



RAIN INDUSTRIES LIMITED

RIL/SEs/2016

May 6, 2016

The General Manager Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort <u>Mumbai-400 001</u>	The Manager Listing Department The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East <u>Mumbai – 400 051</u>
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Dear Sir/ Madam,

Sub: Unaudited Financial Results for the first quarter ended on March 31, 2016.

Ref : Scrip Code: 500339 (BSE) and Scrip code : RAIN (NSE)

With reference to the above stated subject, please find enclosed herewith Unaudited Financial Results (Standalone, Consolidated and Segment) for the first quarter ended on March 31, 2016.

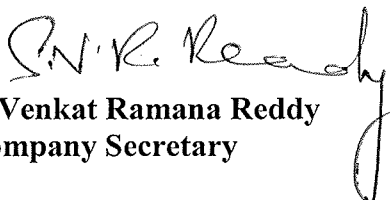
Also find attached Limited Review Report issued by M/s. B S R & Associates LLP, Chartered Accountants, Statutory Auditors of the Company on the Unaudited Financial Results for the first quarter ended on March 31, 2016.

These results were approved by the Board of Directors of the Company at their meeting held on May 6, 2016.

This is for your kind information and record.

Thanking you,

Yours faithfully,
for **Rain Industries Limited**


S. Venkat Ramana Reddy
Company Secretary

B S R & Associates LLP

Chartered Accountants

8-2-618/2, Reliance Humsafar,
4th Floor, Road, No. 11,
Banjara Hills
Hyderabad - 500 034. India.

Telephone +91 40 3046 5000
Fax +91 40 3046 5299

Review Report on Statement of Standalone Unaudited Financial Results for the quarter ended March 31, 2016 of Rain Industries Limited Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
Rain Industries Limited**

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ('the Statement') of Rain Industries Limited ("the Company") for the quarter ended 31 March 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 06 May 2016. Our responsibility is to issue a report on the statement based on our review.

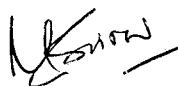
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of the Chartered Accountants of India. This standard requires that we plan and perform the review 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results prepared in accordance with the Accounting standards notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Associates LLP

Chartered Accountants

Firm registration Number: 116231W/ W-100024

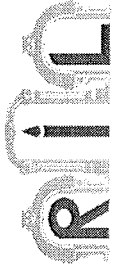


Sriram Mahalingam

Partner

Membership Number: 049642

Hyderabad
May 06, 2016



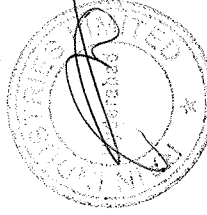
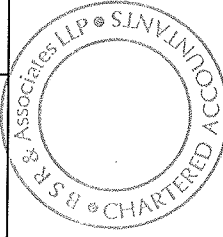
RAIN INDUSTRIES LIMITED

CIN: L26942TG1974PLC001693

Regd. Off: "Rain Center", 34, Srinagar Colony, Hyderabad - 500 073, Telangana State, India. Ph.No.040-40401234; Fax:040-40401214

