

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Stovec Industries Ltd.**Regd. Office and Factory :**

N.I.D.C., Near Lambha Village, Post Narol,
Ahmedabad - 382 405, INDIA.
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E-mail : admin@stovec.com

Reference : Scrip Code No.:- 504959
Subject : Unaudited Financial Results for the quarter and nine months ended
September 30, 2018
Date : November 14, 2018

Dear Sir/Madam,

This is to inform you that the Board of Directors at their meeting held today i.e November 14, 2018 have approved and taken on record the Standalone Unaudited Financial Results of the Company for the quarter and nine months ended on September 30, 2018.

As per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

1. Statement of Standalone Unaudited Financial Results of the Company for the quarter and nine months ended September 30, 2018;
2. Limited Review Report on Standalone Unaudited Financial Results of the Company for the quarter and nine months ended September 30, 2018, provided by our Statutory Auditors, M/s Deloitte Haskins & Sells LLP, Chartered Accountants.

This is to further inform you that the Meeting of Board of Directors of the Company commenced at 11:30 hours and concluded at 13:00 hours.

We request you to take the above on your record.

Thanking you,

Yours sincerely,

For Stovec Industries Limited



Varsha Adhikari

Company Secretary & General Manager – Finance & Legal



Encl.: As above

STOVEC INDUSTRIES LIMITED

Regd. Office: N.I.D.C., Nr. Lambha Village, Post: Narol, Ahmedabad - 382 405, Gujarat, India.

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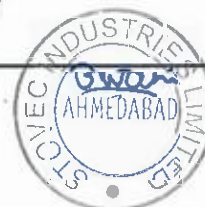
Statement of Unaudited Financial Results for the Quarter and Nine Months Ended September 30, 2018

(Rs. in Million)

Sr. No.	Particulars	Current 3 months ended 30/09/2018	Preceding 3 months ended 30/06/2018	Previous corresponding 3 months ended 30/09/2017	Current 9 months ended 30/09/2018	Previous corresponding 9 months ended 30/09/2017
		(Unaudited)	(Unaudited)	(Unaudited) Refer Note 2	(Unaudited)	(Unaudited) Refer Note 2
I	Revenue from operations	457.513	529.018	426.336	1,418.449	1,574.140
II	Other Income	19.057	14.067	12.261	48.915	30.409
III	Total Income (I + II)	476.570	543.085	438.597	1,467.364	1,604.549
IV	Expenses					
	a) Cost of materials consumed	234.551	238.697	207.982	679.321	779.460
	b) Purchase of stock-in-trade	13.470	11.476	32.362	40.222	121.411
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16.349)	20.654	(25.204)	(30.955)	(35.514)
	d) Employee benefits expense	52.926	51.675	49.904	153.095	145.586
	e) Finance costs	0.344	0.144	0.227	0.718	0.902
	f) Depreciation and amortisation expense	10.779	11.799	16.069	41.294	42.981
	g) Other expenses	80.929	95.125	85.255	260.911	239.094
	Total Expenses	376.650	429.570	366.595	1,144.606	1,293.920
V	Profit Before Exceptional Items and Tax (III - IV)	99.920	113.515	72.002	322.758	310.629
VI	Exceptional Items (Refer note 3 & 4)	-	37.441	-	141.081	-
VII	Profit Before Tax (V + VI)	99.920	150.956	72.002	463.839	310.629
VIII	Tax expense					
	a) Current Tax	29.936	45.273	23.918	137.773	107.358
	b) Deferred Tax	(0.366)	(1.247)	1.058	(2.966)	0.733
IX	Net Profit for the period (VII - VIII)	70.350	106.930	47.026	329.032	202.538
X	Other Comprehensive Income ("OCI")					
	Items that will not be reclassified to profit or loss	(1.648)	(0.185)	0.334	(3.039)	(3.030)
	Income tax relating to items that will not be reclassified to profit or loss	0.480	(0.012)	(0.115)	0.885	1.048
XI	Total Comprehensive Income for the period (IX + X)	69.182	106.733	47.245	326.878	200.556
XII	Earnings Per Share of Rs. 10 each (not annualised):					
	a) Basic (Rs.)	33.69	51.21	22.52	157.58	97.00
	b) Diluted (Rs.)	33.69	51.21	22.52	157.58	97.00



