
Opening stock	6,084.60	4,479.24
Trial Run Production	-	192.66
Closing stock	3,137.67	6,084.60
	(2,946.93)	**1,412.70**
	2,854.13	**(1,292.82)**

36 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Salaries & wages	14,859.00	12,344.82
Contribution to provident fund and other funds	456.79	382.37
Staff Welfare expenses	619.22	405.90
	15,935.01	**13,133.09**

36.1: Employee cost is inclusive of remuneration paid to Directors & Key Management Personnel. (Refer Note No. 52)

37 FINANCE COSTS

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Interest expense		
-On loans measured at amortised cost	669.93	520.76
Other Borrowing costs	664.10	178.10
	1,334.03	**698.86**

38 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Depreciation on Property,plant and equipment	11,888.30	8,781.20
Depreciation on right-of-use assets	258.56	205.12
Amortisation of Intangible Assets	16.09	13.09
	12,162.95	**8,999.41**

38.1 : Depreciation is net of amortisation of Government Grant of ₹ 212.40 Lakhs as at 31st March, 2022 and ₹ 254.08 Lakhs as at 31st March, 2021.

38.2 : Depreciation of right-of-use- assets of ₹ Nil (31st March, 2021 ₹ 11.54 Lakhs) capitalised as Pre-operative expenses.

39 OTHER EXPENSES

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Consumption of Stores & Spares	795.99	1,067.25
Packing Materials	7,989.31	5,077.57
Power & Fuel	41,689.99	33,840.04
Repairs & Maintenance		
- Building	518.70	298.53
- Plant & Machinery	3,090.84	1,497.66
- Others	736.68	764.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

39 OTHER EXPENSES (Contd.)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Heavy Vehicle / Equipment Running Expenses	799.11	629.74
Rent	371.83	375.98
Travelling and Conveyance	866.90	565.43
Insurance	338.43	429.25
Rates & Taxes	128.00	332.61
Research & Development Expenses	52.31	45.06
Charity & Donation**	1,147.03	1,360.59
Miscellaneous Expenses	5,659.04	3,064.36
CSR Expenses (Refer Note No 50)	953.81	827.85
Advertisement & Publicity	4,380.59	1,710.33
Outward Freight Charges (including Fleet operating expenses)	42,707.47	31,787.94
Sales Promotion Expenses	801.54	482.71
Commission & Incentives	1,333.42	1,119.36
	1,14,360.99	**85,276.31**

**Charity & donation includes ₹ 500.00 Lacs (₹ 1000.00 Lacs as at 31.03.2021) paid to political parties.

40 INCOME TAX EXPENSE

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(a) Current tax		
Current tax on profits for the year	252.42	1,725.98
Total current tax expense	**252.42**	**1,725.98**
(b) Deferred tax		
Deferred tax benefit	(562.09)	(522.14)
Total deferred income tax expense/(benefit)	(562.09)	(522.14)
(c) Income tax for earlier years	(2.46)	9.56
Tax expenses	**(312.13)**	**1,213.41**

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Profit before income tax expense	24,365.35	19,926.39
Tax at the Indian tax rate of 34.944% (31st March, 2021 - 34.944%)	**8,514.23**	**6,963.08**
Item not deductible / taxable under tax	112.29	(695.60)
Effect of allowances/ tax holidays for tax purpose	(8,347.90)	(4,764.94)
Difference in tax rates of subsidiaries	(1.36)	455.39
Others	(586.93)	(754.08)
Income tax for earlier years	(2.46)	9.56
Tax expenses	**(312.13)**	**1,213.40**

40.2 .The Tax Rate used for the year FY 21-22 and FY 20-21 for reconciliation above is the Corporate tax rate of 34.944% (30%+ surcharge @12% + education cess @4%) payable on taxable profits under the Income Tax Act, 1961.

40.3 During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provision of the Income Tax Act,1961). Accordingly, there are no transactions which are not recorded in the books of accounts.

41 EARNINGS PER SHARE

(a) Basic earnings per share

Particulars	31st March, 2022	31st March, 2021
Basic earnings per share attributable to the Equity Shareholders (in ₹)	6.04	4.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

41 EARNINGS PER SHARE (Contd.)

(b) Diluted earnings per share

Particulars	31st March, 2022	31st March, 2021
Diluted earnings per share attributable to the Equity Shareholders (in ₹)	6.04	4.54

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Profit attributable to equity holders used in calculating basic earnings per share	24,677.48	18,712.99
Profit attributable to equity holders used in calculating diluted earnings per share	24,677.48	18,712.99

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

Particulars	31st March, 2022	31st March, 2021
Weighted average number of equity shares used in calculating basic earnings per share	40,85,87,193	41,24,28,997
Weighted average number of equity shares used in calculating diluted earnings per share	40,85,87,193	41,24,28,997

42 EMPLOYEES BENEFITS

(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 Lakhs)

Particulars	31st March, 2022	31st March, 2021
Leave obligations not expected to be settled within the next 12 months	322.31	335.57

(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 Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2020	792.05	(270.66)	521.39
Current service cost	101.94	-	101.94
Interest expense/(income)	55.11	(18.10)	37.01
Total amount recognised in profit or loss	**157.05**	**(18.10)**	**138.95**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.37	0.37
Actuarial (gain)/loss from change in financial assumptions	10.63	-	10.63
Actuarial (gain)/loss from unexpected experience	(28.93)	-	(28.93)
Total amount recognised in other comprehensive income	**(18.30)**	**0.37**	**(17.93)**
Employer contributions/ premium paid	-	(30.00)	(30.00)
Benefit paid	(44.46)	44.46	-
31st March, 2021	**886.34**	**(273.93)**	**612.41**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

42 EMPLOYEES BENEFITS (Contd.)

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2021	886.34	(273.93)	612.41
Current service cost	103.91	-	103.91
Interest expense/(income)	60.82	(33.09)	27.73
Total amount recognised in profit or loss	**164.73**	**(33.09)**	**131.64**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	8.57	8.57
Actuarial (gain)/loss from change in financial assumptions	(6.18)	-	(6.18)
Actuarial (gain)/loss from unexpected experience	23.03	-	23.03
Total amount recognised in other comprehensive income	**16.85**	**8.57**	**25.46**
Employer contributions/ premium paid	-	(495.00)	(495.00)
Benefit paid	(74.00)	74.00	-
31st March, 2022	**993.92**	**(719.45)**	**274.47**

Net asset / (liability) recognised in the balance sheet

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Present value of Defined Benefit Obligation	993.92	886.34
Fair Value of Plan Assets	(719.45)	(273.93)
Net Asset / (Liability) in the Balance Sheet	274.47	612.41
Current Asset/(liability)	117.45	89.26
Non-Current Asset/(liability)	157.02	523.15

(ii) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021
Discount rate	7.10%	6.90%
Expected return on plan asset	6.00%	6.90%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table

(iii) Sensitivity analysis

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

Particulars	Impact on defined benefit obligation			
	31st March, 2022		31st March, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	(783.76)	676.01	(809.47)	725.58
Salary growth rate (-/+ 1%)	933.70	(568.29)	961.19	(615.15)
Withdrawal rate (-/+ 1%)	861.91	(612.24)	886.37	(660.73)

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 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 Group does not have any liberty to manage the funds provided to insurance companies.

42 EMPLOYEES BENEFITS (Contd.)

Major Categories of Plan Assets as a percentage of total plan assets	Gratuity (Funded)	
	31st March, 2022	31st March, 2021
Funds managed by Insurer	100%	100%

(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 life expectancy of the plan participants will increase the plan liability.

(vi) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31st March, 2023 are ₹ 123.86 Lakhs.

The weighted average duration of the defined benefit obligation is 5.47 years (31st March, 2021: 6.33 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lakhs)

Particulars	Less than a year	Between 2- 5 years	Over 5 years
31st March, 2022	117.45	301.37	396.84
31st March, 2021	89.26	152.00	434.46

c) Provident Fund:

Contribution towards provident fund is recomputed as expenses in the statement of profit and loss. The Company has a defined contribution plan. Under the defined contribution plan, provident fund is contributed to the Government administered provident fund. The Company has no further contractual nor any constructive obligation, other than the contribution payable to the provident fund. The expense recognised during the period towards defined contribution plan is ₹ 457.79 Lakhs (31st March, 2021: ₹ 382.37 Lakhs).

43 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.