Email: secretarial@rain-industries.com / www.rain-industries.com

PART I						
Statement of Standalone Unaudited Financial Results for the Quarter ended March 31, 2016						
(Rupees in Millions)						
Particulars		Quarter ended			Year ended	
		March 31, 2016	December 31, 2015	March 31, 2015	December 31, 2015	
		Unaudited	Audited - see Note 5 below	Unaudited	Audited	
1	Income from operations					
	(a) Net Sales / Income from Operations (Net of excise duty)	40.15	231.21	31.84		862.08
2	Expenses					
	(a) Purchases of Stock-in-trade	280.50	210.12	-		767.88
	(b) Changes in Inventories of Stock-in-trade	(280.50)	-	-		
	(c) Employee Benefits Expense	20.15	18.53	15.97		67.83
	(d) Depreciation Expense	3.95	3.99	1.33		15.71
	(e) Other Expenses	31.20	19.15	25.79		70.42
	Total Expenses	55.30	251.79	43.09		921.84
3	Loss from Operations before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs and Tax (1-2)	(15.15)	(20.58)	(11.25)		(59.76)
4	Other Income (See Note 3 below)	107.40	30.37	34.44		463.74
5	Foreign Exchange (Gain)/Loss	1.38	(119.59)	(7.33)		(97.28)
6	Profit/(Loss) before Finance Costs and Tax (3+4-5)	90.87	129.38	30.52		501.26
7	Finance Costs	63.99	153.31	28.49		235.43
8	Profit/(Loss) before Tax (6-7)	26.88	(23.93)	2.03		265.83
9	Tax Expense	1.13	1.14	1.56		4.96
10	Net Profit/(Loss) for the period/year (8-9)	25.75	(25.07)	0.47		260.87
11	Paid-up Equity Share Capital - Face Value Rs. 2/- each	672.69	672.69	672.69		672.69
12	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-		2,445.10
13	Earnings/(Loss) Per Share - Basic & Diluted (of Rs. 2/- each)	0.08	(0.07)	0.00		0.78
	(See accompanying notes to the Standalone Unaudited Financial Results)	(not annualised)	(not annualised)	(not annualised)		



Notes:

1 The Standalone Unaudited Financial Results were reviewed by the Audit Committee on May 4, 2016 and approved by the Board of Directors at their meeting held on May 6, 2016.

2 The Standalone Financial Results for the Quarter ended March 31, 2016 have been subjected to a "Limited Review" by the statutory auditors of the Company. An unqualified report has been issued by them thereon.

3 Other income inclusive of:

Particulars	Quarter ended			Year ended
	March 31, 2016	December 31, 2015	March 31, 2015	December 31, 2015
Dividends from Subsidiary Companies	69.00	-	-	336.80
Interest on Deposits with Banks and Others	38.35	30.38	34.44	126.94

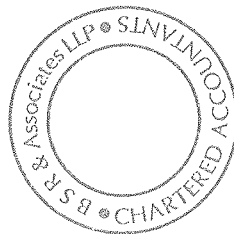
(Rupees in Millions)

4 The segment results are included in Consolidated Unaudited Financial Results in compliance with Accounting Standard - 17 "Segment Reporting".

5 The figures for the quarters ended December 31 are the balancing figures between the audited figures in respect of the full financial year ended December 31 and the unaudited figures for the nine months ended September 30.

6 The figures of the previous year / periods have been regrouped / reclassified, wherever considered necessary to correspond with the current period's classification / disclosure.

Place: Hyderabad
Date: May 6, 2016



By order of the Board
for Rain Industries Limited


N. Jagan Mohan Reddy
Managing Director
DIN:00017633

B S R & Associates LLP

Chartered Accountants

8-2-618/2, Reliance Humsafar,
4th Floor, Road, No. 11,
Banjara Hills
Hyderabad - 500 034. India.

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Review Report on Statement of Consolidated Unaudited Financial Results for the quarter ended March 31, 2016 of Rain Industries Limited Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Rain Industries Limited

We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results ("the Statement") of Rain Industries Limited ("the Company"), its subsidiaries and associates (collectively referred to as the "Rain Group") for the quarter ended March 31, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 6 May 2016. Our responsibility is to issue a report on the Statement based on our review.

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 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, and based on the consideration of reports of other auditors on financial results of the subsidiaries as noted in Other Matters paragraphs below, nothing has come to our attention that causes us to believe that the accompanying statement of consolidated unaudited financial results prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles and policies 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other matters

We did not review the financial results of certain subsidiaries considered in preparation of the Statement, whose financial results reflects total revenue of INR 12,090 Million for the quarter ended March 31, 2016. We also did not review the financial results of two associates considered in the preparation of the Statement, whose financial results reflect Rain Group's share of Net loss of INR Nil for the quarter ended March 31, 2016. These interim financial results have been reviewed by other auditors. Our report on the statement in so far as it relates to the amounts included in respect of these subsidiaries and associates is based solely on the report of the other auditors.

