

STAR FERRO AND CEMENT LIMITED
6, LYONS RANGE , KOLKATA - 700 001

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the 1st Annual Report and the Audited Accounts of the Company for the year ended 31st March 2011.

FINANCIAL RESULTS

Your company has not commenced operations during the year under review.

REVIEW OF OPERATIONS & FUTURE OUTLOOK

Your directors are hopeful that the operations of the company would commence in the coming year.

DIVIDEND

Since the operations of the company has not yet commenced, there has been no profit and consequently no dividend has been recommended.

DEPOSITS

Your Company has not accepted any Deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules framed thereunder.

AUDITORS AND AUDITORS' REPORT

Auditors' Report contains no remark requiring explanation.

M/s. Kailash B. Goel & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. Accordingly the Board recommends their re-appointment.

DIRECTORS

In accordance with Articles of Association of the Company, Sri Sajjan Bhajanka retires by rotation, and being eligible, offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

PARTICULARS OF EMPLOYEES

The Company did not have any employee during the financial year, hence disclosure under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1973 is not applicable.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

The company has no activity relating to conservation of energy or technology absorption, details of which are required to be furnished in this report as per the provision of Section 217(1)(e) of the Companies Act, 1956.

FOREIGN EXCHANGE EARNING & OUTGO

There were no foreign exchange earning and outgo during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:


- 1 In the Preparation of the Annual Accounts for the year ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 2 The Directors had adopted such accounting policies and applied them consistently and made judgements and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March 2011 and of the profit of the Company for that year.
- 3 The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4 The Annual accounts for the year ended 31st March 2011 have been prepared on a going concern basis.

ACKNOWLEDGEMENT

Your Directors take this opportunity to appreciate contributions made by the Company's, bankers, shareholders and business associates for their respective services and patronage.

6, LYONS RANGE
KOLKATA - 700 001

For and on Behalf of the Board


(Sajjan Bhajanka)
Director


(Sanjay Agarwal)
Director



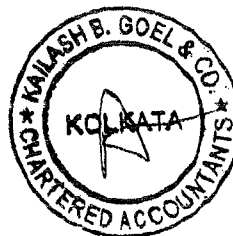
70 Ganesh Chandra Avenue, 1st Floor, Kolkata 700 013. Tele- Fax : 22151938 Email : kbcco@yahoo.co.in

AUDITORS' REPORT


TO THE MEMBERS OF STAR FERRO AND CEMENT LIMITED

1. We have audited the attached Balance Sheet of **STAR FERRO AND CEMENT LIMITED** as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred in paragraph 3 above, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards as referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors as at 31st March 2011, and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
 - f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with significant accounting policies and notes on accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2011;
 - ii. In the case of the Profit and Loss account, of the profit of the Company for the year ended on that date ; and
 - iii. in the case of Cash Flow Statement , of the Cash flows of the Company for the year ended on that date.

Place : Kolkata
Date : 6th May, 2011



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


CA. Arun Kumar Sharma
Partner
Memb. No. 57329

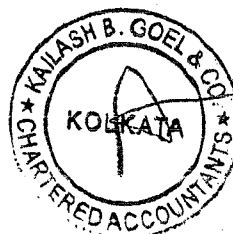


ANNEXURE REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE

1. The Company has no fixed assets during the year under audit so clause 1 (a), (b) and (c) of the report are not applicable to the Company.
2. The Company has no inventories during the year under audit so clause 1 (a), (b) and (c) of the report are not applicable to the Company.
3. The company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties covered in the registers maintained under section 301 of the Companies Act, 1956. Hence, provisions of clause (iii)(b), (iii)(c), (iii)(d) of the order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to its upcoming activities. During the course of our audit, no major weakness has been noticed in the internal control system in these areas.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