The Company does not have any externally imposed capital requirements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

44 ASSETS PLEDGED AS SECURITY

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

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Current		
First charge		
Trade receivables	12,798.23	12,235.94
Inventories	18,538.44	21,355.49
Total current assets	**31,336.67**	**33,591.43**
Non Current		
First charge		
Property, plant and equipment (including capital work-in-progress)	31,257.84	48,889.27
Total non-currents assets	**31,257.84**	**48,889.27**
Total assets pledged as security	**62,594.51**	**82,480.70**

45 FINANCIAL INSTRUMENTS BY CATEGORY

(₹ in Lakhs)

Particulars	31st March, 2022			31st March, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments	146.45	31.05	-	138.68	27.54	-
Investment in Bonds	-	-	16,190.00	-	-	-
Security deposits	-	-	527.74	-	-	515.31
Balance with banks held as margin money deposits with original maturity of more than 12 months	-	-	11,801.59	-	-	176.59
Advances recoverable from a related party	-	-	35.00	-	-	35.61
Trade receivables	-	-	12,874.92	-	-	13,173.41
Cash and cash equivalents	-	-	807.55	-	-	5,548.30
Other bank balances	-	-	37,659.17	-	-	41,623.42
Other financial assets	-	-	5,766.95	-	-	5,944.82
	146.45	**31.05**	**85,662.92**	**138.68**	**27.54**	**67,017.46**
Financial liabilities						
Borrowings	-	-	537.78	-	-	1,531.20
Security deposit	-	-	15,573.85	-	-	12,927.38
Trade payables	-	-	11,459.49	-	-	9,848.17
Interest accrued but not due on borrowings	-	-	0.14	-	-	0.54
Retention money	-	-	407.37	-	-	468.79
Creditors for capital goods	-	-	434.26	-	-	602.63
Lease Liabilities			1,027.45	-	-	287.16
Unclaimed dividend	-	-	12.50	-	-	14.40
Salary and bonus to employees	-	-	717.96	-	-	586.54
Creditors for services and expenses			5,724.84			3,423.80
Discounts and incentives to dealers			5,303.84			4,224.09
Creditors for employees expenses			28.05			33.57
Other liabilities			5,819.17			5,069.77
	-	**-**	**47,046.70**	**-**	**-**	**39,018.04**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

45 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 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 Lakhs)

Particulars	31st March, 2022			31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investment in equity instruments	1.18	-	176.31	0.38	-	165.84
Total financial assets	**1.18**	**-**	**176.31**	**0.38**	**-**	**165.84**

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

(₹ in Lakhs)

Particulars	31st March, 2022		31st March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits and margin money	12,455.99	12,455.99	821.82	821.82
Total financial assets	**12,455.99**	**12,455.99**	**821.82**	**821.82**
Financial liabilities				
Borrowings	18.74	17.32	74.18	436.23
Security deposits	15,573.54	15,573.54	12,923.22	12,923.22
Lease Liabilities	1,027.45	1,027.45	287.16	287.16
Total financial liabilities	**16,619.73**	**16,618.31**	**13,284.56**	**13,646.61**

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

46 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 Lakhs)

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 31st March, 2022	10,405.78	869.49	752.25	995.99	(148.59)	12,874.92
As on 31st March, 2021	11,114.50	1,128.80	340.03	722.20	(132.12)	13,173.41

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 31st March, 2022 and 31st March, 2021 is the carrying amounts as illustrated in Note 45.

(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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

46 FINANCIAL RISK MANAGEMENT (Contd.)

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 Lakhs)

Particulars	31st March, 2022	31st March, 2021
Floating Rate		
- Expiring within one year (bank overdraft and other facilities)	20,080.96	17,242.98
	20,080.96	**17,242.98**

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 Lakhs)

Contractual maturities of financial liabilities - 31st March, 2022*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	537.78	-	-	-	537.78
Interest on borrowing	35.75	-	-	-	35.75
Trade payables	11,459.49	-	-	-	11,459.49
Lease Liabilities	252.03	210.68	279.97	388.16	1,130.84
Other payables	18,448.31	-	-	-	18,448.31
Total financial liabilities	**30,733.36**	**210.68**	**279.97**	**388.16**	**31,612.17**

(₹ in Lakhs)

Contractual maturities of financial liabilities - 31st March, 2021*	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowing	1,512.46	18.74	-	-	1,531.20
Interest on borrowing	106.56	0.35	-	-	106.91
Trade payables	9,848.17	-	-	-	9,848.17
Lease Liabilities	183.12	77.94	55.42	-	316.48
Other payables	14,427.75	-	-	-	14,427.75
Total financial liabilities	**26,078.06**	**97.03**	**55.42**	**-**	**26,230.51**

*Security deposits liability has not been included in the above maturity profile as the repayment of the same cannot be estimated.

(C) Market risk

(i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group deals with an international customer and is therefore exposed to foreign exchange risk (primarily with respect to USD) arising from this foreign currency transactions. In view of low proportion of export/import, as compared to the overall operations, the exposure of the Group to foreign exchange risk is also not considered to be material.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

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 Lakhs)

Particulars	31st March, 2022	31st March, 2021
Financial assets	-	-
Financial liabilities	-	-
Net exposure to foreign currency risk	**-**	**-**

Sensitivity

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

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31st March, 2022	31st March, 2021
Sensitivity		
INR appreciates by 10% (2021: 10%)	-	-
INR depreciates by 10% (2021: 10%)	-	-

* Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March, 2022 and 31st March, 2021 09pan /MCD 53w 63ng term borrowings riskdenomin to cash f-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

46 FINANCIAL RISK MANAGEMENT (Contd.)

(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 quoted and unquoted 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 summarises the impact of increases/decreases of the share prices on the Group's equity;

(₹ in Lakhs)

Particulars	Impact on total comprehensive income	
	31st March, 2022	31st March, 2021
Increase by 5% (2021: 5%)	8.87	8.31
Decrease by 5% (2021: 5%)	(8.87)	(8.31)

* Holding all other variables constant

47 CONTINGENT LIABILITY & COMMITMENTS

a) Contingent Liability

(₹ in Lakhs)

Sl. No	Particulars	31st March, 2022	31st March, 2021
1	Claims against the Company not acknowledge as debts – Excise/ VAT/ royalty etc.	36,913.33	32,087.63
2	Duty saved under EPCG scheme	-	311.80

b) Commitments

(₹ in Lakhs)

Sl. No	Particulars	31st March, 2022	31st March, 2021
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12,057.16	1,231.17
2	Bank Guarantees issued by bank	12,747.32	1,377.10
3	Letters of credit issued by bank	856.51	829.87

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) On the basis of the direction of the High Court of Meghalaya dated 30th August, 2018 following the decision of the Supreme Court dated 10th November, 2017 passed in SRD Nutrients Private Limited Vs. Commissioner of Central Excise, Guwahati, Company along with its subsidiary has received a refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 810.22 Lakhs in earlier years. However, the Apex court vide its order dated 6th December, 2019 have taken a contrary view in the matter of M/S Unicorn Industries Vs Union of India and Others. Based on the later judgement a demand letter was raised by the department to refund back the amount granted. As the order dated 30th August, 2018, has attained its finality and the refund was granted accordingly, the Company has preferred a writ petition before the Meghalaya High Court against the above demand letter. Meghalaya High Court has stayed the said demand vide its order dated 16th June, 2020. The final hearing of the case is yet to conducted before the Meghalaya High Court. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood that the said demand will be quashed and therefore no provision have been taken in the books of account.

(b) In respect of demand notice dated 19th February, 2020 received by the Company and its two subsidiary companies from Director of Mineral resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹ 25,681.91 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17th January, 2020 passed in O.A. No. 110(TCH)/2012 for alleged illegal coal procurement. By passing the said order NGT has accepted the Recommendation of the 5th Interim Report of the Independent Committee set up by NGT, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

47 CONTINGENT LIABILITY & COMMITMENTS (Contd.)

The Group has not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. Further to note that the Group has neither been issued a show-cause nor any opportunity of being heard was given to the Group before submitting the Interim reports by the Independent Committee to NGT. Even NGT has not served any notice on the Group before passing the impugned order dated 17th January, 2020 which is clear violation of principles of natural justice.

The Group backed by the legal opinions, believes that it has a good case in the matter as the said order was issued based on certain hypothetical assumptions and views and not on hard facts. No opportunity of being heard was provided to the Group either by NGT committee or by NGT itself which passed order without going into the merits & facts and accepted the recommendations of 5th Interim Report. Therefore, there is every likelihood of the Demand Notice and the order of the NGT being set aside.The Group has preferred an appeal before the Supreme Court of India against the NGT Order which is pending and accordingly, no provisions has been made in the accounts.

48 EXCEPTIONAL ITEMS/EXTRAORDINARY ITEMS

(a) Supreme Court vide its' order dated 17th November, 2020 has rejected the Review petitions filed by some of the Petitioners against its' Judgment dated 22nd Aprill, 2020 in the matter of Union of India –vs- M/s V.V.F Limited & Others. As the said order reached its' finality , the Group has Refunded and provided for Excise duty amounting to ₹ 6,457.42 Lakhs which was received by the Company in earlier years and shown as Exceptional Item in the Statement of Profit and Loss Account for the previous financial year.