Review Report on Statement of Consolidated Unaudited Financial Results for the quarter ended March 31, 2016 of Rain Industries Limited (formerly Rain Commodities Limited) Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

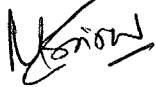
We did not review the financial results of certain subsidiaries considered in the preparation of the Statement, whose financial results reflects total revenue of INR 195 Million for the quarter ended March 31, 2016. These financial results have been furnished to us by the Management, and our report on the statement in so far as it relates to the amounts included in respect of these subsidiaries is based solely on such financial results.

Our report on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and financial results certified by respective Management.

for **B S R & Associates LLP**

Chartered Accountants

Firm Registration Number: 116231W /W-100024



Sriram Mahalingam

Partner

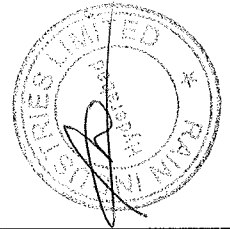
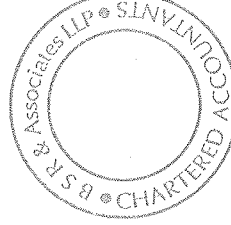
Membership Number: 049642

Place: Hyderabad

Date: 6 May 2016



RAIN INDUSTRIES LIMITED
 CIN: L26942TG1974PLC001693
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 Email: secretarial@rain-industries.com / www.rain-industries.com



PART I Statement of Consolidated Unaudited Financial Results for the Quarter ended March 31, 2016 (Rupees in Millions)						
	Particulars	Quarter ended			Year ended	December 31, 2015
		March 31, 2016	December 31, 2015	March 31, 2015		
		Unaudited	Audited - see Note 9 below	Unaudited	Audited	
1	Income from operations					
	(a) Net Sales / Income from Operations (Net of excise duty)	21,502.55	23,511.42	25,289.14		101,717.61
	(b) Other Operating Income	114.47	129.17	100.53		467.70
	Total Income from Operations (net)	21,617.02	23,640.59	25,389.67		102,185.31
2	Expenses					
	(a) Cost of Materials Consumed	6,961.40	6,524.92	8,308.28		30,169.96
	(b) Purchases of Stock-in-trade	3,760.21	5,582.06	5,481.28		22,893.43
	(c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	491.82	360.60	(362.37)		(173.53)
	(d) Employee Benefits Expense	2,583.83	2,409.67	2,344.99		9,610.54
	(e) Depreciation and Amortisation Expense	816.92	841.69	792.90		3,278.16
	(f) Impairment Loss	-	-	-		-
	(g) Power and Fuel	1,426.43	1,414.12	1,477.43		5,410.88
	(h) Selling and Distribution Expenses	2,140.68	1,945.10	2,355.80		8,869.98
	(i) Other Expenses	3,316.31	3,220.78	2,649.39		11,912.04
	Total Expenses	21,497.60	22,298.94	23,047.70		91,971.46
3	Profit from Operations before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs, Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (1-2)	119.42	1,341.65	2,341.97		10,213.85
4	Other Income	203.61	182.29	71.97		499.40
5	Foreign Exchange (Gain)/Loss (See Note 5 below)	32.54	(74.70)	(458.94)		(95.98)
6	Profit from ordinary activities before Finance Costs, Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (3+4-5)	290.49	1,598.64	2,872.88		10,809.23
7	Finance Costs	1,484.23	1,445.85	1,431.44		5,763.49
8	Profit/(Loss) from ordinary activities before Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (6-7)	(1,193.74)	152.79	1,441.44		5,045.74
9	Exceptional items (See Note 6 below)	-	60.91	-		60.91
10	Profit/(Loss) from ordinary activities before Tax, Share of Profit/(Loss) of Associates and Minority Interest (8-9)	(1,193.74)	91.88	1,441.44		4,984.83
11	Tax Expense / (benefit)	(431.87)	276.09	579.36		1,962.08
12	Net Profit/(Loss) before Share of Profit/(Loss) of Associates and Minority Interest (10-11)	(761.87)	(184.21)	862.08		3,022.75
13	Share of Profit/(Loss) of Associates	-	(6.50)	-		(6.50)
14	Minority Interest	(0.61)	115.23	(18.74)		217.14
15	Net Profit/(Loss) for the period/year (12+13+14)	(762.48)	(75.48)	843.34		3,233.39
16	Paid-up Equity Share Capital - Face Value Rs. 2/- each	672.69	672.69	672.69		672.69
17	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-		28,702.32
18	Earnings Per Share - Basic and Diluted (of Rs. 2/- each)	(2.27)	(0.23)	2.51		9.61
	(See accompanying notes to the Consolidated Unaudited Financial Results)	(not annualised)	(not annualised)	(not annualised)		