1	The above unaudited financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on November 14, 2018.			
2	<p>The Company has adopted Indian Accounting Standards ("Ind AS") as notified by the Ministry of Corporate Affairs, from January 1, 2018 and accordingly the results for the quarter and nine months ended September 30, 2018 are in compliance with Ind AS. Consequently, the results for the quarter and nine months ended September 30, 2017 have been restated to comply with Ind AS to make them comparable.</p> <p>These financial results have been prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The Company has opted to avail the relaxation provided by Securities and Exchange Board of India ('SEBI') in respect of disclosure requirements of corresponding figures for the earlier periods.</p> <p>Reconciliation of profit between Ind AS and previous Indian GAAP (IGAAP) for the quarter and nine months ended September 30, 2017 is as under:</p>			
	Particulars	(Refer Note Below)	3 Months ended September 30, 2017	9 Months ended September 30, 2017
	Net Profit after tax as per IGAAP		46.650	201.409
	i) Employee benefits expense - Actuarial loss reclassified under OCI	a)	0.575	1.726
	ii) Impact of deferred and current taxes in respect of the above adjustment		(0.199)	(0.597)
	Net Profit for the period under Ind AS (before OCI)		47.026	202.538
	iii) Employee benefits expense - Actuarial loss reclassified under OCI		(0.575)	(1.726)
	iv) Gain / (Loss) on fair valuation of investments	b)	0.909	(1.304)
	v) Impact of deferred and current taxes in respect of the above adjustments		(0.115)	1.048
	Total Comprehensive Income for the period		47.245	200.556
	<p>a) Employee benefits: Actuarial gains and losses are reclassified under OCI.</p> <p>b) The Company has valued its equity investments (other than investment in subsidiary) at fair value. The impact of fair value changes as on date of transition is recognized in opening reserves and changes thereafter are recognized in OCI.</p>			
3	The Company has executed Share Purchase Agreement on March 14, 2018 for divestment of 100% equity investment held by the Company in Atul Sugar Screens Private Limited to Veco B.V., for an aggregate consideration of INR 104 Million. Consequent to said divestment, Atul Sugar Screens Private Limited ceased to be subsidiary of the Company w.e.f March 22, 2018. Gain on sale of such investment of INR 103.640 Million has been shown as exceptional item in the results for the quarter ended March 31, 2018 and nine months ended September 30, 2018.			
4	During the previous quarter, the Company had sold certain identified assets of galvanic business. Resultant gain on such sale of assets of INR 37.441 Million has been shown as exceptional items in the results for the quarter ended June 30, 2018 and nine months ended September 30, 2018. However, the operations of galvanic business is continued by the Company after entering into the Contract Manufacturing Agreement.			
5	The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated July 5, 2016. Segment composition is as follows:			
	a) "Textile Machinery and Consumables" segment includes Perforated Rotary Screens, Laquer & Auxiliary Chemicals, Digital Ink, Rotary Screen Printing Machine, Engraving Equipment, Components and Spares.			
	b) "Graphics Consumables" segment includes Anilox Rollers, Rotamesh screens and RotaPlate.			
	c) "Galvanic" Segment includes Galvano Consumables.			



Segment wise revenue, results, assets and liabilities are as under:

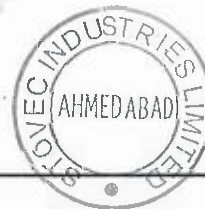
(Rs. in Million)

Particulars	Current 3 months ended 30/09/2018	Preceding 3 months ended 30/06/2018	Previous corresponding 3 months ended 30/09/2017	Current 9 months ended 30/09/2018	Previous corresponding 9 months ended 30/09/2017
	(Unaudited)	(Unaudited)	(Unaudited) Refer Note 2	(Unaudited)	(Unaudited) Refer Note 2
Segment Revenue (Sales and Other Operating income from Segments)					
- Textile Machinery and Consumables	359.130	434.401	343.598	1,123.591	1,369.479
- Graphics Consumables	23.935	22.243	20.865	70.638	68.147
- Galvanic	74.448	72.374	61.873	224.220	136.514
Total	457.513	529.018	426.336	1,418.449	1,574.140
Less : Inter Segment Revenue	-	-	-	-	-
Net segment revenue	457.513	529.018	426.336	1,418.449	1,574.140
Segment Results (Profit before Finance Costs and Tax)					
- Textile Machinery and Consumables	84.721	114.403	83.735	305.628	320.447
- Graphics Consumables	9.630	8.876	8.330	29.296	30.566
- Galvanic	15.043	43.794	6.272	67.710	(2.546)
Total Segment Results	109.394	167.073	98.337	402.634	348.467
Less : Finance Costs	0.344	0.144	0.227	0.718	0.902
Less : Unallocable Expenditure Net of Unallocable Other Income	9.130	15.973	26.108	(61.923)	36.936
Profit before Taks	99.920	150.956	72.002	463.839	310.629
Segment Assets					
- Textile Machinery and Consumables	868.430	836.414	773.371	868.430	773.371
- Graphics Consumables	31.950	34.284	39.238	31.950	39.238
- Galvanic	83.734	81.816	230.460	83.734	230.460
- Others / Unallocable	735.867	683.555	398.849	735.867	398.849
Total Assets	1,719.981	1,636.069	1,441.918	1,719.981	1,441.918
Segment Liabilities					
- Textile Machinery and Consumables	239.538	212.528	257.448	239.538	257.448
- Graphics Consumables	4.524	4.405	5.699	4.524	5.699
- Galvanic	1.645	1.825	8.705	1.645	8.705
- Others / Unallocable	128.102	140.322	114.514	128.102	114.514
Total Liabilities	373.809	359.080	386.366	373.809	386.366

6 In accordance with the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors have performed a limited review of Company's standalone unaudited financial results for the quarter and nine months ended September 30, 2018.

7 Investors can view the unaudited financial results of the company for the quarter and nine months ended September 30, 2018 on the company's website www.stovec.com or on the website of the BSE www.bseindia.com.

Place : Ahmedabad
Date : November 14, 2018



For Stovec Industries Ltd.



Shailesh Wani
Managing Director



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
STOVEC INDUSTRIES LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **STOVEC INDUSTRIES LIMITED** ("the Company"), for the Quarter and nine months ended September 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is 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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Kartikeya Raval
(Partner)
(Membership No. 106189)

Ahmedabad, November 14, 2018

