

Ref : FIN/SECY/325

30th May 2016

The General Manager (Listing)  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range  
Kolkata - 700 001

**Scrip Code : 1002993**

**Via Fax : 033 - 40253017**

The General Manager (Listing)  
Bombay Stock Exchange Limited  
Corporate Relationship Department.  
New Trading Ring Rotunda Bldg.  
P.J. Towers, Dalal Street, Fort,  
Mumbai - 400 001

**Scrip Code : 522085**

**Via Fax : 022 - 2272 3121**

Dear Sirs,

Sub : **Financial Results for the quarter  
& financial year ended on 31st March, 2016**

Further to our letter dated 18th May, 2016 and pursuant to Regulation 33(2)(b) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of the Audited Financial Results in the prescribed format along with Auditor's Report and Form - B for the quarter & financial year ended on 31st March, 2016 which has been reviewed by the Audit Committee and taken on record and approved by the Board of Directors of the Company at its Meeting held today.

Please acknowledge receipt of this letter.

Thanking you,

Yours faithfully,

For **STONE INDIA LIMITED**



(Abhijit Majumdar)  
**Company Secretary  
and Legal Head**

Encl : As above



# STONE INDIA LIMITED

CIN NO: L35201WB1931PLC006996

16 Taratalla Road, Kolkata - 700088

Phone No: (033)24014661; Telefax No: (033)24014886; E-mail: info@stoneindia.co.in

## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> March 2016

(Rs in lacs, unless otherwise stated)

Particulars	STANDALONE					CONSOLIDATED	
	Quarter Ended			Year Ended		Year Ended	
	31.03.2016 (Audited)	31.03.2015 (Audited)	31.12.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
<b>1 Income from Operations</b>							
a Gross Sales/Income from Operations	2,711	2,150	2,114	10,896	9,322	10,910	9,357
Less : Excise Duty on sale of products	176	184	190	795	821	795	821
b Net Sales/Income from Operations	2,535	1,966	1,924	10,101	8,501	10,115	8,536
c Other Operating Income	1	3	-	5	7	5	7
<b>Total Income from Operations (net)</b>	<b>2,536</b>	<b>1,969</b>	<b>1,924</b>	<b>10,106</b>	<b>8,508</b>	<b>10,120</b>	<b>8,543</b>
<b>2 Expenses</b>							
a Cost of Materials consumed	1,110	979	996	4,804	4,744	4,804	4,734
b Other Input Cost and Services	66	-	26	624	-	624	-
c Changes in inventories of finished goods, work-in-progress and stock-in-trade	62	66	(2)	(112)	(67)	(100)	(61)
d Employee benefits expense	433	454	468	1,842	1,734	1,852	1,763
e Depreciation and amortisation expense	64	69	63	248	260	250	264
f Other expenses	559	587	483	2,224	1,976	2,241	1,996
<b>Total Expenses</b>	<b>2,294</b>	<b>2,155</b>	<b>2,034</b>	<b>9,630</b>	<b>8,647</b>	<b>9,671</b>	<b>8,696</b>
<b>3 Profit/(loss) from operations before Other Income and finance costs (1-2)</b>	<b>242</b>	<b>(186)</b>	<b>(110)</b>	<b>476</b>	<b>(139)</b>	<b>449</b>	<b>(153)</b>
<b>4 Other Income</b>	49	12	4	58	26	61	26
<b>5 Profit/(loss) from ordinary activities before finance cost (3+4)</b>	<b>291</b>	<b>(174)</b>	<b>(106)</b>	<b>534</b>	<b>(113)</b>	<b>510</b>	<b>(127)</b>
<b>6 Finance costs</b>	110	124	106	442	478	442	478
<b>7 Profit/(Loss) from Ordinary Activities before Tax (5-6)</b>	<b>181</b>	<b>(298)</b>	<b>(212)</b>	<b>92</b>	<b>(591)</b>	<b>68</b>	<b>(605)</b>
<b>8 Tax expenses</b>	95	(70)	(19)	116	(62)	116	(62)
<b>9 Net Profit/(Loss) from ordinary activities after tax (7-8)</b>	<b>86</b>	<b>(228)</b>	<b>(193)</b>	<b>(24)</b>	<b>(529)</b>	<b>(48)</b>	<b>(543)</b>
<b>10 Minority Interest</b>							
<b>11 Net Profit/(Loss) after tax and minority interest (9-10)</b>	<b>86</b>	<b>(228)</b>	<b>(193)</b>	<b>(24)</b>	<b>(529)</b>	<b>(48)</b>	<b>(543)</b>
<b>12 Paid-up equity share capital (Face Value -Rs.10/-per share)</b>	<b>960</b>	<b>883</b>	<b>960</b>	<b>960</b>	<b>883</b>	<b>960</b>	<b>883</b>
<b>13 Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year</b>				<b>2,364</b>	<b>2,329</b>	<b>2,237</b>	<b>2,226</b>
<b>14 Earning Per Share (in Rs) (of Rs 10 each) (not annualised)</b>							
a Basic	0.89	(2.78)	(2.01)	(0.25)	(6.43)	(0.49)	(6.61)
b Diluted	0.89	(2.78)	(2.01)	(0.25)	(6.43)	(0.49)	(6.61)

## SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> March 2016

(Rs in lacs)

Particulars	STANDALONE				CONSOLIDATED	
	Quarter Ended		Year Ended		Year Ended	
	31.03.2016 (Audited)	31.12.2015 (Unaudited)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
<b>1 Segment Revenue:</b>						
a Railway products and Services	2,354	1,887	9,643	8,064	9,643	8,064
b Biotoilets	181	37	458	437	472	481
<b>Total Segment Revenue</b>	<b>2,535</b>	<b>1,924</b>	<b>10,101</b>	<b>8,501</b>	<b>10,115</b>	<b>8,545</b>
Less: Inter-segment revenue	-	-	-	-	-	9
<b>Net Sales/ Income from Operations</b>	<b>2,535</b>	<b>1,924</b>	<b>10,101</b>	<b>8,501</b>	<b>10,115</b>	<b>8,536</b>
<b>2 Segment Results : Profit before tax and interest (EBIT) from each segment</b>						
a Railway products and Services	243	13	646	(13)	646	(13)
b Biotoilets	58	(9)	103	121	82	109
<b>Total Segment Results</b>	<b>301</b>	<b>4</b>	<b>749</b>	<b>108</b>	<b>728</b>	<b>96</b>
Less: i) Interest	(95)	(106)	(427)	(452)	(427)	(452)
ii) Other unallocable expenses (net-off)	(25)	(110)	(230)	(247)	(233)	(249)
<b>Total Profit before tax</b>	<b>181</b>	<b>(212)</b>	<b>92</b>	<b>(591)</b>	<b>68</b>	<b>(605)</b>
<b>3 Capital employed: (Segment Assets - Segment Liabilities)</b>						
a Railway products and Services	2,196	2,020	2,196	1,962	3,196	2,953
b Biotoilets	(264)	(208)	(264)	(208)	(259)	(160)
c Unallocated	1,392	1,465	1,392	1,492	260	350
<b>Total</b>	<b>3,324</b>	<b>3,277</b>	<b>3,324</b>	<b>3,246</b>	<b>3,197</b>	<b>3,143</b>



*(Signature)*

**STONE INDIA LIMITED**CIN NO: L35201WB1931PLC006996  
16 Taratalla Road, Kolkata - 700088

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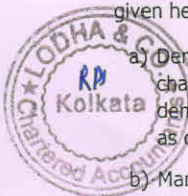
**AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31<sup>st</sup> March 2016**

(Rs in lacs)

