

## Limited Review Report

1. We have reviewed the accompanying statement of unaudited financial results of Stone India Limited for the quarter ended 31<sup>st</sup> December 2013 *except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us.* This statement is the responsibility of the Company's Management and has been approved by the Board of Directors and has been initialed by us for identification only. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. a) *Attention is invited to following notes of the accompanying statement*
  - I. *Note 2(a) regarding non-provision of rental on leasehold land demanded by Kolkata Port Trust pending final decision of the matter by Hon'ble high court at Kolkata;*
  - II. *Note 2(c) regarding non-ascertainment of shortfall in value of investments and advances given to subsidiary and provision if any required there against;*
  - III. *Note 2(d) regarding inventory lying at different locations being under reconciliation and adequacy of the provision being made and impact thereof on the working results, pending the same being not ascertainable;*
  - IV. *Note 3 of regarding non-confirmation/reconciliation of certain debit and credit balances and adjustments required thereagainst.*

b) *Impact with respect to the above on the working results as such cannot be ascertained and commented upon by us.*
4. Based on our review conducted as above, we report that, *subject to para 3 above* nothing has come to our notice that causes us to believe that the accompanying statements of unaudited financial results prepared in accordance with Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with Stock Exchanges in India including the manner in which is to be disclosed, or that it contains any material misstatement.

Dated: 14<sup>th</sup> day of February 2014  
Place: KolkataFor Lodha & Co.  
Chartered Accountants  
Firm's ICAI Registration No. 301051E*R. P. Singh*  
R P Singh  
Partner  
Membership No.052438

**STONE INDIA LIMITED**

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31ST DECEMBER 2013**

(Rs in lacs)

PART I		Figures for the 3 months ended Dec'13	Figures for the 3 months ended Sep'13	Figures for the 3 months ended Dec'12	Figures for the 9 months ended Dec'13	Figures for the 9 months ended Dec'12	Audited figures for the year ended Mar'13
	<b>Income from operations</b>						
	(a) Net Sales/Income from Operations (net of excise duties)	2,622.62	2,721.62	2,473.00	7,749.98	7,443.61	9,660.43
	(b) Other Operating Income	4.19	3.15	4.59	7.52	9.44	11.01
	<b>Total Income from operations (net)</b>	<b>2,626.81</b>	<b>2,724.77</b>	<b>2,477.59</b>	<b>7,757.50</b>	<b>7,453.05</b>	<b>9,671.44</b>
	<b>2 Expenditure</b>						
	(a) Cost of materials consumed	1,514.05	1,242.39	1,494.29	4,131.10	4,404.53	5,635.43
	(b) Changes in inventories of finished goods, work in progress and stock-in-trade	4.63	469.68	(31.36)	491.45	(27.91)	(8.92)
	(c) Employee benefit expenses	435.22	442.00	433.70	1,269.04	1,290.00	1,701.94
	(d) Depreciation and amortisation expenses	67.00	66.69	68.55	201.06	207.02	276.31
	(e) Other expenses	385.01	463.90	383.81	1,213.06	1,151.67	1,489.40
	<b>Total Expenses</b>	<b>2,405.91</b>	<b>2,684.66</b>	<b>2,348.99</b>	<b>7,305.71</b>	<b>7,025.31</b>	<b>9,094.16</b>
	<b>3 Profit/(loss) from operations before Other Income, finance costs &amp; Exceptional Items(1-2)</b>	<b>220.90</b>	<b>40.11</b>	<b>128.60</b>	<b>451.79</b>	<b>427.74</b>	<b>577.28</b>
	4 Other Income	2.18	5.94	2.26	11.55	14.74	19.29
	<b>5 Profit/(loss) from ordinary activities before finance cost &amp; Exceptional Items (3+4)</b>	<b>223.08</b>	<b>46.05</b>	<b>130.86</b>	<b>463.34</b>	<b>442.48</b>	<b>596.57</b>
	6 Finance costs	143.47	133.89	149.84	441.47	440.61	654.08
	<b>7 Profit/(loss) from ordinary activities after finance costs but before Exceptional Items(5-6)</b>	<b>79.61</b>	<b>(87.84)</b>	<b>(18.98)</b>	<b>21.87</b>	<b>1.87</b>	<b>(57.51)</b>
	8 Exceptional Items	28.00	-	88.16	153.00	280.84	384.16
	<b>9 Profit/(Loss) from Ordinary Activities before Tax (7-8)</b>	<b>51.61</b>	<b>(87.84)</b>	<b>(107.14)</b>	<b>(131.13)</b>	<b>(278.97)</b>	<b>(441.67)</b>
	10 Tax expenses	-	(1.96)	(4.70)	-	6.58	(137.62)
	<b>11 Net Profit/(Loss) for the period (9-10)</b>	<b>51.61</b>	<b>(85.88)</b>	<b>(102.44)</b>	<b>(131.13)</b>	<b>(285.55)</b>	<b>(304.05)</b>
	12 Paid-up equity share capital( Face Value -Rs.10/- per share)	760.33	760.33	760.33	760.33	760.33	760.33
	13 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						3,015.94
	<b>14.i Earning Per Share(before extraordinary items) (of Rs 10 each) (not annualised)</b>						
	(a) Basic	0.68	(1.13)	(1.35)	(1.72)	(3.76)	(4.00)
	(b) Diluted	0.66	(1.13)	(1.35)	-	(3.76)	(4.00)
	<b>14.ii Earning Per Share(after extraordinary items) (of Rs 10 each) (not annualised)</b>						
	(a) Basic	0.68	(1.13)	(1.35)	(1.72)	(3.76)	(4.00)
	(b) Diluted	0.66	(1.13)	(1.35)	-	(3.76)	(4.00)

