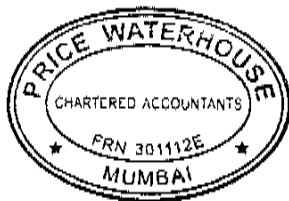


The Board of Directors  
Stovec Industries Limited  
N.I.D.C, Near Lambha Village, Post Narol  
Ahmedabad – 382 405, India

1. We have reviewed the results of Stovec Industries Limited (the “Company”) for the quarter ended September 30, 2013 which are included in the accompanying ‘Statement of Standalone Unaudited Results for the Quarter and Nine Months Ended September 30, 2013’ (the “Statement”), except for the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company’s management and has been approved by the Board of Directors / Committee of Board of Directors. Our responsibility is to issue a report on the Statement 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.
3. 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.
4. We have only traced the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

A handwritten signature in black ink, appearing to read "Vilas Rane".

.....  
Vilas Rane  
Partner  
Membership Number: 033220

Place: Mumbai  
Date: October 29, 2013

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## PART I

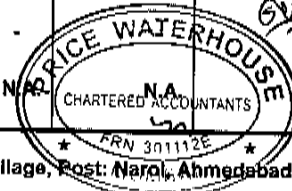
## Statement of Standalone Unaudited Results for the Quarter and Nine Months Ended September 30, 2013

(Rs. in Million)

| Particulars   | For the Quarter ended               |                                |                                     | For the Nine Months ended           |                                     | Previous Year ended              |
|---|-------------------------------------|--------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
|   | 30th September, 2013<br>(Unaudited) | 30th June, 2013<br>(Unaudited) | 30th September, 2012<br>(Unaudited) | 30th September, 2013<br>(Unaudited) | 30th September, 2012<br>(Unaudited) | 31st December, 2012<br>(Audited) |
| 1. Income from operations   |                                     |                                |                                     |                                     |                                     |                                  |
| a) Net Sales/Income from Operations<br>(Net of excise duty)   | 216.995                             | 158.303                        | 167.616                             | 543.468                             | 493.412                             | 729.199                          |
| b) Other Operating Income   | 1.136                               | 2.882                          | 0.174                               | 4.058                               | 1.281                               | 1.691                            |
| Total Income from Operations (net)  | 218.131                             | 161.185                        | 167.790                             | 547.526                             | 494.693                             | 730.890                          |
| 2. Expenses   |                                     |                                |                                     |                                     |                                     |                                  |
| a) Cost of materials consumed   | 118.618                             | 92.521                         | 85.009                              | 295.206                             | 253.632                             | 377.366                          |
| b) Purchase of stock-in-trade   | 19.811                              | 12.090                         | 17.014                              | 50.470                              | 41.708                              | 56.086                           |
| c) Changes in inventories of finished goods,<br>work-in-progress and stock-in-trade                   | (13.568)                            | (23.736)                       | (5.594)                             | (44.056)                            | 4.026                               | 12.168                           |
| d) Employee benefits expense  | 22.434                              | 20.369                         | 21.681                              | 63.879                              | 63.663                              | 86.723                           |
| e) Depreciation and amortisation expense  | 3.726                               | 3.672                          | 3.545                               | 11.177                              | 11.670                              | 15.429                           |
| f) Other expenses   | 30.243                              | 26.770                         | 24.483                              | 83.922                              | 72.256                              | 106.245                          |
| Total Expenses  | 181.064                             | 131.686                        | 146.138                             | 460.598                             | 446.955                             | 654.017                          |
| 3. Profit from Operations before other income,<br>Interest, finance costs and exceptional Items (1-2) | 37.067                              | 29.499                         | 21.652                              | 86.928                              | 47.738                              | 76.873                           |
| 4. Other Income   | 7.654                               | 8.260                          | 7.268                               | 25.789                              | 21.921                              | 31.154                           |
| 5. Profit from ordinary activities before finance costs<br>and exceptional Items (3+4)                | 44.721                              | 37.759                         | 28.920                              | 112.717                             | 69.659                              | 108.027                          |
| 6. Finance costs  | 0.088                               | 0.103                          | 0.010                               | 0.540                               | 0.239                               | 1.000                            |
| 7. Profit from ordinary activities after finance costs but<br>before exceptional Items (5-6)          | 44.633                              | 37.656                         | 28.910                              | 112.177                             | 69.420                              | 107.027                          |
| 8. Exceptional Items  | -                                   | -                              | -                                   | -                                   | -                                   | -                                |
| 9. Profit from ordinary activities before tax (7-8)   | 44.633                              | 37.656                         | 28.910                              | 112.177                             | 69.420                              | 107.027                          |
| 10. Tax expense   | 8.907                               | 12.811                         | 9.047                               | 31.083                              | 21.602                              | 33.034                           |
| 11. Profit from ordinary activities after tax (9-10)  | 35.726                              | 24.845                         | 19.863                              | 81.094                              | 47.818                              | 73.993                           |
| 12. Extraordinary items (net of tax expense)  | -                                   | -                              | -                                   | -                                   | -                                   | -                                |
| 13. Net Profit for the period (11-12)   | 35.726                              | 24.845                         | 19.863                              | 81.094                              | 47.818                              | 73.993                           |
| 14. Paid - up Equity Share Capital @ Rs.10 face value   | 20.880                              | 20.880                         | 20.880                              | 20.880                              | 20.880                              | 20.880                           |
| 15. Reserves excluding revaluation reserves as per<br>balance sheet of previous accounting year       | -                                   | -                              | -                                   | -                                   | -                                   | 414.247                          |
| 16.i Earnings Per Share (before extraordinary items) (of<br>Rs. 10 each) (not annualised)             |                                     |                                |                                     |                                     |                                     |                                  |
| a) Basic  | 17.11                               | 11.90                          | 9.51                                | 38.84                               | 22.90                               | 35.44                            |
| b) Diluted  | 17.11                               | 11.90                          | 9.51                                | 38.84                               | 22.90                               | 35.44                            |
| 16.ii Earnings Per Share (after extraordinary items) (of<br>Rs. 10 each) (not annualised)             |                                     |                                |                                     |                                     |                                     |                                  |
| a) Basic  | 17.11                               | 11.90                          | 9.51                                | 38.84                               | 22.90                               | 35.44                            |
| b) Diluted  | 17.11                               | 11.90                          | 9.51                                | 38.84                               | 22.90                               | 35.44                            |