Particulars	STANDALONE		CONSOLIDATED	
	As at year ended 31st March, 2016 (Audited)	As at year ended 31st March, 2015 (Audited)	As at year ended 31st March, 2016 (Audited)	As at year ended 31st March, 2015 (Audited)
<b>A. EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
a Share capital	960	883	960	883
b Reserves and surplus	2,364	2,329	2,237	2,226
c Money received against share warrants	-	34	-	34
<b>Sub total - Share holders' funds</b>	<b>3,324</b>	<b>3,246</b>	<b>3,197</b>	<b>3,143</b>
<b>Minority Interest</b>			-	-
<b>Non-current liabilities</b>				
a Long-term borrowings	1	31	1	31
b Other Long term liabilities	312	382	780	867
c Long term provisions	278	306	278	306
<b>Sub total - non current liabilities</b>	<b>591</b>	<b>719</b>	<b>1,059</b>	<b>1,204</b>
<b>Current liabilities</b>				
a Short-term borrowings	2,839	2,677	2,839	2,677
b Trade payables	3,146	2,940	3,150	2,944
c Other current liabilities	1,403	1,243	1,432	1,272
d Short term provisions	69	4	69	4
<b>Sub total - current liabilities</b>	<b>7,457</b>	<b>6,864</b>	<b>7,490</b>	<b>6,897</b>
<b>Total - Equity and liabilities</b>	<b>11,372</b>	<b>10,829</b>	<b>11,746</b>	<b>11,244</b>
<b>B. ASSETS</b>				
<b>Non-current assets</b>				
a Fixed assets				
(i) Tangible Assets	3,224	3,417	3,229	3,428
(ii) Intangible Assets	12	13	12	14
b Capital Work in Progress	-	-	1,487	1,487
c Non-current investments	22	22	-	-
d Deferred tax asset (net)	91	206	91	206
e Long-term loans and advances	1,684	1,649	571	524
f Other non current assets	-	-	-	-
<b>Sub total - Non current assets</b>	<b>5,033</b>	<b>5,307</b>	<b>5,390</b>	<b>5,659</b>
<b>Current assets</b>				
a Inventories	2,140	2,107	2,140	2,119
b Trade receivables	2,818	2,141	2,831	2,163
c Cash and Bank balances	314	332	316	335
d Short-term loans and advances	862	894	864	920
e Other current assets	205	48	205	48
<b>Sub total - current assets</b>	<b>6,339</b>	<b>5,522</b>	<b>6,356</b>	<b>5,585</b>
<b>Total - Assets</b>	<b>11,372</b>	<b>10,829</b>	<b>11,746</b>	<b>11,244</b>

**Notes:**

- The above results have been reviewed by the Audit Committee and taken on record and approved by the Board of Directors at its respective meetings held on 30<sup>th</sup> May, 2016.
- Auditors' qualification as referred to in Paragraph 4 of the Auditor's Reports on the Standalone Financial Results of Stone India Limited (the Company) and on the Consolidated Financial Results of the Company and its subsidiaries and management comments thereon are given hereunder, adpariatum :
  - Demand for increase in lease rentals by Kolkata Port Trust has been referred to the court. The Company since 2005 has paid and charged out the rental as per the directive of Hon'ble Court, over and above the provision of Rs. 95 lacs made against said demand in earlier years. Unpaid/unprovided amount of demand pending decision of the court has been disclosed and considered as contingent liability of the Company.
  - Managerial Remuneration of Rs. 269 lacs till 31st March 2016 (including Rs. 10 lacs for the quarter and Rs. 4 lacs and Rs. 15 lacs for the quarters ended on 31st Decemabr 2015 and 31st March 2015 respectively and Rs. 18 lacs and Rs. 64 lacs for the year ended 31st March 2016 and 31st March 2015 respectively) included under employee benefits expense are subject to the approval of the Central Government.

*Shankar*

**STONE INDIA LIMITED**

CIN NO: L35201WB1931PLC006996

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**Notes (contd.)**

- c) (i) The Rail Runner project undertaken by one of the subsidiaries viz. Stone Intermodal Private Limited is pending completion. The Company has investment of Rs 1 lacs in the aforesaid subsidiary. Capital work in progress in the consolidated financial results amounting to Rs 1487 lacs for the said project includes Rs 1303 lacs on account of advances given/ amount spent by the Company in this respect. This being long-term and strategic in nature, no adjustment pending implementation of the project has been considered necessary.
- (ii) Further, networth in respect of Stone Biotech (P) Ltd., a subsidiary of the Company, eventhough has become negative, considering long term involvement therein, no adjustments in the value of investment of the Company amounting to Rs.21 lacs in the said subsidiary has been considered necessary.
- d) In respect of investigation proceedings concerning defalcation of Company's fund, Rs.4 lacs out of Rs.105 lacs was received in earlier years. The balance amount, pending steps for recovery, is continued to be included under advances. On completion of enquiry proceedings, steps against the offender in accordance with enquiry report had been initiated and amount has been shown as recoverable under short term loans and advances.
- e) Certain debit and credit balances including in respect of Inventories, overdue balances of trade receivables, trade and other payables, advances & deposits and certain bank balances (including as given in note 2(f) below) are subject to confirmation/reconciliations. Adjustment with respect to these will be carried out on ascertainment of amount thereof.
- f) In respect of the Company :
- a. Reconciliation of inventories lying at different locations including with third parties amounting to Rs.286 lacs eventhough carried out to certain extent were yet to be completed at the year end. Rs 397 lacs out of the provision made in earlier years has therefore been continued in this year.
- b. Trade Receivables and advances / deposits include Rs. 372 lacs and Rs 102 lacs respectively which are overdue for payment. Pending outcome of steps for recovery these have been considered good and recoverable.
- g) The Company is in the process of evaluating the useful life of the fixed assets and classification/componentisation as per Schedule II of the Companies Act, 2013 and impact in this respect will be ascertained and given effect to on completion of the process.
- h) Necessary information from the suppliers as defined under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) were not available and as such the disclosures in this respect under trade payable including recognition of interest thereon, if any, could not be given effect to in these results.
- i) Matters referred to in Para 3 (a) to (h) above have continued from earlier years. Cumulative impact of these matters, due to the reason for non resolution given therein are not ascertainable and as such has been disclosed.
- 3 The Company has allotted 7,75,000 equity shares on 15<sup>th</sup> April, 2015 against the Warrants issued on a preferential basis to Promoter entitling the allottee to apply for and obtain allotment of one Equity Share of Rs. 10/- each at a price of Rs. 17.50 per share against each such Warrants.
- 4 In respect of Biotoilets venture undertaken by the Company, segmental disclosure with respect to same has been given effect from March 2015. Accordingly, disclosure of comparative figures for the quarter ended 31.03.2015 is not applicable in this respect.
- 5 Figures for the quarter ended 31st March shown herein above are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.
- 6 Figures for previous year/ periods have been re-grouped or re-arranged wherever considered necessary.