See accompanying note to the financial results

Part II		Figures for the 3 months ended Dec'13	Figures for the 3 months ended Sep'13	Figures for the quarter ended Dec,12	Figures for the 9 months ended Dec'13	Figures for the 9 months ended Dec'12	Figures for the year ended Mar'13
<b>A</b>	<b>Particulars of Shareholding</b>						
<b>1</b>	<b>Public Shareholding</b>						
	- Number of Shares	5,290,645	5,290,645	5,290,645	5,290,645	5,290,645	5,290,645
	- Percentage of shareholding	69.65%	69.65%	69.65%	69.65%	69.65%	69.65%
<b>2</b>	<b>Promoters and promoter group shareholding</b>						
<b>a)</b>	<b>Plledged/Encumbered</b>						
	- Number of Shares	200,000	200,000	200,000	200,000	200,000	200,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	8.67%	8.67%	8.67%	8.67%	8.67%	8.67%
	- Percentage of shares (as a % of the total share capital of the company)	2.63%	2.63%	2.63%	2.63%	2.63%	2.63%
<b>b)</b>	<b>Non-encumbered</b>						
	- Number of Shares	2,105,854	2,105,854	2,105,854	2,105,854	2,105,854	2,105,854
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	91.33%	91.33%	91.33%	91.33%	91.33%	91.33%
	- Percentage of shares (as a % of the total share capital of the company)	27.72%	27.72%	27.72%	27.72%	27.72%	27.72%



*A. J. Indu*

Particulars		3 months ended 31st December 2013
<b>B Investor Complaints</b>		
Pending at the beginning of the quarter		Nil
Received during the quarter		Nil
Disposed off during the quarter		Nil
Remaining unresolved at the end of the quarter		Nil

Notes:

- 1 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 14th February, 2014. The Financial Statements for the quarter and nine months period ended are unaudited and limited review of the same have been carried out by the statutory auditors of the Company.
- 2 Auditor's comments and management clarifications excepting those covered in other paras are as follows:
  - a) The matter concerning dispute for increase in lease rentals by Kolkata Port Trust has been referred to the court and provision amounting to Rs. 94.98 lacs against claim of Rs.228.97 lacs towards rental liability has been considered adequate and since August, 2005, the Company has been paying rental as per the directive of Hon'ble Courts.
  - b) Managerial remuneration of Rs 67.74 lacs for the nine months ended 31st December, 2013 (including Rs. 21.42 lacs and Rs 16.45 lacs for the quarters ended on 30th September 2013 and 31st December 2012 respectively and Rs. 17.80 lacs and Rs 35.14 lacs for the quarter ended 31st December 2013 and nine months 31st December 2012 respectively and Rs 125.60 lacs for the year ended 31st March 2013) included under employee benefits expense are subject to approval in terms of the Company's application pending before the Central Government.
  - c) The project undertaken by one of the subsidiaries viz. Stone Intermodal Private Limited is pending implementation and Company's exposure of Rs 968.60 lacs for the same is long-term and strategic in nature and no adjustment in this respect is considered necessary.
  - d) Stocks lying at different locations are under reconciliation and consequential adjustments, if any, arising in this respect are unascertainable. Pending this, provision of Rs 183 lacs till 31st December 2013 (including Rs 28 lacs for the quarter) has been made.
- 3 Certain debit and credit balances including in respect of certain overdue balances of debtors, advances and creditors are subject to confirmation/reconciliations and adjustments in this regard are usually carried out on ascertainment thereof at the time of finalisation of annual accounts.
- 4 Exceptional items include provision against inventories, trade receivables, short term loans and advances etc in terms of note 2(d) and 3 above.
- 5 The Company has undertaken Bio toilet venture and is in the process of implementing the same. Segmental disclosure with respect to this will be given on reaching commercial threshold at the end of the year.
- 6 The Company has allotted 20,00,000 Warrants on a preferential basis to ISG Traders Limited, a Promoter Group Company on 17th October, 2013 entitling the allottee to apply for and obtain allotment in one or more tranches of one Equity Share of Rs.10/- each at a price of Rs.17.50 per share against each such Warrant within 18 months from the date of allotment.
- 7 The figures of the previous periods have been re-grouped or re-arranged wherever considered necessary.

Place : Kolkata  
Date : 14th February, 2014

For STONE INDIA LIMITED

(A. Mondal)

Managing Director & CEO