49 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 31st March, 2022 of the Company and its subsidiaries is ₹ 216.06 Lakhs, (31st March 2021 : ₹ 308.09 Lakhs).

50 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 utilised 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 ₹ 595.18 Lakhs (FY 20-21 : ₹ 699.00 Lakhs)

Amount spent during the year on:

(₹ in Lakhs)

Sl. No	Particulars	31st March 2022	31st March 2021
	Construction/acquisition of any asset	-	-
	On purpose other than above -:		
1	Education	305.03	257.64
2	Preventive healthcare and Sanitation	202.11	233.96
3	Rural Development Programs	192.61	132.04
4	Flood Relief/Disaster Relief	-	5.09
5	Environment & Biodiversity	7.50	-
6	Protection of sites of Historical importance	-	100.00
7	Sports Upliftment	-	-
8	Livelihood & skill Building	246.56	99.12
		953.81	**827.85**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

51 LEASE

Movement of lease liabilities

(₹ in Lakhs)

Particulars	31st March 2022	31st March 2021
Opening balance	287.16	301.44
Additions (Transitional impact on adoption of Ind AS 116)	-	-
Additions	1,130.50	208.81
Deletions	(145.17)	(14.18)
Add: Interest recognised during the year	51.10	32.45
Less: Payments made	(296.14)	(241.36)
Closing balance	**1,027.45**	**287.16**
Non Current Lease liability	800.82	149.17
Current Lease liability	226.63	137.99

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has recognised interest on lease liability of ₹ 51.10 Lakhs under Finance Costs (Previous years ₹ 30.07 Lakhs). Further ₹ Nil Lakhs (Previous year ₹ 2.27 Lakhs) capitalized as Pre-operative expenses.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

52 RELATED PARTY DISCLOSURES

A	Names of the related parties	Nature of relationship
	I. Enterprises influenced by KMP	
	Century Plyboards (India) Limited (CPIL)	Enterprises influenced by KMP
	Profound Cement Work Limited (PCWL) (Formerly known as Star India Cement Limited)	Enterprises influenced by KMP
	Nefa Udyog (NU)	Enterprises influenced by KMP
	Shyam Sel & Power Limited (SSPL)	Enterprises influenced by KMP
	Shyam Century Ferrous Limited (SCFL)	Enterprises influenced by KMP
	II. Key Management Personnel	
	Mr. Sajjan Bhajanka	Chairman, Managing Director & CEO (CEO w.e.f 1st February, 2022)
	Mr. Rajendra Chamaria	Vice Chairman & Managing Director
	Mr. Sanjay Agarwal	Managing Director
	Mr. Prem Kumar Bhajanka	"Managing Director of the Company (w.e.f. 13st August, 2021), Director upto 12th August, 2021 and Director in Subsidiary (w.e.f 13th August, 2021), Managing Director in subsidiary upto 12th August, 2021"
	Mr. Pankaj Kejriwal	Whole Time Director & COO of the Company (w.e.f 1st February, 2022) & Director in Subsidiary
	Mr. Ghanshyam Agarwal	Managing Director in Subsidiary
	Mr. Tushar Bhajanka	Managing Director in Subsidiary (w.e.f 1st February, 2022)
	Mr. Emlangky Lamare	Whole Time Director in Subsidiary (w.e.f 1st February, 2022)
	Mr. Sanjay Kumar Gupta	Chief Executive Officer (upto 31st January, 2022)
	Mr. Manoj Agarwal	Chief Financial Officer
	Mr. Debabrata Thakurta	Company Secretary of the Company and in Subsidiary
	Mr. Amit Kumar Singh	CFO in Subsidiary (upto 15th February, 2022)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

52 RELATED PARTY DISCLOSURES (Contd.)

A	Names of the related parties	Nature of relationship
	Mr. Ravi Bharati	CFO in Subsidiary (w.e.f. 1st March, 2022)
	Mr. Bishal Kumar Agarwal	CFO in Subsidiary
	Mr. Vivek Lahoti	CFO in Subsidiary
	Mr. Biswajit Singh	Company Secretary in Subsidiary (upto 8th April, 2020)
	Mr. Chandan Sharma	Company Secretary in Subsidiary (upto 28th February, 2022)
	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.Yash Bala Bhajanka	Wife of Mr. Prem Kumar Bhajanka, Director
	Rahul Chamariya (HUF)	HUF of Mr. Rahul Chamaria
	Rajendra Udyog (HUF)	HUF of Mr. Rajendra Chamaria,Vice Chairman & Managing Director
	Mrs. Renu Chamaria	Wife of Mr. Rajendra Chamaria, Vice Chairman & Managing Director

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

(₹ in Lakhs)

B	Types of Transactions	Enterprises influenced by KMP		Key Management Personnel and their relatives	
		2021 -22	2020-21	2021 -22	2020-21
	1. Purchase Transactions				
	SCFL	-	-	-	-
	CPIL	-	-	-	
	2. Sale Transactions				
	CPIL	24.03	14.61	-	-
	SCFL	-	-	-	-
	3. Services Received				
	NU	6.12	5.10	-	
	Mrs. Yash Bala Bhajanka	-		12.50	
	Rahul Chamaria (HUF)	-		13.55	
	Rajendra Udyog (HUF)	-	-	14.65	-
	Mrs. Renu Chamaria	-	-	13.43	-
	CPIL	117.60	136.87	-	-
	4. Purchase of Capital Goods				
	CPIL	-	-	-	-
	SSPL	66.95		-	
	SCFL	-	-	-	-
	5. Loans & Advances repaid				
	PCWL	-		-	
	6. Loans & Advances repaid back				
	PCWL	0.61		-	
	7. Purchase of Investment				
	SCFL	-	4,012.32	-	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

52 RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

B	Types of Transactions	Enterprises influenced by KMP		Key Management Personnel and their relatives	
		2021 -22	2020-21	2021 -22	2020-21
	8. Remuneration Paid				
	Mr. Sajjan Bhajanka	-		198.00	198.00
	Mr.Rajendra Chamaria	-		304.20	304.20
	Mr.Sanjay Agarwal	-		198.00	198.00
	Mr. Prem Kumar Bhajanka	-		198.00	198.00
	Mr. Tushar Bhajanka	-		30.58	-
	Mr. Pankaj Kejrewal	-		73.58	48.30
	Mr. Sanjay Kumar Gupta	-	-	249.91	200.64
	Mr. Rahul Chamaria	-	-	60.00	60.00
	Mr. Sachin Chamaria	-	-	60.00	60.00
	Mr. Emlangky Lamare	-	-	5.99	-
	Mr. Manoj Agarwal	-	-	80.90	71.83
	Mr. Debabrata Thakurta	-	-	28.15	25.61
	Mr. Amit Kumar Singh	-	-	9.89	10.00
	Mr. Ravi Bharati	-	-	0.81	-
	Mr. Bishal Kumar Agarwal	-	-	19.21	16.84
	Mr. Biswajit Singh	-	-	-	0.10
	Mr, Chandan Sharma	-	-	5.77	4.18
	Mr. Vivek Lahoti	-	-	44.55	39.28
	Mr. Mohit Mahana	-	-	13.30	10.91
	9. Balance Outstanding				
	(a) Share Capital / Securities Premium				
	SCFL	-	-	-	-
	(b) Creditors				
	Mrs. Yash Bala Bhajanka	-		0.06	
	CPIL	11.84		-	
	SSPL	44.91		-	
	Rahul Chamaria (HUF)	-		11.92	
	Rajendra Udyog (HUF)	-		13.18	
	Mrs. Renu Chamaria	-	-	12.08	-
	NU	-	0.46	-	-
	(c) Advance : (Given)				
	SSPL	3.03		-	
	PCWL	35.00	35.61	-	-
	(d) Debtors				
	SSPL	0.01		-	
	CPIL	0.92	3.29	-	-
	(e) Guarantees Obtained				
	Mr. Sajjan Bhajanka	-	-	9,400.00	10,750.00
	Mr. Rajendra Chamaria	-	-	9,400.00	9,400.00
	Mr. Sanjay Agarwal	-		9,400.00	9,400.00
	Mr. Prem Kumar Bhajanka	-		9,400.00	9,400.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

52 RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

B	Types of Transactions	Enterprises influenced by KMP		Key Management Personnel and their relatives	
		2021 -22	2020-21	2021 -22	2020-21
	(f) Remunaration Payable				
	Mr. Sajjan Bhajanka	-		10.57	
	Mr.Sanjay Agarwal	-		4.97	
	Mr. Prem Kumar Bhajanka	-		10.58	
	Mr. Pankaj Kejrewal	-		22.08	
	Mr. Tushar Bhajanka	-		2.78	
	Mr. Manoj Agarwal	-		4.41	
	Mr. Vivek Lahoti	-		2.62	
	Mr. Bishal Kumar Agarwal	-		1.09	
	Mr. Mohit Mahana	-		0.86	
	Mr. Debabrata Thakurta	-		1.67	
	Mr. Emlangky Lamare	-		3.23	
	Mr. Ravi Bharati	-	-	0.76	

Key management personnel compensation

(₹ in Lakhs)

(c)	Particulars	31st March, 2022	31st March, 2021
	Short-term employee benefits	1,452.84	1,325.89
	Post-employment benefits *	-	-
	Long-term employee benefits*	-	-
	Total compensation	**1,452.84**	**1,325.89**

* 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.