## PART II

| A. PARTICULARS OF SHAREHOLDING   |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| 1. Public Shareholding   |         |         |         |         |         |         |
| - Number of Shares   | 605,523 | 605,523 | 605,523 | 605,523 | 605,523 | 605,523 |
| - Percentage of Shareholding   | 29.00   | 29.00   | 29.00   | 29.00   | 29.00   | 29.00   |
| 2. Promoter and Promoter Group Shareholding  |         |         |         |         |         |         |
| a) Pledged/Encumbered  |         |         |         |         |         |         |
| - Number of Shares   | -       | -       | -       | -       | -       | -       |
| - Percentage of Shares (as a % of the total<br>shareholding of promoter and promoter<br>group) | N.A.    | N.A.    | N.A.    | N.A.    | N.A.    | N.A.    |



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|    |  | N.A.      | N.A.      | N.A.      | N.A.      | N.A.      | N.A.      |
|----|--|-----------|-----------|-----------|-----------|-----------|-----------|
| -  | Percentage of Shares (as a % of the total share capital of the Company)                |           |           |           |           |           |           |
| b) | Non-encumbered   |           |           |           |           |           |           |
| -  | Number of Shares   | 1,482,493 | 1,482,493 | 1,482,493 | 1,482,493 | 1,482,493 | 1,482,493 |
| -  | Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 100.00    | 100.00    | 100.00    | 100.00    | 100.00    | 100.00    |
| -  | Percentage of Shares (as a % of the total share capital of the Company)                | 71.00     | 71.00     | 71.00     | 71.00     | 71.00     | 71.00     |

| Particulars                                    | 3 months ended September 30, 2013 |
|--|-----------------------------------|
| <b>B. INVESTOR COMPLAINTS</b>                  |                                   |
| Pending at the beginning of the quarter        | NIL                               |
| Received during the quarter                    | 1                                 |
| Disposed off during the quarter                | 1                                 |
| Remaining unresolved at the end of the quarter | NIL                               |



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## Statement of Standalone Unaudited Results for the Quarter and Nine Months Ended September 30, 2013

Segment wise revenue, results and capital employed, under Clause 41 of the Listing Agreement