(b) According to the information and explanations given to us, there were no transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five lacs in respect of any party during the year.
6. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA and other relevant provisions of the Act and the Rules framed there under apply.
7. In our opinion, the Company is not required to have an internal audit system commensurate with the size of the Company and nature of its business.
8. The Central Government of India has not prescribed maintenance of cost records u/s 209 (1)(d) of the Companies Act, 1956 for the product of the company.
9. (a) The Company is regular in depositing with the appropriate authorities undisputed statutory dues applicable to it. There were no undisputed arrears as at 31st March 2011, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and the records of the Company examined by us, there were no disputed taxes and duties as at March 31, 2011.
10. Since this is the 1st year of incorporation there are no accumulated losses at the end of the financial year but it has incurred cash losses in the current financial year.
11. According to the information and explanation given to us and on the basis of the records examined by us, the Company has not taken any loans so default in repayment of dues to financial institutions or banks as at the balance sheet date does not arise.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



KAILASH B. GOEL & CO.
CHARTERED ACCOUNTANTS



70 Ganesh Chandra Avenue, 1st Floor, Kolkata 700 013. Tele- Fax : 22151938 Email : kbgo@yaho.co.in

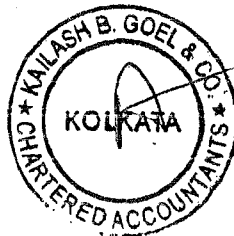
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. So maintenance of records of transactions and contracts does not arise.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. In our opinion and on the basis of information and explanations given to us, the company has not taken any term loans so the clause is not applicable to the Company.
17. 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 investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year.
19. According to the information and explanation given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 (as amended), are not applicable to the Company.
20. The Company has not raised any money through public issues during the year.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

A.K. Sharma

CA. Arun Kumar Sharma
Partner
Memb. No. 57329

Place : Kolkata
Date : 6th May, 2011



STAR FERRO AND CEMENT LIMITED

6, LYONS RANGE , KOLKATA - 700 001

BALANCE SHEET

As at 31st March, 2011

	Schedule	31st March 2011
		Rs.
A SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
Share Capital	A	500,000
TOTAL		500,000
B APPLICATION OF FUNDS		
CURRENT ASSETS, LOANS AND ADVANCES		
Cash and Bank Balances	B	500,000
Less :		500,000
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities	C	36,623
		36,623
NET CURRENT ASSETS		463,377
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary Expenses		29,549
Profit & Loss Account (Debit Balance)		7,074
TOTAL		500,000
Significant Accounting Policies & Notes on Accounts	D	

As per our report of even date

For Kailash B. Goel & Co.
Firm Registration No. 3224E0E
Chartered Accountants

A.K. Sharma

CA Arun Kumar Sharma
Partner
Membership No 57329
Date: 6th May, 2011



For and on Behalf of the Board

Sajjan Bhajanka

(Sajjan Bhajanka)
Director

Sanjay Agarwal

(Sanjay Agarwal)
Director

STAR FERRO AND CEMENT LIMITED
 6, LYONS RANGE, KOLKATA - 700 001
 Profit & Loss Account for the Year ended 31st March, 2011

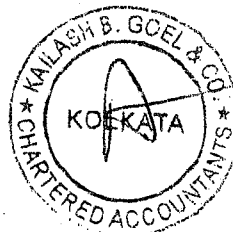
		Schedule	2010-11
			Rs.
A	INCOME		-
B	EXPENDITURE		
	Professional Fees		1,500
	Printing & Stationeries		480
	Miscellaneous Expenses		94
	Auditor's remuneration		5,000
			7,074
C	PROFIT/(LOSS)		
	Profit before Taxation		(7,074)
	Less: Provisions for Taxation		-
	Profit / (Loss) after Taxation		(7,074)
	Add : Profit / (Loss) brought forward		-
	Profit / (Loss) available for appropriation		(7,074)
D	APPROPRIATIONS		
	Balance Carried to Balance Sheet		(7,074)
	Basic and diluted Earning per Share face value Re.1/- (In Rs.)		-
	Significant Accounting Policies & Notes on Accounts	D	