53 SEGMENT REPORT

(₹ in Lakhs)

SL. No.	Particulars	2021-22				2020-21			
		Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
A	**Revenue (Gross)**								
	External Sales	12.58	2,22,169.32	-	2,22,181.90	1.83	1,71,991.40	-	1,71,993.22
	Inter Segment Sales	13,570.50	71,830.98	-	85,401.49	11,961.77	53,377.14	-	65,338.91
	Elimination	(13,570.50)	(71,830.98)	-	(85,401.49)	(11,961.77)	(53,377.14)	-	(65,338.91)
	Total Revenue (Gross)	12.58	2,22,169.32	-	**2,22,181.90**	1.83	1,71,991.40	-	**1,71,993.22**
B	**Results**								
	Segment Result	334.89	22,050.40	-	22,385.29	707.91	23,601.71	-	24,309.62
	Unallocated Income/ (Expenses) (Net)	-	-	3,314.09	3,314.09	-	-	2,773.05	2,773.05
	Interest & Finance Charges (Net)	-	-	(1,334.03)	(1,334.03)	-	-	(698.86)	(698.86)
	Operating Profit	-	-	-	**24,365.35**	-	-	-	**26,383.81**
	Exceptional Items/ Extraordinary Items	-	-	-	-	-	-	-	6,457.42
	Tax Expenses/ (Income)	-	-	-	(312.13)	-	-	-	1,213.40
	Net Profit (before non controlling interest)	-	-	-	**24,677.48**	-	-	-	**18,712.99**
	Other Information								

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

53 SEGMENT REPORT (Contd.)

(₹ in Lakhs)

SL. No.	Particulars	2021-22				2020-21			
		Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
C	**Total Assets**								
	Segment Assets	16,747.77	2,21,198.72	-	2,37,946.49	18,858.03	2,05,550.43	-	2,24,408.46
	Unallocated Corporate/Other Assets	-	-	36,562.97	36,562.97	-	-	31,807.56	31,807.56
D	**Total Liabilities**								
	Segment Liabilities	1,626.53	55,724.99	-	57,351.52	938.52	47,514.80	-	48,453.32
	Unallocated Corporate/Other Liabilities	-	-	314.54	314.54	-	-	346.57	346.57
E	Capital Expenditure	195.92	18,813.55	44.19	19,053.66	14.49	10,549.93		10,564.42
F	Depreciation	1,198.11	10,964.84	-	12,162.95	1,311.22	7,688.19	-	8,999.41

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.

Sl No.	Geographical Location	2021-22	2020-21
(i)	India	2,22,181.90	1,69,881.14
(ii)	Nepal	-	2,109.33
(iii)	Bhutan	-	2.75
	Total	**2,22,181.90**	**1,71,993.22**

(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.

54 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

SL No	Name of the Company	Net Assets (total assets minus total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
		21-22		21-22		21-22		21-22	
		As % of consolidated net assets	(₹ in Lakhs)	As % of consolidated profit or loss	(₹ in Lakhs)	As % of consolidated OCI	(₹ in Lakhs)	As % of consolidated TCI	(₹ in Lakhs)
	Parent								
	Star Cement Limited	59.86%	1,29,810.29	71.45%	17,632.20	-16.49%	2.34	71.50%	17,634.54
	Indian Subsidiaries								
1	Megha Technical & Engineers Private Limited	10.07%	21,843.37	-0.13%	(31.70)	47.85%	(6.78)	-0.16%	(38.48)
2	Star Cement Meghalaya Limited	26.73%	57,969.45	28.06%	6,923.51	57.99%	(8.22)	28.04%	6,915.30
3	Meghalaya Power Limited	3.32%	7,192.96	0.61%	149.37	35.46%	(5.02)	0.59%	144.34
4	NE Hills Hydro Limited	0.01%	26.56	0.00%	(0.20)	-24.78%	3.51	0.01%	3.31
5	Star Cement (I) Limited {formerly known as Star Cement Lumshnong Limited}	0.00%	-	0.00%	-	0.00%	-	0.00%	-
6	Star Cement North East Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

54 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 (Contd.)

SL No	Name of the Company	Net Assets (total assets minus total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
		21-22		21-22		21-22		21-22	
		As % of consolidated net assets	(₹ in Lakhs)	As % of consolidated profit or loss	(₹ in Lakhs)	As % of consolidated OCI	(₹ in Lakhs)	As % of consolidated TCI	(₹ in Lakhs)
	Foreign Subsidiary								
1	Star Century Global Cement Private Limited	0.00%	0.77	0.02%	4.30	-	-	0.02%	4.30
	Non-Controlling Interest	-	-	-	-	-	-	-	-
	TOTAL	**100%**	**2,16,843.40**	**100%**	**24,677.48**	**100%**	**(14.17)**	**100%**	**24,663.31**

55 INTEREST IN OTHER ENTITIES

(a) Subsidiaries

The group's subsidiaries as at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal actvities
		31st March, 2022 %	31st March, 2021 %	31st March, 2022 %	31st March, 2021 %	
Megha Technical & Engineers Private Limited	India	100%	100%	0%	0%	Manufacture of cement
Star Cement Meghalaya Limited	India	100%	100%	0%	0%	Manufacture of clinker
Meghalaya Power Limited	India	100%	100%	0%	0%	Generation of power
NE Hills Hydro Limited	India	100%	100%	0%	0%	Generation of power
Star Cement (I) Limited {formerly known as Star Cement Lumshnong Limited}	India	100%	0%	0%	0%	Manufacture of cement
Star Cement North East Limited	India	100%	0%	0%	0%	Manufacture of cement
Star Century Global Cement Private Limited	Myanmar	100%	100%	0%	0%	Export of Clinker

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

55 INTEREST IN OTHER ENTITIES (Contd.)

(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 Lakhs)

Summarised balance sheet	31st March, 2022	31st March, 2021
Current assets	-	-
Current liabilities	-	-
Net current assets	**-**	**-**
Non-current assets	-	-
Non-current liabilities	-	-
Net non-current assets	**-**	**-**
Net assets	**-**	**-**
Accumulated NCI	**-**	**-**

(₹ in Lakhs)

Summarised statement of profit and loss	31st March, 2022	31st March, 2021
Revenue	-	-
Profit for the year	-	-
Other comprehensive income	-	-
Total comprehensive income	-	-
Profit allocated to NCI	-	-

(₹ in Lakhs)

Summarised Statement of cash flow	31st March, 2022	31st March, 2021
Cash flows from operating activities	-	-
Cash flows from/(used in) investing activities	-	-
Cash flows (used in) financing activities	-	-
Net increase/ (decrease) in cash and cash equivalents	-	-

56 RATIO ANALYSIS

Sl. No.	Ratios	Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	2.81	3.59	-21.76%
2	Debt- Equity Ratio (in times) ^	Debt	Equity	0.00	0.01	-66.41%
3	Debt Service Coverage Ratio (in times) ^	Earning available for debt service	Debt Service	16.07	35.98	-55.32%
4	Return on Equity Ratio (%)#	Net Profit	Average Equity Share Capital (incl. other equity) (5)	11.63%	9.35%	24.37%
5	Inventory Turnover Ratio (in times)**	Sales	Average Inventory (1)	10.32	6.99	47.60%
6	Trade Receivables Turnover Ratio (in times)**	Sales	Average Trade receivable (2)	17.04	13.53	25.87%
7	Trade Payables Turnover Ratio (in times)&	Purchase	Average Trade Payable (3)	5.84	4.11	41.95%
8	Net Capital Turnover Ratio (in times)!	Sales	Working Capital	3.05	1.95	56.74%
9	Net Profit Ratio (%)	Net Profit	Sales	11.12%	10.89%	2.15%
10	Return on Capital Employed (%)	Earning Before Interest & Tax (EBIT)	Capital Employed (4)	10.98%	12.19%	-9.90%
11	Return on Investment (%)	Gain/(Loss) on Investment	Average Investment (6)	5.27%	6.40%	-17.69%

(1) ' Average Inventory -: (Opening Inventory+Closing Inventory)/2

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

56 RATIO ANALYSIS (Contd.)

(2) ' Average Trade Receivable -: (Opening Trade Receivable+Closing Trade Receivable)/2

(3) ' Average Trade Payable -: (Opening Trade Payable+Closing Trade Payable)/2

(4) ' Capital Employed -: (Equity (incl. other equity) + Current Borrowing + Non Current Borrowing+ Lease liability+Security deposit received from customer)

(5) ' Average Equity Share Capital -: (Opening Equity (incl. other equity & minority share) +Closing Equity (incl. other equity & minority share))/2

(6) ' Average Investment -: ((Opening Fixed deposit, bond & other current investment +Closing fixed deposit, bond & other current investment)/2

Reasons for variances -:

^ Lower Debt Equity ratio because of reduction in debt and same is the reason for lower debt service coverage ratio as more debt has been serviced in the current financial year.

