

STONE INDIA LIMITED
Regd. Office : 16 Taratella Road, Kolkata- 700 088

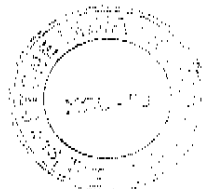
AUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER, 2011

Particulars	(Rs. in lacs)					
	Quarter ended			Nine months ended		Year Ended
	31.12.2011 (Audited)	31.12.2010 (Audited)	30.09.2011 (Audited)	31.12.2011 (Audited)	31.12.2010 (Audited)	31.03.2011 (Audited)
	2,397.54	2,512.40	3,011.85	8,104.70	7,807.88	10,044.75
1. Gross Sales/ Income from Operations	206.91	230.59	267.59	715.19	679.48	900.28
Less: Excise Duty	2,180.63	2,281.82	2,744.06	7,389.51	6,928.42	9,144.47
Net Sales / Income from Operations	2.58	2.65	0.65	3.94	11.28	11.36
Other Operating Income	2,193.21	2,284.47	2,744.71	7,393.45	6,939.70	9,156.83
Total Income						
2 Expenditure :	(99.25)	(55.75)	(3.75)	(154.90)	(99.78)	(134.93)
a) (Increase)/decrease in stock in trade & WIP	1,423.43	1,421.51	1,620.44	4,524.53	4,002.72	5,333.27
b) Consumption of raw materials	387.90	304.16	415.15	1,184.86	990.02	1,405.87
c) Employees cost	44.94	41.78	46.15	135.92	127.57	173.25
d) Depreciation	397.12	347.18	370.79	1,151.57	1,192.40	1,483.16
e) Other expenditure	2,184.14	2,058.98	2,443.78	6,841.88	6,212.83	8,240.62
Total						
Profit from Operations before Other Income, Interest &	39.07	226.81	286.93	851.47	726.77	916.21
3 Exceptional Items(1-2)	105.75	61.42	25.09	177.07	84.95	112.62
4 Other Income	144.82	287.03	321.02	728.54	821.72	1,027.83
5 Profit before Interest & Exceptional Items (3+4)	132.23	101.19	116.12	356.83	295.66	412.46
6 Interest	12.59	185.84	204.90	371.91	528.08	615.37
7 Profit after Interest but before Exceptional Items(5-6)	-	-	-	-	-	-
8 Exceptional Items	12.59	185.84	204.90	371.91	528.08	615.37
9 Profit/(Loss) from Ordinary Activities before tax						
10 Tax Expenses	3.12	46.12	42.36	78.26	129.40	141.38
a) Provision for Income Tax	(3.12)	-	(73.14)	(76.26)	-	5.00
b) MAT credit entitlement	-	-	-	86.83	15.54	13.11
c) Income tax relating to earlier years	9.03	26.49	83.67	286.08	381.12	458.90
d) Provision for deferred tax	3.68	113.23	172.01	-	-	-
11 Net Profit/(Loss) from Ordinary Activities after tax						
12 Extraordinary Items (net of tax expense)	3.88	113.23	172.01	288.08	381.12	455.90
13 Net Profit/(Loss) for the period						
14 Paid-up Equity Share Capital (Face Value Rs. 10/- each)	760.33	760.33	760.33	760.33	760.33	760.33
15 Reserves excluding Revaluation Reserve as per Balance Sheet of Previous accounting year.						2,996.70
16 Earning Per Share(EPS)						
a) Basic and diluted EPS from ordinary activities for the period, for the year to date and for the previous year(not to be annualised)	0.05	1.49	2.26	3.75	5.01	6.00
b) Basic and diluted EPS after Extra-ordinary Items for the period, for the year to date and for the previous year(not to be annualised)	0.05	1.49	2.26	3.75	5.01	6.00
17 Public Shareholding	5,280,845	4,685,945	5,195,645	5,290,645	4,865,945	5,107,145
- Number of Shares	69.85%	61.42%	68.40%	88.65%	61.42%	67.23%
- Percentage of Shareholding						
18 Promoters and promoter group Shareholding						
a) Pledged/Encumbered	2,033,500	2,226,000	2,105,000	2,033,500	2,226,000	2,152,600
- No of Shares	88.2%	78.0%	87.7%	88.2%	78.0%	86.6%
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	26.8%	29.3%	27.7%	26.8%	29.3%	28.3%
- Percentage of Shares (as a % of the total Share Capital of the Company)						
b) Non- encumbered	272,354	704,554	285,854	272,354	704,554	336,554
- No of Shares	11.8%	24.0%	12.3%	11.8%	24.0%	13.5%
- Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group)	3.6%	9.3%	3.9%	3.6%	9.3%	4.4%
- Percentage of Shares (as a % of the total Share Capital of the Company)						