Place : Kolkata  
Date : 30th May, 2016

for **STONE INDIA LIMITED**  
Debashis Chakravarty

Managing Director &amp; CEO

DIN: 07049659



**Independent Auditors' Report**

**The Board of Directors  
Stone India Limited  
16, Taratalla Road  
Kolkata 700 088**

1. We have audited the Standalone Financial Results contained in the accompanying Statement of Audited Financial Results for the year ended 31<sup>st</sup> March, 2016 (herein after referred to as 'the Statement' and initialled for the purpose of identification) of **Stone India Limited** ('the Company') for the year ended 31<sup>st</sup> March, 2016, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations'). The Statement includes the Standalone financial results (herein after referred to as "the Results"). This Statement containing the Results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related Standalone financial statements which except for the matters dealt with in Para 3(iii) and 3(vi) hereinbelow, are in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the Act) as applicable, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Results.
2. We conducted our audit in accordance with the Standards on Auditing generally accepted in India issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to following notes of the 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(b) regarding managerial remuneration being subject to approval of the Central Government;
  - (iii) Note 2(c) regarding non-ascertainment of shortfall in value of investments in subsidiaries amounting to Rs. 22 Lacs and Company's exposure of Rs.1303 Lacs against project undertaken by one of it's subsidiary and provision if any required there against;
  - (iv) Note 2(d) regarding defalcation, pending conclusion of the matter, impact thereof as such cannot be commented upon;
  - (v) Note 2(e) & 2(f) regarding non-confirmation/reconciliation of certain debit and credit balances including inventories including stock lying with third parties, overdue trade receivables, trade and other payables, advances & deposits and certain bank balances and adjustments required there against;
  - (vi) Note 2(g) regarding non- provision and non-ascertainment of depreciation as required in terms of Schedule II of the Companies Act, 2013;



(vii) Note 2(h) regarding information about Micro, small and Medium enterprise being not available and as such required disclosures/recognition of interest liability, if any in this respect could not be given/made;

Cumulative impacts and reasons for non-resolution of the above matters have not been disclosed in the Statement and thereby, impact thereof as such cannot be ascertained and commented upon by us.

4. In our opinion and to the best of our information and according to the explanations given to us, excepting the possible effects of the matters stated in Paragraph 3 above, the Results contained in the Statement:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net profit for the quarter ended 31.03.2016 and net loss for the year ended 31.03.2016 and other financial information for the quarter and year ended 31<sup>st</sup> March 2016.

5. These financial results includes the results for the quarter ended 31<sup>st</sup> March, being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto 31<sup>st</sup> December of the relevant financial year, which were subject to limited review by us as stated in Paragraph 1 above, as required under the SEBI Regulations.