Higher return on equity because of higher net profit in current year as compared to last year.

** Higher Invenotry Turnover & Trade Receivable Turover Ratio because of increase in sales in current year as compared to last year.

& Trade Payable Turnover ratio because of increase in Purchase.

! Net Capital Turnover ratio is higher because of increase in sales.

57 OTHER STATUTORY INFORMATION

i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) Struck off Company: Transaction with the struck off company is as under -:

Name of Company	Nature of Transactions	Transactions during the year 31st March, 2022	Balance Outstanding at the end of the year as at 31st March, 2022	Relationship with the compnay
Digaru Construction Private Limited	Payables	37.57	8.43	Vendor (non - related)

Name of Company	Nature of Transactions	Transactions during the year 31st March, 2021	Balance Outstanding at the end of the year as at 31st March, 2021	Relationship with the compnay
Digaru Construction Private Limited	Payables	43.02	4.21	Vendor (non - related)

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

59 The financial statements are approved by the audit committee at its meeting held on 17th May, 2022 and by the Board of Directors on the same date.

60 Notes to the Consolidated Financial Statements comprised of information relevant for the Group.

As per our report of even date

For & on behalf of the Board of Directors

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

Manoj K Roongta
Partner
Membership .No. :057761

Place: Kolkata
Date : 17th May, 2022

Manoj Agarwal
Chief Financial Officer

Debabrata Thakurta
Company Secretary

Sajjan Bhajanka
Chairman, Managing Director & CEO
DIN: 00246043

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: 'Century House', 2nd floor, P 15/1, Taratala Road, Kolkata-700 088

Tel: 033- 24015555, Email: investors@starcement.co.in

Website: www.starcement.co.in

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING** of the Members of **Star Cement Limited** will be held on **Tuesday, 27th September, 2022 at 11.30 A.M.** (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OVAM") facility 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, 2022 and the Reports of Board of Directors and Auditors thereon.
2. 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.
3. To appoint a Director in place of Mr. Pankaj Kejriwal (DIN: 00383635), who retires by rotation and being eligible, offers himself for re-appointment.
4. **Appointment of Statutory Auditors of the Company**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 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, M/s. Singhi & Co, Chartered Accountants (Firm Registration no. 302049E) be and are hereby appointed as the Statutory Auditors of the Company in place of M/s. D.K. Chhajer & Co, Chartered Accountants (Firm Registration no. 304138E), the retiring Auditors, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 26th Annual General Meeting to be held in the year 2027, at such remuneration as set out in the explanatory statement annexed to this notice."

SPECIAL BUSINESS:

5. **Appointment of Mr. Deepak Singhal as an Independent Director**

   To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors through circular resolution, Mr. Deepak Singhal (DIN: 00957347) who was appointed as an Additional Director in the capacity of Independent Director, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Deepak Singhal's candidature for the office of Director and as such who holds office upto the date of Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 3 (three) years commencing from 29th June, 2022 upto 28th June, 2025;

   RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **Revision in remuneration of Mr. Prem Kumar Bhajanka, Managing Director of the Company**

   To consider and if, thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

   "**RESOLVED THAT** in partial modification to the resolution passed by the Shareholders of the Company at the Annual General Meeting held on 30th September, 2021 and in pursuant to recommendation of the Nomination and Remuneration Committee and approval

of the Board of Directors obtained at the meeting held on 17th May, 2022 and pursuant to the provisions of Sections 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to pay revised remuneration to Mr. Prem Kumar Bhajanka (DIN: 00591512), Managing Director of the Company w.e.f. 1st June, 2022 for remaining period of his present term of appointment as set out in the explanatory statement and supplementary agreement entered into by the Company and Mr. Prem Kumar Bhajanka and as available for the inspection of the members;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to revise and/ or modify the remuneration and other benefits payable to Mr. Prem Kumar Bhajanka in such manner as may be agreed to between the Board and Mr. Prem Kumar 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 pursuant to Regulation 17(6)(e) of Listing Regulations, consent of the members be and is hereby accorded for continuation of payment of remuneration to Mr. Prem Kumar Bhajanka, Managing Director being a Promoter of the Company notwithstanding it is in excess of annual remuneration specified in Regulation 17(6)(e)(i) and 17(6)(e)(ii) of the Listing Regulations calculated as per Section 198 of the Companies Act, 2013 during his tenure;

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 and/or Company Secretary be and are hereby authorised to take such steps and actions and to file forms and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regard."

7. **Ratification of Remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2023**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to ratify and confirm the remuneration of ₹ 1,00,000 (Rupees One Lakh only) plus applicable taxes and re-imbursement of out of pocket expenses incurred, if any to be paid to M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064), appointed by the Board of Directors on the recommendation of the Audit Committee as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2023;

RESOLVED FURTHER THAT the Board of Directors of the Company and/or Company Secretary of the Company, be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 1,500 Crores in a Financial Year entered or to be entered into by the Company with Star Cement Meghalaya Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory

statement annexed to the notice convening this meeting, for financial years commencing from financial year 2022-23;

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

9. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 100 Crores in a Financial Year entered or to be entered into by the Company with Meghalaya Power Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2022-23;

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 Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 150 Crores in a Financial Year entered or to be entered into by the Company with Megha Technical and Engineers Private Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2022-23

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."

11. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 10 Crores in a Financial Year entered or to be entered into by the Company with Shyam Century Ferrous Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2022-23;

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."

12. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 200 Crores in a Financial Year entered or to be entered into by the Company with Star Cement (I) Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2022-23;

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."

13. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded

to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹ 300 Crores in a Financial Year entered or to be entered into by the Company with Star Cement North East Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2022-23;

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."

By Order of the Board
For **Star Cement Limited**

Debabrata Thakurta
Company Secretary

Registered Office:
Vill: Lumshnong, P.O.: Khaliehriat
Dist.: East Jaintia Hills
Meghalaya - 793210

Date: 02nd August, 2022
Place: Kolkata

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.

   Additional information, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended with respect to appointment of the Statutory Auditors of the Company, as proposed under Item No. 4 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

   The Board of Directors of the Company at its meeting held on 2nd August, 2022 considered that the special businesses as specified in the Notice convening the meeting under Item Nos. 5 to 13 being considered unavoidable, be transacted at the Twenty First Annual General Meeting.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated 5th May, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 19/2021 dated 8th December, 2021 and Circular No. 2/2022 dated 5th May, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No. 02/2021 dated 13th January, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - COVID-19 pandemic' and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with MCA and SEBI Circulars, the **21st AGM of the Company is being held through VC / OAVM on Tuesday, 27th September, 2022 at 11.30 A.M IST.** The deemed venue for the Twenty First Annual General Meeting shall be the Registered office of the Company.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM venue are not annexed to this Notice.

4. Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing body Resolution/ Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Scrutiniser by email through its registered email address to csmdshah@gmail.com with a copy marked to evoting@nsdl.co.in.

5. Institutional/Corporate shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

6. Pursuant to the MCA circulars, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Details as required in Regulation 36(3) of the SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Director seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the Notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

8. The Board has not recommended any dividend for the year ended 31st March, 2022.

9. The Company has transferred the unpaid/unclaimed Interim dividend for the financial year 15-16 on respective due date to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has sent reminders to those members having unpaid/unclaimed dividends and has also simultaneously published notice in the leading newspapers before such transfer to the IEPF.

The Company has also uploaded the details of unpaid/ unclaimed amounts lying with the Company, on the website of the Company i.e., www.starcement.co.in and also on the website of the Ministry of Corporate Affairs. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.

10. Members are requested to note that dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of which dividends have not been encashed consecutively for a period of 7 years, are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Company is in the process of transferring, the shares for the Financial Year 2015-16, whose Dividend are remained unpaid for the period of 7 Years.

11. Pursuant to Section 124 of the Companies Act, 2013, the unpaid dividends that are due to transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Financial Year	Date of Declaration	Tentative Date for transfer to IEPF
2017-18 (Final)	31st July, 2018	6th September, 2025
2019-20 (Interim)	6th February, 2020	14th March, 2027

Members who have not encashed their dividend warrants/drafts pertaining to the aforesaid years may approach the Company/its Registrar, for obtaining payments thereof atleast 30 days before they are due for transfer to the said fund.