As per our report of even date

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

A.K. Sharma

CA Arun Kumar Sharma
 Partner
 Membership No 57329
 Date: 6th May, 2011



For and on Behalf of the Board

Sajjan Bhajanka

(Sajjan Bhajanka)
 Director

Sanjay Agarwal
 Director

STAR FERRO AND CEMENT LIMITED
6, LYONS RANGE , KOLKATA - 700 001

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	Rs.
	2010-2011
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit/(Loss) before Tax	(7,074)
Increase / (Decrease) in Trade Payables	36,623
Cash Generated from Operations :	29,549
B. CASH FLOW FROM FINANCING ACTIVITIES	
Issue of Share Capital	500,000
Preliminary Expenses	(29,549)
Net Cash Flow from Financing Activities	470,451
Net Changes in Cash & Cash Equivalents (A+B)	500,000
Cash & Cash Equivalents on 1st April'2010	-
Cash & Cash Equivalents on 31st March'2011	500,000

As Per our Report of even date

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

A. K. Sharma

CA. Arun Kumar Sharma
Partner

Membership No 57329
Place : Kolkata
Date : 6th May'2011

For and on behalf of the Board

Sajjan Bhajanka

Sajjan Bhajanka
Director

Sanjay Agarwal

Sanjay Agarwal
Director



STAR FERRO AND CEMENT LIMITED
 6, LYONS RANGE , KOLKATA - 700 001
 Schedules forming part of the Balance Sheet as at 31st March'2011

	31st March 2011
	Rs.
<u>SCHEDULE 'A'</u>	
<u>SHARE CAPITAL</u>	
<u>AUTHORISED</u>	
10,00,000 (NIL) equity shares of Re. 1/- each	1,000,000
<u>ISSUED, SUBSCRIBED AND PAID UP</u>	
5,00,000 (NIL) equity shares of Re. 1/- each	500,000
	500,000
<u>SCHEDULE 'B'</u>	
<u>CASH & BANK BALANCES</u>	
Cash in hand	500,000
	500,000
<u>SCHEDULE 'C'</u>	
<u>CURRENT LIABILITIES</u>	
Liabilities for expenses	36,623
	36,623



STAR FERRO AND CEMENT LIMITED

SCHEDULE - D

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(Annexed to and forming part of the Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date)

A. SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONCEPT

The financial statements are prepared under the historical cost convention and in accordance with the applicable accounting standards.

2. METHOD OF ACCOUNTING

The Company books of accounts are maintained on accrual basis system of accounting.

3. INCOME AND EXPENDITURE

Items of income and expenditure are accounted for on accrual basis.

4. TAXES ON INCOME

Current tax is determined on the amount of tax payable in respect of taxable income for the year. In accordance with Accounting Standard 22 "Accounting For Taxes on Income" issued by the Institute of Chartered Accountants of India deferred taxes resulting from timing differences between book and tax profits are accounted for at the current rate of tax to the extent the timing differences are expected to be crystallized.

5. CONTINGENT LIABILITY

Contingent liability is not provided for but disclosed by way of notes, wherever applicable.

6. PRELIMINARY EXPENSES

Preliminary Expenses would be amortized in the year of start of commercial activities.

B. NOTES AND ACCOUNTS

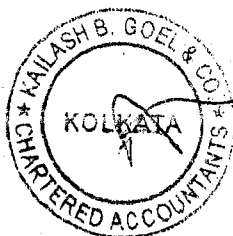
1. This is the first account since the date of incorporation of the Company i.e. 10th Day of March 2011 and hence there are no previous year figures.

2. Estimated Amount of Contracts to be Executed Rs. NIL

3. Information pursuant to provisions of paragraphs 3, 4-C and 4-D of Part -II of Schedule VI to the Companies Act, 1956.

NOT APPLICABLE

4. In the opinion of the Board Current Assets, Loans and Advance have a value on realisation equal to the amounts at which they are stated in the Balance Sheet, in the ordinary course of Business.



5. Earnings in Foreign Currency are Nil.
6. Expenditure in Foreign Currency is Nil.
7. Figures have been rounded off to the nearest rupee.

Signature to Schedules A to D

As per our Report of even date
For Kailash B. Goel & Co.
Firm Registration No. 322460E
Chartered Accountants

A.K. Sharma

Arun Kumar Sharma
Partner
Membership. No. 57329

Kolkata, 6th May, 2011

For and on behalf of the Board

Sajjan Bhajanka

Sajjan Bhajanka
Director

Sanjay Agarwal

Sanjay Agarwal
Director