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

*R.P. Singh*  
R P Singh  
Partner  
Membership No: 52438

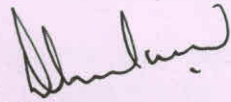
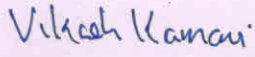



Place: Kolkata  
Date: 30<sup>th</sup> May, 2016



**FORM B**  
**(Audit Report with Modified Opinion)**

1.	Name of the Company	Stone India Limited
2.	Annual financial statements for the year ended.	Standalone Financial Results contained in the Statement of Audited Financial Results of the Company for the year ended 31 <sup>st</sup> March, 2016
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Frequency of the qualifications with respect to the matters dealt with in notes as referred in Paragraph (5) herein below, have been mentioned thereagainst.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Attention is drawn by the Auditors to the following notes of the Statement of Audited Financial Results of the Company as aforesaid:</p> <p>(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 (Frequency of qualification: Since year 1999-2000);</p> <p>(ii) Note 2(b) regarding managerial remuneration being subject to approval of the Central Government (Frequency of qualification: Since year 2008-2009);</p> <p>(iii) Note 2(c) regarding non-ascertainment of shortfall in value of investments in subsidiaries amounting to Rs. 22 Lacs (including Rs. 1.00 lac in Stone Biotech (P) Limited (SBPL)) and Company's exposure of Rs.1303 Lacs against project undertaken by one of its subsidiary and provision if any required there against;</p> <p style="padding-left: 40px;">(Frequency of qualification: first time regarding investments of Rs. 21 lacs in SBPL and since year 2012-2013 as regards other matters);</p> <p>(iv) Note 2(d) regarding defalcation, pending conclusion of the matter, impact thereof as such cannot be commented upon (Frequency of qualification: Since year 2013-14);</p> <p>(v) Note 2(e) &amp; 2(f) regarding non-confirmation/reconciliation of certain debit and credit balances including inventories, stock lying with third parties, overdue trade receivables, trade and other payables, advances &amp; deposits and certain bank balances and adjustments required there against (Frequency of qualification: Since year 2012-2013);</p> <p>(vi) Note 2(g) regarding non- provision and non-ascertainment of depreciation as required in terms of Schedule II of the Companies Act, 2013 (Frequency of qualification: Since year 2014-2015);</p>



		<p>(vii) Note 2(h) regarding information about Micro, small and Medium enterprise being not available and as such required disclosures/recognition of interest liability, if any in this respect could not be given/made (Frequency of qualification: Since year 2007-2008).</p> <p>Cumulative impacts and reasons for non-resolution of the above matters have not been disclosed in the Statement and thereby, impact thereof as such cannot be ascertained and commented upon by us.</p> <p><i>Management Response to the qualification in the report of Directors:</i></p> <p>As regards qualified opinion expressed by the auditors in their report attention is drawn to notes referred herein above as given in Audited financial results as aforesaid.</p>
	Additional comments from the board/audit committee chair:	None
	To be signed by:	
	<ul style="list-style-type: none"> <li>Managing Director</li> </ul>	 Debashis Chakravarty (DIN: 07049659)
	<ul style="list-style-type: none"> <li>CFO</li> </ul>	 Vikash Kamani (PAN: AFOPK4192A)
	<ul style="list-style-type: none"> <li>Auditor of the Company</li> </ul>	For Lodha & Co., Chartered Accountants Firm's ICAI Registration No. 301051E  R.P. Singh Partner Membership No. 52438 
	<ul style="list-style-type: none"> <li>Audit Committee Chairman</li> </ul>	 Indrajit Sen (DIN: 00216190)





**Independent Auditors' Report****The Board of Directors****Stone India Limited****16, Taratalla Road****Kolkata 700 088**

1. We have audited the Consolidated Financial Results contained in the accompanying Statement of Audited Financial Results for the year ended 31<sup>st</sup> March, 2016 (herein after referred to as 'the Statement' and initialled for the purpose of identification) of **Stone India Limited** ('the Holding Company') for the year ended 31<sup>st</sup> March, 2016, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations'). The consolidated financial results (herein after referred to as "the Results") in the Statement includes the results of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"). This Statement containing the Results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which except for the matters dealt with in Para 3(iii) and 3(vi) hereinbelow, are in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the Act) as applicable, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Results.
2. We conducted our audit in accordance with the Standards on Auditing generally accepted in India issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to the following notes of the 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(b) regarding managerial remuneration being subject to approval of the Central Government;
  - (iii) Note 2(c)(i) regarding the Rail Runner Project undertaken by the subsidiary Company and amount incurred thereagainst carried forward as Capital Work In Progress pending implementation of the said Project and consequential impact thereof has presently not been determined and as such can not be commented upon by us;
  - (iv) Note 2(d) regarding defalcation, pending conclusion of the matter, impact thereof as such cannot be commented upon;
  - (v) Note 2(e) & 2(f) regarding non-confirmation/reconciliation of certain debit and credit balances including inventories including stock lying with third parties, overdue trade receivables, trade and other payables, advances & deposits and certain bank balances and adjustments required there against;



(vi) Note 2(g) regarding non- provision and non-ascertainment of depreciation as required in terms of Schedule II of the Companies Act, 2013;

(vii) Note 2(h) regarding information about Micro, small and Medium enterprise being not available and as such required disclosures/recognition of interest liability, if any in this respect could not be given/made;

Cumulative impacts and reasons for non-resolution of the above matters have not been disclosed in the Statement and thereby, impact thereof as such cannot be ascertained and commented upon by us.