12. Pursuant to Regulation 12 of SEBI (LODR) payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars. Please submit bank details along with an original cancelled cheque or Xerox copy of the cheque to our Registrars in case you hold shares in physical form and to your Depository Participants in case shares held in demat. This will facilitate to make payment of dividend as per aforesaid Regulation as and when declared. Members holding shares in the physical form are requested to notify changes in address, email id, bank mandate and bank particulars, if any, under their signatures to M/s. Maheshwari Datamatics Private Limited, 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.

13. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website under Investors Information - KYC Details & Nomination at https://www.starcement.co.in/investor/investor-information and is also available on the website of the RTA at https://www.mdpl.in/ .Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to the Company's Registrar and Share Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form.

15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFS code, etc.,

    - **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.

- **For shares held in physical form:** to the Company's RTA in prescribed Form.

Form for registration of PAN, email address, bank account details, mobile number, registered address and other KYC details or changes/ update thereof	Form ISR -1
Update signature of securities holder	Form ISR -2
For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debentures) Rules, 2014	Form SH-13
Declaration to opt-out from nomination	Form ISR-3
Cancellation of nomination by the holder(s) (along with ISR-3)/ Change of Nominee	Form SH-14

The above forms can be downloaded from the Investors Information - KYC Details & Nomination available on the Company's website at https://www.starcement.co.in/investor/investor-information and is also available on the website of the RTA at https://www.mdpl.in/ .

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and clarification issued vide Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 has mandated all listed Companies to record/ update the KYC details i.e., PAN, Nomination and Bank Account details of the first holder for the shares held in physical mode. Members holding shares in physical form are requested to ensure the aforesaid KYC details are updated with the Company's Registrar and Share Transfer Agents, M/s. Maheswari Datamatics Private Limited ("RTA") before 1st April, 2023, post which the said folios shall be frozen. In case, the folios continue to remain frozen, till 31st December, 2025, the same shall be referred to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002.

17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Investors Information - KYC Details & Nomination available on the Company's website at https://www.starcement.co.in/investor/investor-information and is also available on the website of the RTA at https://www.mdpl.in/ . It may be noted that any service request can be processed only after the folio is KYC Compliant.

18. SEBI vide its notification dated 24th January, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. A guidance notes on procedure for dematerialisation of shares held in physical form is also placed on the website of the Company under 'Investors' section.

19. Members seeking any information with regard to the financial statements or any other matter to be placed at the 21st AGM, can send the same at Company's email address at investors@starcement.co.in from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number on or before 17th September, 2022 by 05:00 p.m. The same will be replied by the Company suitably.

20. Electronic copies of the documents referred to in the Notice of the 21st AGM of the Company and the Explanatory Statement shall be available for inspection by the members in electronic mode. Members may inspect the same by sending an email to investors@starcement.co.in.

21. In compliance with the MCA Circular and SEBI Circular issued from time to time the Notice of the AGM along with the Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report will also be available on the Company's website at www.starcement.co.in and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange Limited for their download. The Notice will also be available on the website of NSDL at www.evoting.nsdl.com.

- For Members whose Email ID's are not registered: -

a) Members holding shares in physical mode and who

have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at investors@starcement.co.in or to M/s. Maheswari Datamatics Private Limited at mdpldc@yahoo.com or members may send the "E-communication registration form" enclosed with this Notice to the Company or to the RTA.

b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

22. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates and self-attested copies of the PAN for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or its RTA for assistance in this regard.

23. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 21st September, 2022 to Tuesday, 27th September, 2022 (both days inclusive).**

24. During the 21st AGM, Members may access the scanned copies of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the Memorandum and Articles of Association of the Company, upon Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com.

25. 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 read with relevant MCA and SEBI circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 5th May, 2022, the Company is pleased to provide the facility of remote e-voting and e-voting during the AGM 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 dematerialised form, desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

26. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Tuesday, 20th September, 2022** 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.

27. The Companies (Management and Administration) Rules, 2014, as amended provides that the electronic voting period shall remain open for at least three days and shall close at 5.00 p.m. on the date preceding the date of the AGM. Accordingly, the remote e- voting period shall commence at **9.00 a.m. on Friday, 23rd September, 2022 and will end at 5.00 p.m. on Monday, 26th September, 2022.** The Company has appointed Md. Shahnawaz, Practicing Company Secretary (Membership no. ACS 21427 and Certificate of Practice no. 15076), to act as the Scrutiniser, 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.

28. The Scrutiniser shall after the conclusion of Annual General Meeting, first download/ the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall submit the consolidated scrutiniser's report, within 2 (two) working days of conclusion of General Meeting to the Chairman or any other person authorised by the Board. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company i.e., www.starcement.co.in and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL i.e. www.nsdl.co.in immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.

29. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., Tuesday, 27th September 2022.

30. **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:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / Depository Participants (DPs) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and email ID in their demat accounts with their respective DPs in order to access the e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**NSDL IDeAS facility** **a) If you are already registered, follow the below steps:** • Visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. • On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. • Click on **"Access to e-Voting"** appearing on the left hand side under e-Voting services and you will be able to see e-Voting page. • Click on options available against company name or e-**Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-voting during the meeting. **b) If you are not registered, follow the below steps:** • Option to register is available at https://eservices.nsdl.com. • Select **"Register Online for IDeAS Portal"** appearing on the left-hand side of the home page of e-services or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • After successful registration, please follow below mentioned steps: a. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. b. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. c. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. d. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest is https://web.cdslindia.com/myeasi/home/login or visit the website www.cdslindia.com and click on "New System Myeasi" option available under "Login" section. 2. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of **e-Voting service provider (ESP) i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from the E-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Once logged in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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. Password details for shareholders other than Individual shareholders 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 to 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 with the Company/Depository, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
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 etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

31. **General Guidelines for shareholders**

1. Corporate and 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, together with the attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to csmdshah@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after the notice is send through e-mail and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting, then he/she can use his/her existing user ID and password for casting the vote. If password is forgotten, the same can be reset by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30.** In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under Step 1:"Access to NSDL e-Voting system"
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries relating to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager-NSDL at evoting@nsdl.co.in / pallavid@nsdl.co.in .

32. **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, Number of equity shares held, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as AADHAAR card/ latest Electricity Bill / latest Telephone/Mobile Bill / Driving License / Passport / Voter ID Card /Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding, by email to the Company at investors@starcement.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card to investors@starcement.co.in or register/update the same through respective Depository Participants (DPs). Any such updation effected by the DPs will automatically reflect subsequently in the Company's records. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, members may send a request to evoting@nsdl.co.in for procuring User ID and password for e-voting by providing the details mentioned in Point (1) or (2) as the case may be.

33. **INSTRUCTIONS FOR MEMBERS FOR PARTICIPATING IN THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be able to attend the AGM through VC/OAVM or view the live webcast of the AGM provided by NSDL at https://www.evoting.nsdl.com by following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see link of VC/OAVM placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu.
2. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice. Further, Members can also use the OTP

based login for logging into the e-Voting system of NSDL will be able to attend the AGM through VC/ OAVM by using the facility provided by NSDL at https://www.evoting.nsdl.com.

3. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting and shall be kept open throughout the proceedings of the AGM by following the procedure mentioned in the Notice. Members under the category of Institutional Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members seeking any information with regard to the financial statements or any other matter to be placed at the 21st AGM, can send the same at Company's email address at investors@starcement.co.in from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number on or before 17th September, 2022 by 05:00 p.m. (IST). The same will be replied by the Company suitably.
6. Members, who would like to express their views as a speaker at the Meeting are requested to register themselves by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address investors@starcement.co.in by 22nd September, 2022 by 05:00 p.m. (IST). Only those Members who have registered themselves as a speaker shall be allowed to express their views during the 21st AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for smooth conduct of the AGM.
7. When a registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
8. In case of joint holders attending the Meeting, the Members whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.

34. **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**
    1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
    2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
    3. The Members who have cast their vote by remote e-Voting prior to the 21st AGM may also participate in the 21st AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again. If any member casts vote again, then voting done through remote e-voting shall prevail and vote cast at the Meeting shall be treated as "INVALID".
    4. The Helpline details of the person who may be contacted by the Member needing assistance with the use of technology, before or during the 21st AGM shall be as hereunder:

       Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number +91-22-24994545 or call 1800 1020 990 / 1800 22 44 30.

By Order of the Board
For **Star Cement Limited**

Registered Office:
Vill: Lumshnong, P.O.: Khaliehriat
Dist.: East Jaintia Hills
Meghalaya - 793210

Debabrata Thakurta
Company Secretary

Date: 02nd August, 2022
Place: Kolkata

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

Item No. 4

M/s. D.K. Chhajer & Co., Chartered Accountants (Firm Registration No. 304138E), Company's Statutory Auditors will complete their present term on conclusion of this Annual General Meeting (AGM) in terms of Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, for the appointment of M/s. Singhi & Co, Chartered Accountants (Firm Registration no. 302049E), as the Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 26th AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the annual remuneration of ₹ 21,00,000 (Rupees twenty-one Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Statutory Auditors.