NOTES :

- The above results have been reviewed by the Audit Committee and taken on record and approved by the Board of Directors at its meeting held on 3rd February, 2012. The Financial Statements for the Quarter are audited.
- Auditor's comments and Management clarifications thereof:
 - The auditors have commented on status of liability for rental to Kolkata Port Trust amounting to Rs 228.97 Lacs. The matter has been referred to the Court. Provision amounting to Rs 94.48 Lacs already made by the Company towards rental liability has been considered adequate by the Management. However, since August 2005, the Company has been paying rental as per the directive of the Hon'ble Supreme Court.
 - Steps are being taken to obtain necessary approval in respect of managerial remuneration amounting to Rs.39.56Lacs paid in excess of limit specified by the Central Government.
 - Certain usual year end reconciliation will be carried out as at 31st March, 2012 including in respect of Employee Benefits (AS 15). Resultant adjustments, if any, in this respect will be made at the year end.
- Number of shareholders' complaints received and disposed off during the quarter : 1
- The commercial production is yet to be started by one of the subsidiary, viz., Stone Intermodal Private Limited.
- The figures of the previous periods have been re-grouped or re-arranged wherever considered necessary.

Place : Kolkata
Date : 3rd February, 2012



For STONE INDIA LIMITED

A. Mandal
A. Mandal
Managing Director & CEO

(Rs. in lacs)

Particulars	Consolidated					
	Quarter ended			Nine months ended		Year Ended
	31.12.2011 (Audited)	31.12.2010 (Audited)	30.09.2011 (Audited)	31.12.2011 (Audited)	31.12.2010 (Audited)	31.03.2011 (Audited)
	2,398.81	2,512.40	3,012.24	8,106.66	7,607.88	10,044.75
1. Gross Sales/ Income from Operations	206.91	230.58	267.59	715.19	679.46	900.28
Less: Excise Duty	2,191.90	2,281.82	2,744.65	7,391.37	6,928.42	9,144.47
Net Sales / Income from Operations	2.58	2.65	0.65	3.94	11.28	11.36
Other Operating Income	2,194.48	2,284.47	2,745.30	7,395.31	6,939.70	9,155.83
Total Income						
2 Expenditure :	(99.25)	(55.75)	(3.75)	(154.90)	(99.78)	(134.93)
a) (Increase)/decrease in stock in trade & WIP	1,423.43	1,421.51	1,620.44	4,524.53	4,002.72	5,333.27
b) Consumption of raw materials	406.80	304.16	419.64	1,208.25	990.02	1,405.87
c) Employees cost	45.11	41.76	46.23	136.17	127.57	173.25
d) Depreciation	417.43	347.18	375.92	1,170.32	1,192.40	1,463.16
e) Other expenditure	2,193.62	2,068.86	2,458.48	6,884.37	6,212.93	8,240.62
Total						
3 Profit from Operations before Other Income, Interest & Exceptional Items(1-2)	0.96	225.61	286.82	510.94	726.77	915.21
4 Other Income	105.75	61.42	18.43	163.73	94.95	112.62
5 Profit before Interest & Exceptional Items (3+4)	106.71	287.03	305.25	674.67	821.72	1,027.83
6 Interest	132.23	101.19	116.12	358.63	295.66	412.46
7 Profit after Interest but before Exceptional Items(5-6)	(25.52)	185.84	189.13	318.04	526.06	615.37
8 Exceptional Items	-	-	-	-	-	-
9 Profit/(Loss) from Ordinary Activities before tax	(25.52)	185.84	189.13	318.04	526.06	615.37
10 Tax Expenses	3.12	46.12	42.36	76.26	129.40	141.36
a) Provision for Income Tax	(3.12)	-	(73.14)	(76.26)	-	5.00
b) MAT credit entitlement	-	-	-	-	-	13.11
c) Income tax relating to earlier years	9.03	26.49	63.67	86.83	15.54	455.90
d) Provision for deferred tax	(34.55)	113.23	156.24	231.21	381.12	455.90
11 Net Profit/(Loss) from Ordinary Activities after tax	-	-	-	-	-	-
12 Extraordinary Items (net of tax expense)	(34.55)	113.23	156.24	231.21	381.12	455.90
13 Net Profit/(Loss) for the period						
14 Paid-up Equity Share Capital (Face Value Rs. 10/- each)	760.33	760.33	760.33	760.33	760.33	760.33
15 Reserves excluding Revaluation Reserve as per Balance Sheet of Previous accounting year.						2,999.70
16 Earning per share (EPS)						
a) Basic and diluted EPS from ordinary activities for the period, for the year to date and for the previous year(not to be annualised)	(0.45)	1.49	2.05	3.04	5.01	6.00
b) Basic and diluted EPS after Extra-ordinary items for the period, for the year to date and for the previous year(not to be annualised)	(0.45)	1.49	2.05	3.04	5.01	6.00