4. In our opinion and to the best of our information and according to the explanations given to us, excepting the possible effects of the matters stated in Paragraph 3 above, the Results contained in the Statement:

(i) include the financial results for the year ended 31<sup>st</sup> March, 2016 of the following subsidiaries of the Company in so far as they relate to the consolidated results in the Statement:

- a. Stone Intermodal Private Limited (Herein after referred as 'SIPL')
- b. Stone Biotech Private Limited (Herein after referred as 'SBPL')

(ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(iii) give a true and fair view of the consolidated net loss and other financial information of the Group for the year ended March 31, 2016.

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






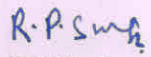

Place: Kolkata  
Date: 30<sup>th</sup> May, 2016

*R. P. Singh*  
R P Singh  
Partner  
Membership No: 52438

**FORM B**  
**(Audit Report with Modified Opinion)**

1.	Name of the Company	<b>Stone India Limited</b>
2.	Annual financial statements for the year ended	Consolidated Financial Results contained in the Statement of Audited Financial Results of the Company for the year ended 31 <sup>st</sup> March, 2016
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Frequency of the qualifications with respect to the matters dealt with in notes as referred in Paragraph (5) herein below, have been mentioned thereagainst.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Attention is drawn by the Auditors to the following notes of the Statement of Audited Financial Results of the Company as aforesaid:</p> <p>(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 (Frequency of qualification: Since year 1999-2000);</p> <p>(ii) Note 2(b) regarding managerial remuneration being subject to approval of the Central Government (Frequency of qualification: Since year 2008-2009);</p> <p>(iii) Note 2(c)(i) regarding the Rail Runner Project undertaken by the subsidiary Company and amount incurred thereagainst carried forward as Capital Work In Progress pending implementation of the said Project and consequential impact thereof has presently not been determined and as such can not be commented upon by us (Frequency of qualification: since year 2012-2013);</p> <p>(iv) Note 2(d) regarding defalcation, pending conclusion of the matter, impact thereof as such cannot be commented upon (Frequency of qualification: Since year 2013-14);</p> <p>(v) Note 2(e) &amp; 2(f) regarding non-confirmation/reconciliation of certain debit and credit balances including inventories including stock lying with third parties, overdue trade receivables, trade and other payables, advances &amp; deposits and certain bank balances and adjustments required there against (Frequency of qualification: Since year 2012-2013);</p> <p>(vi) Note 2(g) regarding non- provision and non-ascertainment of depreciation as required in terms of Schedule II of the Companies Act, 2013 (Frequency of qualification: Since year 2014-2015);</p> <p>(vii) Note 2(h) regarding information about Micro, small and Medium enterprise being not available and as such required</p>



	<p>disclosures/recognition of interest liability, if any in this respect could not be given/made (Frequency of qualification: Since year 2007-2008);</p> <p>Cumulative impacts and reasons for non-resolution of the above matters have not been disclosed in the Statement and thereby, impact thereof as such cannot be ascertained and commented upon by us.</p> <p><i>Management Response to the qualification in the report of Directors:</i></p> <p>As regards qualified opinion expressed by the auditors in their report attention is drawn to notes referred herein above as given in Audited financial results as aforesaid.</p>
Additional comments from the board/audit committee chair:	
To be signed by:	
<ul style="list-style-type: none"> <li>Managing Director</li> </ul>	 Debashis Chakravarty (DIN: 07049659)
<ul style="list-style-type: none"> <li>CFO</li> </ul>	 Vikash Kamani PAN - AFOPK4192A
<ul style="list-style-type: none"> <li>Auditor of the Company</li> </ul>	For Lodha & Co., Chartered Accountants Firm's ICAI Registration No. 301051E   R.P Singh Partner Membership No. 52438
<ul style="list-style-type: none"> <li>Audit Committee Chairman</li> </ul>	 Indrajit Sen (DIN: 00216190)