The Committee and the Board have considered various parameters like audit experience of the firm, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Singhi & Co, to be suitable to handle the audit of the financial statements of the Company.

M/s. Singhi & Co. has been in the profession for over 80 years and is one of the well reputed audit firms in the country. They provide varied services which includes assurance, risk advisory, taxation, corporate finance etc. They served multiple listed companies and have tremendous experience in the field of audit. M/s. Singhi & Co. has over 26 partners with 8 offices across the country. They are Indian members of Moore Global network.

M/s. Singhi & Co, have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in Resolutions set out at Item no. 4.

The Board recommends this Resolution for your approval.

Item no. 5

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors as per circular resolution has appointed Mr. Deepak Singhal, IAS (Retd.) (DIN: 00957347) as an Additional Director in Independent Category of the Company under Section 161 and Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, for a period of 3 (three) years with effect from 29th June, 2022 till 28th June, 2025 and is not liable to retire by rotation, subject to approval of the shareholders. In terms of Section 161(1) of the Companies Act, 2013, Mr. Deepak Singhal will hold office up to the date of the ensuing Annual General Meeting of the Company.

The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a Member, signifying his intention to propose the appointment of Mr. Deepak Singhal as an Independent Director of the Company.

Mr. Deepak Singhal has given his consent to act as an Independent Director of the Company, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and 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 Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The directorships held by him is within the limits as prescribed under the Act and Regulation 25 of the Listing Regulations. Mr. Deepak Singhal has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Deepak Singhal meets the criteria of independence as provided in Section 149(6) of the Act read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

In terms of Regulation 17(1)(C) of the Listing Regulations and other applicable provisions, the appointment of Mr. Deepak Singhal as an Independent Director is being placed for the approval of the shareholders within the stipulated time frame.

Mr. Deepak Singhal aged about 63 years is an IAS (Retired). He is Graduate in Engineering from IIT, Roorkee (Gold Medalist) and Post Graduate from IIT, Delhi. He is the winner of World Water Award from Sotckholm. He is having more than 40 years of rich and varied experiences in different fields.

He was Chief Secretary of Govt. of Uttar Pradesh and was District Magistrate of Nainital, Bareilly and Meerut and was also Vice Chancellor of Meerut University, Chairman & Managing Director of UP Power Corporation, Principal Secretary-Home, Principal Secretary- Irrigation, Joint Secretary-Fertilizers, Govt of India, Sales Tax Commissioner and Vice Chairman of Meerut & Kanpur Development Authority etc.

At present he is in the Board of Instrumentation Automation Surveillance & Communication Sector Skill Council and doesn't hold membership in any Committees. During past 3 (three) years he has not resigned from any companies.

Electronic copy of the draft letter of appointment of Mr. Deepak Singhal as an Independent Director of the Company setting out the terms and conditions of appointment shall be available in electronic mode. Members can inspect the same by sending an email to investors@starcement.co.in

Keeping in view, the vast expertise and knowledge, the Board considers that the continued association of Mr. Deepak Singhal would be of immense benefit to the Company.

The Board at their meeting held on 2nd August, 2022 and considering benefits of the expertise of Mr. Deepak Singhal as an Independent Director, has recommended the resolution for approval of shareholders by way of Special Resolution.

Except Mr. Deepak Singhal and his relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 5.

Statement pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting are annexed with this notice.

Item No. 6

Considering the contribution of Mr. Prem Kumar Bhajanka (DIN: 00591512) and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its Meeting held on 17th May, 2022 has approved the revision in remuneration of Mr. Prem Kumar Bhajanka (DIN: 00591512) for the remaining tenure of his present term of appointment.

The remuneration payable to Mr. Prem Kumar Bhajanka (DIN: 00591512) revised to ₹ 4 Crore per annum with effect from 1st June, 2022. Mr. Prem Kumar Bhajanka shall not be entitled to stock options, sitting fees for attending meetings of Board or its Committees.

Pursuant to Regulation 17(6)(e) of Listing Regulations, the fees or remuneration payable to Executive Directors who are promoters or members of promoters group, shall be subject to approval of the shareholders by special resolution in general meeting if annual remuneration payable to such executive director exceeds ₹ 5 Crores or 2.5% of net profits, whichever is higher or where there is more than one such Director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. Therefore, approval of members is sought for continuation of payment of remuneration in case it exceeds the limit specified therein till the expiry of term of Mr. Prem Kumar Bhajanka.

The supplementary agreement entered into by the Company and Mr. Prem Kumar Bhajanka, shall be available for inspection by the Members in electronic mode. Members can inspect the same by sending an email to investors@starcement.co.in .

Except Mr. Prem Kumar Bhajanka and his relatives, 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. 6.

The Board of Directors recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

Statement pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting and Statement pursuant to provisions of Schedule V of the Companies Act, 2013 are annexed with this notice.

Item No. 7:

The Board of Directors, on the recommendation of Audit Committee, has approved at their meeting held on 17th May, 2022, the re-appointment of M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as the Cost Auditor of the Company to conduct the Cost Audit of the Company for the Financial Year 2022-23 at a remuneration of ₹ 1,00,000 (Rupees one lakh only) plus applicable taxes and re-imbursement of out of pocket expenses incurred in connection with cost audit, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), 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. 7 of the Notice for approval by the Shareholders.

Item No. 8

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), prior 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 with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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. In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions 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, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

Name of the Related Party	Star Cement Meghalaya Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Tenure of the Proposed Transaction	Recurring Transactions commencing from FY 2022-23.
Estimated Value of the Proposed Transaction	₹ 1500 Crores for each Financial Year
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	66.51%
Details of the source of funds in connection with the proposed transaction	NOT APPLICABLE
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • **nature of indebtedness;** • **cost of funds; and** • **tenure;**	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	NA
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. Pramod Kumar Shah and Mr. Nirmalaya Bhattacharyya may deemed to be related by virtue of being common Directors.
Any other information	NIL

Except Mr. Sajjan Bhajanka, Mr. Sanjay Agrawal, Mr. Rajendra Chamaria, Mr. Prem Kumar Bhajanka, Mr. Pankaj Kejriwal, Mr. Pramod Kumar Shah and Mr. Nirmalaya Bhattacharyya and their respective relatives 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 Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 8 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of 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'), prior 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 with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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.

In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions',

the transactions proposed to be entered into by the Company with Meghalaya Power Limited, Wholly Owned Subsidiary of the Company, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

Name of the Related Party	Meghalaya Power Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Wholly Owned Subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Tenure of the Proposed Transaction	Recurring Transactions commencing from FY 2022-23.
Estimated Value of the Proposed Transaction	₹ 100 Crores for each Financial Year
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	4.43%
Details of the source of funds in connection with the proposed transaction	NOT APPLICABLE
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • **nature of indebtedness;** • **cost of funds; and** • **tenure;**	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	NA
Name of the Director or KMP who is related, if any	Mr. Sajjan Bhajanka, Mr. Prem Kumar Bhajanka Mr. Pramod Kumar Shah and Mr. Amit Kiran Deb may deemed to be related by virtue of being common Directors and Mr. Debabrata Thakurta may deemed to be related by virtue of being common Key Managerial Personnel.
Any other information	NIL

Except Mr. Sajjan Bhajanka, Mr. Prem Kumar Bhajanka, Mr. Pramod Kumar Shah and Mr. Amit Kiran Deb, Directors of the Company and Mr. Debabrata Thakurta, Key Managerial Personnel of the Company and their respective relatives, 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 Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 9 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the shareholders.

Item No. 10

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'), prior 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 with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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.

In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Megha Technical and Engineers Private Limited, Wholly Owned Subsidiary of the Company, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

Name of the Related Party	Megha Technical and Engineers Private Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Wholly Owned Subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Tenure of the Proposed Transaction	Recurring Transactions commencing from FY 2022-23.
Estimated Value of the Proposed Transaction	₹ 150 Crores for each Financial Year
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	6.65%
Details of the source of funds in connection with the proposed transaction	NOT APPLICABLE
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • **nature of indebtedness;** • **cost of funds; and** • **tenure;**	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	NA
Name of the Director or KMP who is related, if any	Mr. Pankaj Kejriwal, Mr. Pramod Kumar Shah and Mr. Nirmalaya Bhattacharyya may deemed to be related by virtue of being common Directors.
Any other information	NIL

Except Mr. Pankaj Kejriwal, Mr. Pramod Kumar Shah and Mr. Nirmalaya Bhattacharyya and their respective relatives 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 Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 10 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval of the shareholders.

Item No. 11

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'), prior 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 with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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.