Notes:

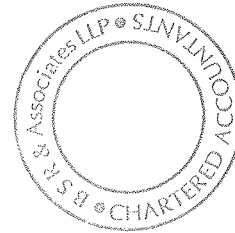
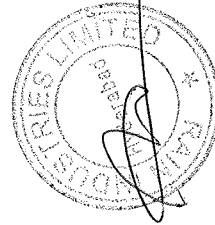
- 1 The Consolidated Unaudited Financial Results were reviewed by the Audit Committee on May 4, 2016 and approved by the Board of Directors at their meetings held on May 6, 2016.
- 2 The Consolidated Unaudited Financial Results for the quarter ended March 31, 2016 have been subjected to a "Limited Review" by the statutory auditors of the Company. An unqualified report has been issued by them thereon.
- 3 The Consolidated Unaudited Financial Results have been prepared in accordance with Accounting Standard 21 - Consolidated Financial Statements, notified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, guidelines issued by the Securities and Exchange Board of India and other accounting principles generally accepted in India.
- 4 The Company has filed a scheme of arrangement on July 8, 2015 with National Stock exchange ("NSE"), Bombay Stock Exchange ("BSE") and Securities Exchange Board of India ("SEBI") for merger of Moonglow Company Business Inc, a step down wholly owned subsidiary, with the Company. The Company received the requisite approvals from BSE and NSE on September 14, 2015 and September 15, 2015, respectively, for filing the scheme of arrangement with Honourable High Court of Andhra Pradesh and Telangana. The Company filed the scheme of arrangement on November 6, 2015 with Honourable High Court of Andhra Pradesh and Telangana. The Company will incorporate the necessary accounting treatment once the scheme is approved by the Honourable High Court.
- 5 The Group supports its overseas subsidiaries through long term loans wherever required and in respect of any loan, which is considered in substance a part of the net investment in a non-integral foreign operation, the exchange difference arising on translation of such loans will be accumulated in foreign currency translation reserve as per Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates". During the year ended December 31, 2015, the Group has designated certain long term loans effective July 1, 2015. Accordingly exchange differences amounting to Rs. 92.63 million and Rs. 356.72 million has been transferred to foreign currency translation reserve during the quarter ended March 31, 2016 and year ended December 31, 2015 respectively.