**Draft Auditors' Report
TO THE MEMBERS OF STONE INDIA LIMITED**

1. We have audited the attached Balance Sheet of **Stone India Limited** (the Company) as at 31st December, 2011 and also the Profit & Loss Account of the Company for the quarter and nine months ended on that date, annexed thereto and the cash flow statement for the quarter and nine months ended on that date. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. Attention is invited to the following Notes as given in the financial statements regarding:
 - (a) *Rental demands on the Company amounting to Rs.228.97 lacs, pending decision of the Court exact status of liability is presently not ascertainable. (Note 8(b))*
 - (b) *Payment of managerial remuneration amounting to Rs.9.38 lacs for the quarter, Rs. 20.74 lacs for the nine months ended 31st December, 2011 and Rs. 18.82 lacs for the previous year is subject to approval of the Central Government. (Note 21(a)(ii))*
 - (c) *Certain usual year end reconciliation with confirmation, etc including accounting of employee benefits on an estimated basis. (Note 1(B 2))*
4. *We further report that overall impact with respect to the Notes given in paragraph 3 above cannot be ascertained and commented upon by us and consequential effect on profit for the period under review and respective balances of assets/liabilities cannot be determined.*
5. Further to the 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 purpose of our audit;
 - (b) The Balance Sheet, the Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (c) 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 the books;

- (d) *Except as given in Note 1(B 2 (b))* in our opinion, the Profit & Loss Account, Balance Sheet and Cash Flow Statement prepared by the Company comply with the various Accounting Standards referred to in Sub-section 3(c) of Section 211 of the Act;
- (e) In our opinion and to the best of our information and according to the explanations given to us these accounts, *subject to our remarks as given in para 3 above whereby as given in para 4 above, we are unable to ascertain and indicate the impact thereof and Note 7 (a) regarding non availability of details relating to Micro, Small and Medium Enterprise as defined under Micro, Small and Medium Enterprise Development Act, 2006* and read together with the other notes thereon, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of Balance Sheet, of the State of Affairs of the Company as at 31st December, 2011;
- (b) in the case of Profit & Loss Account, of the profit for the quarter and nine months ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the quarter and nine months ended on that date.

Place: Kolkata
Date: 3rd February, 2012

For Lodha & Co.
Chartered Accountants
Firm ICAI Registration No.: 301051E



H.S.Jha
Partner
Membership No: 055854