In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Shyam Century Ferrous Limited, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

Name of the Related Party	Shyam Century Ferrous Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Common Director
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Tenure of the Proposed Transaction	Recurring Transactions commencing from FY 2022-23.
Estimated Value of the Proposed Transaction	₹ 10 Crores for each Financial Year
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	0.44%
Details of the source of funds in connection with the proposed transaction	NOT APPLICABLE
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • **nature of indebtedness;** • **cost of funds; and** • **tenure;**	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	NA
Name of the Director or KMP who is related, if any	Mr. Nirmalaya Bhattacharyya Mrs. Plistina Dkhar, and Mr. Pramod Kumar Shah may deemed to be related by virtue of being common Directors.
Any other information	NIL

Except Mr. Nirmalaya Bhattacharyya Mrs. Plistina Dkhar, and Mr. Pramod Kumar Shah and their respective relatives 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 Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 11 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 11 of the Notice for approval of the shareholders.

Item No. 12:

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'), prior 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 with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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.

In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Star Cement (I) Limited, (formerly, Star Cement Lumshnong Limited) Wholly owned subsidiary of the Company, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

Name of the Related Party	Star Cement (I) Limited (Formerly, Star Cement Lumshnong Limited)
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Wholly owned subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Tenure of the Proposed Transaction	Recurring Transactions commencing from FY 22-23.
Estimated Value of the Proposed Transaction	₹ 200 Crore for each Financial Year
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	8.87%
Details of the source of funds in connection with the proposed transaction	NOT APPLICABLE
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • **nature of indebtedness;** • **cost of funds; and** • **tenure;**	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	NA
Name of the Director or KMP who is related, if any	None
Any other information	NIL

Except Mr. Sajjan Bhajanka, Mr. Prem Kumar Bhajanka & Mr. Sanjay Agarwal being relatives of Directors of Star Cement (I) Limited, 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 Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 12 of the Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 12 of the Notice for approval of the shareholders.

Item No. 13:

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'), prior 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 with a Related Party shall be considered 'material', if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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.

In accordance with the change in materiality threshold and the Company's revised 'Policy on Related Party Transactions', the transactions proposed to be entered into by the Company with Star Cement North East Limited, Wholly owned subsidiary of the Company, may qualify to be a Material Related Party transaction under Listing Regulations, hence approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as below:

Name of the Related Party	Star Cement North East Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Wholly owned subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
Tenure of the Proposed Transaction	Recurring Transactions commencing from FY 2022-23.
Estimated Value of the Proposed Transaction	₹ 300 Crores for each Financial Year
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	13.30%
Details of the source of funds in connection with the proposed transaction	NOT APPLICABLE
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments **• nature of indebtedness;** **• cost of funds; and** **• tenure;**	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The transactions are aimed at achieving synergies and economies of scale; reduce operational costs; strengthen sustainability; and conserve natural resources.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	NA
Name of the Director or KMP who is related, if any	None

ANNEXURE TO ITEM NO. 2, 3, 5 & 6 OF THE NOTICE

Details of Director seeking appointment/ re-appointment/ any change in terms at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting]

Name of the Director	Mr. Prem Kumar Bhajanka	Mr. Pankaj Kejriwal	Mr. Deepak Singhal
DIN	00591512	00383635	00957347
Age (Years)	64	51	63
Nationality	Indian	Indian	Indian
Qualification	Commerce Graduate	Chemical Engineer	IAS (Retd.) Graduate in Engineering from IIT, Roorkee (Gold Medalist) and Post Graduate from IIT, Delhi.
Experience (years)	42	29	40
Expertise in special functional Area	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance	Technical, Production, Legal, Statutory Compliances & Business Operations	General Administration, Industrial Management, Engineering, Planning, Taxation, Finance etc.,
Date of First Appointment on the Board of the Company	16th November, 2002	26th March, 2003	29th June, 2022
Terms & condition of appointment/ re-appointment	Managing Director up to 31st March, 2024, liable to retire by rotation	Whole Time Director w.e.f. 1st February, 2022 up to 31st March, 2024, liable to retire by rotation	Independent Director w.e.f. 29th June, 2022 up to 28th June, 2025, Not liable to retire by rotation
Details of remuneration sought to be paid and remuneration last drawn (₹)	**Remuneration sought to be paid:** ₹ 4,00,00,000 per annum (w.e.f. 1st June, 2022) **Remuneration last drawn:** ₹ 1,25,00,000 (w.e.f. 13th August, 2021)	**Remuneration sought to be paid:** ₹ 2,00,00,000 per annum and Variable Incentive not exceeding ₹ 1,00,00,000 per annum w.e.f. 1st February, 2022. **Remuneration last drawn:** ₹ 33,33,333	**None**
Shareholding in the Company [Equity share of face value ₹ 1 each] (as at 31st March, 2022)	3,73,53,344	98,862	NIL
Relationship between the Directors inter se and other Key Managerial Personnel	None	None	None
No. of Board Meetings attended during the year	4	4	NA
List of Directorship held in other Companies (excluding Foreign Company)	1. Century Plyboards (India) Limited 2. Namchic Tea Estate Private Limited 3. Lal Pahar Tea Estate Private Limited 4. Auro Sundram Ply and Door Private Limited 5. Profound Cement Works Limited 6. Meghalaya Power Limited 7. Star Cement Meghalaya Limited	1. Star Cement Meghalaya Limited 2. Megha Technical and Engineers Private Limited	1. Instrumentation Automation Surveillance & Communication Sector Skill Council

Membership/ Chairmanships of Committees of Boards of other Companies. (Only Audit Committee and Stakeholders' Relationship Committee have been considered)	Nil	Nil	Nil

Statement pursuant to provisions of Schedule V of the Companies Act, 2013 with respect to Item No. 6 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)		
		2021-22	**2020-21**	**2019-20**
	Revenues	2,20,102.21	1,68,516.16	1,80,133.57
	Net Profit/ (Loss) before Tax	17,037.52	17,254.12	25,100.00
	Dividend %	NIL	NIL	100%
5.	Export performance and net foreign exchange collaborations, if any	Nil		
6.	Foreign investments or collaborators if any	Nil		

II. Information about the Appointee

Sl. No.	Particulars	Mr. Prem Kumar Bhajanka Managing Director
1.	Background details	Mr. Prem Kumar Bhajanka, Managing Director of the Company is a Commerce Graduate, having more than 42 years of industry experience with excellent site management and project execution skills. He became the Director of the Company in 2002 and appointed as Managing Director in 2021. He has played a key role in execution of Company's project and its growth. As the Promoter Director of the Company, he is responsible for advising and counselling management on corporate decisions, providing strategic guidance and supervising actively the day-to-day management and administration of the Company.
2.	Past remuneration	Remuneration paid during Financial Year 2021-22 ₹ 1,25,00,000 (w.e.f. 13th August, 2021)

Sl. No.	Particulars	Mr. Prem Kumar Bhajanka Managing Director
3.	Job profile and his suitability as Director	Mr. Prem Kumar Bhajanka is appointed as 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	₹ 4,00,00,000 per annum (w.e.f. 1st June, 2022)
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 payable to Mr. Prem Kumar Bhajanka is in line with current industry standards.
6.	Pecuniary relationship with the managerial personnel, if any	Apart from receiving managerial remuneration, Mr. Prem Kumar 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 5. Aggressive branding
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.

E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

To,
MAHESHWARI DATAMATICS PRIVATE LIMITED
UNIT: Star Cement Limited
23, R N Mukherjee Road, 5th Floor,
Kolkata - 700 001.
Phone No. 033- 22435029/2248-2248
Email: mdpldc@yahoo.com

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

Folio No. / DP ID & Client ID	
Name of the First Registered Holder	
Name of the Joint Holder(s), (if any)	
Registered Address	
Email ID (to be Registered)	
Signature of the First Registered Holder	
Date:	

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail ID.
2. The form is also available on the website of the Company www.starcement.co.in under the "Investors" section.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail ID updated with the Depository Participants with whom they are holding their Demat Account.
4. Members are requested to keep their depository participants / Company's Registrar- Maheshwari Datamatics Private Limited informed as and when there is any change in the e-mail ID. Unless, the email ID given hereunder is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email ID.
5. Members are requested to attach a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as /Aadhar card/latest Electricity Bill/latest Telephone/Mobile Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) along with this form.

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ACCELERATING WITH AGILITY

STAR CEMENT
Solid Setting

www.starcement.co.in
CIN: L26942ML2001PLC006663

STAR CEMENT LIMITED

Registered Office:
Vill: Lumshnong, P.O.: Khaliehriat
Dist: East Jaintia Hills, Meghalaya – 793 210

Corporate Office:
'Century House', 2nd Floor, P-15/1, Taratala Road,
CPT Colony, Taratala, Kolkata – 700 088