6 Exceptional items include:

Particulars	Quarter ended		(Rupees in Millions)	
	March 31, 2016	December 31, 2015	March 31, 2015	Year ended December 31, 2015
Change in pension liability resulting from change in actuarial (gain)/loss (due to significant change in interest rates in Europe)	-	(697.43)	-	(697.43)
Foreign exchange loss resulting from substantial depreciation of Russian Ruble against US Dollar	-	195.22	-	195.22
Litigation settlement with one of the vendors of Capital Equipment in US	-	428.80	-	428.80
Provision for receivables on account of customer filing for bankruptcy in US	-	134.32	-	134.32

7 Certain Standalone information of the Company:

Particulars	Quarter ended		(Rupees in Millions)	
	March 31, 2016	December 31, 2015	March 31, 2015	Year ended December 31, 2015
Net Sales / Income from Operations (Net of excise duty)	40.15	231.21	31.84	862.08
Profit/(Loss) Before Tax (including Other Income)	26.88	(23.93)	2.03	265.83
Profit/(Loss) After Tax	25.75	(25.07)	0.47	260.87



Segment wise Revenue, Results and Capital Employed:

The Company has considered business segment as the primary segment for reporting. The products considered for business segment are:

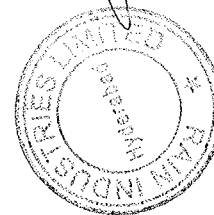
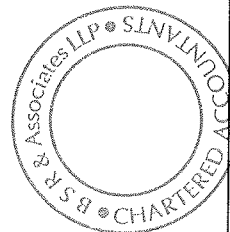
- (a) Carbon Products
- (b) Chemicals
- (c) Cement

(Rupees in Millions)				
Particulars	Quarter ended			Year ended December 31, 2015
	March 31, 2016	December 31, 2015	March 31, 2015	
1) Segment Revenue				
(a) Carbon Products	15,907.34	17,884.22	18,197.43	74,917.19
(b) Chemicals	5,071.60	4,890.89	5,885.65	23,001.63
(c) Cement	2,514.91	2,347.94	2,623.44	10,292.98
Total	23,493.85	25,123.05	26,706.52	108,211.80
Less: Inter Segment Revenue	1,991.30	1,611.63	1,417.38	6,494.19
Net Sales / Income from Operations (Net of excise duty)	21,502.55	23,511.42	25,289.14	101,717.61
2) Segment Results				
Profit before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs and Exceptional items from each segment				
(a) Carbon Products	(300.21)	835.67	1,777.57	7,817.10
(b) Chemicals	272.45	34.68	263.81	974.14
(c) Cement	147.18	471.30	300.59	1,422.61
Total	119.42	1,341.65	2,341.97	10,213.85
Less: i) Finance Costs	1,484.23	1,445.85	1,431.44	5,763.49
ii) Other Income	(203.61)	(182.29)	(71.97)	(499.40)
iii) Foreign Exchange (Gain)/Loss	32.54	(74.70)	(458.94)	(95.98)
iv) Exceptional items	-	60.91	-	60.91
Total Profit Before Tax	(1,193.74)	91.88	1,441.44	4,984.83
3) Capital Employed				
(Segment Assets – Segment Liabilities)				
(a) Carbon Products	81,544.02	82,333.04	78,757.73	82,333.04
(b) Chemicals	17,206.16	16,750.47	14,728.59	16,750.47
(c) Cement	5,349.84	5,250.36	4,685.91	5,250.36
(d) Unallocated	(172.94)	(1,572.02)	(1,682.39)	(1,572.02)
Total	103,927.08	102,761.85	96,489.84	102,761.85

Figures for the quarters ended December 31 are the balancing figures between the audited figures in respect of the full financial year ended December 31 and the unaudited figures for the nine months ended September 30.

The figures of the previous year / periods have been regrouped / reclassified, wherever considered necessary to correspond with the current period's classification / disclosure.

The Investors can view Standalone Unaudited Financial Results of the Company on the Company's website www.rain-industries.com or on the BSE Limited website www.bseindia.com or on the National Stock Exchange of India Limited website www.nseindia.com.



By order of the Board
for Rain Industries Limited

(Signature)

N. Jagan Mohan Reddy
Managing Director
DIN:00017633

Place: Hyderabad
Date: May 6, 2016