| Particulars   | For the Quarter ended |                | For the Nine Months ended |                     | (Rs. in Million)              |                    |
|---|-----------------------|----------------|---------------------------|---------------------|-------------------------------|--------------------|
|   | (Unaudited)           |                | (Unaudited)               |                     | Previous Year ended (Audited) |                    |
|   | 30th September 2013   | 30th June 2013 | 30th September 2012       | 30th September 2013 | 30th September 2012           | 31st December 2012 |
| <b>Primary Segment</b>  |                       |                |                           |                     |                               |                    |
| <b>Segment Revenue (Sales and Other Operating income from Segments)</b> |                       |                |                           |                     |                               |                    |
| - Textile Machinery and Consumables                                     | 192.297               | 142.319        | 141.367                   | 481.354             | 426.906                       | 624.343            |
| - Graphics Consumables  | 13.378                | 12.189         | 13.630                    | 35.804              | 38.928                        | 50.851             |
| - Galvanic  | 12.456                | 6.677          | 12.793                    | 30.368              | 28.859                        | 55.696             |
| <b>Total</b>  | <b>218.131</b>        | <b>161.185</b> | <b>167.790</b>            | <b>547.526</b>      | <b>494.693</b>                | <b>730.890</b>     |
| Less : Inter Segment Revenue  | -                     | -              | -                         | -                   | -                             | -                  |
| <b>Net Sales / Income from Operations</b>                               | <b>218.131</b>        | <b>161.185</b> | <b>167.790</b>            | <b>547.526</b>      | <b>494.693</b>                | <b>730.890</b>     |
| <b>Segment Results (Profit before Finance Cost and Tax)</b>             |                       |                |                           |                     |                               |                    |
| - Textile Machinery and Consumables                                     | 56.267                | 46.050         | 37.557                    | 140.408             | 91.354                        | 141.064            |
| - Graphics Consumables  | 3.381                 | 4.203          | 3.892                     | 11.248              | 14.345                        | 16.840             |
| - Galvanic  | (2.488)               | (1.514)        | (3.898)                   | (4.827)             | (9.295)                       | (11.923)           |
| <b>Total Segment Results</b>  | <b>57.160</b>         | <b>48.739</b>  | <b>37.551</b>             | <b>146.829</b>      | <b>96.404</b>                 | <b>145.981</b>     |
| Less : Finance Cost   | 0.088                 | 0.103          | 0.010                     | 0.540               | 0.239                         | 1.000              |
| Less : Unallocable Expenditure Net of Unallocable Other Income          | 12.439                | 10.980         | 8.631                     | 34.112              | 26.745                        | 37.954             |
| <b>Total Profit before Tax</b>  | <b>44.633</b>         | <b>37.656</b>  | <b>28.910</b>             | <b>112.177</b>      | <b>69.420</b>                 | <b>107.027</b>     |
| <b>Capital Employed (Segment Assets less Segment Liabilities)</b>       |                       |                |                           |                     |                               |                    |
| - Textile Machinery and Consumables                                     | 148.886               | 161.028        | 129.621                   | 148.886             | 129.621                       | 157.356            |
| - Graphics Consumables  | 23.538                | 22.437         | 22.613                    | 23.538              | 22.613                        | 21.563             |
| - Galvanic  | 95.647                | 87.692         | 83.251                    | 95.647              | 83.251                        | 72.330             |
| - Others / Unallocable  | 247.980               | 209.169        | 199.433                   | 247.980             | 199.433                       | 183.878            |
| <b>Total Capital Employed</b>   | <b>516.051</b>        | <b>480.326</b> | <b>434.918</b>            | <b>516.051</b>      | <b>434.918</b>                | <b>435.127</b>     |

## NOTES:

- The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on October 29, 2013.
- In accordance with the requirement of Clause 41 of the Listing Agreement with the Stock Exchanges, the Statutory Auditors have performed a limited review of Company's financial results for the quarter ended September 30, 2013. There are no qualifications in the limited review report issued for the above quarter.
- The Company has received approval from Department of Scientific and Industrial Research for its in house Research and Development facility vide their letter dated October 7, 2013 granting deduction under section 35(2AB) of Income Tax Act, 1961 for the period from April 3, 2012 to March 31, 2014. Accordingly tax expenses for the quarter and nine months ended September 30, 2013 is arrived at after giving effect of Rs. 5.8 Million (including Rs. 3 Million till December 31, 2012) for the said deduction for the period from April 3, 2012 to September 30, 2013.
- "Textile Machinery and Consumables" segment includes Perforated Rotary Screens, Laquer & Auxiliary Chemicals, Digital Ink, Rotary Screen Printing Machine, Engraving Equipment, Components and Spares  
"Graphics Consumables" segment includes Anilox Rollers, Rotamesh screens and RotaPlate  
"Galvanic" Segment includes Galvano Consumables
- Segment Revenue, Results and Capital Employed figures include the respective amounts identifiable to each of the segments.
- Figures for the previous period have been re-grouped / re-classified wherever necessary, to conform to the current period's classification.
- Capital Employed figures are as at the last day of the period.
- Investors can view the unaudited financial results of the company for the quarter and nine months ended September 30, 2013 on the company's website [www.stovec.com](http://www.stovec.com) or on the website of the BSE [www.bseindia.com](http://www.bseindia.com)



For, Stovec Industries Ltd.

*Shailesh Wani*  
Shailesh Wani  
Managing Director

Place : Mumbai  
Date : October 29, 2013

Regd. office: N.I.D.C., Nr. Lambha Village, Post: Narol, Ahmedabad - 382 405. INDIA.