



RAIN INDUSTRIES LIMITED
CIN: L26942TG1974PLC001693

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PART I						(Rupees in Millions)
Statement of Consolidated Audited Financial Results for the Quarter and Year ended December 31, 2016						
	Particulars	Quarter ended			Year ended	
		December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
		Audited - see Note 11 below	Unaudited	Audited - see Note 11 below	Audited	Audited
1	Income from operations					
	(a) Net Sales / Income from Operations (Net of excise duty)	23,609.98	22,295.32	23,511.42	92,596.73	101,717.61
	(b) Other Operating Income	221.18	105.14	129.17	567.27	467.70
	Total Income from Operations (net)	23,831.16	22,400.46	23,640.59	93,164.00	102,185.31
2	Expenses					
	(a) Cost of Materials Consumed	8,487.40	5,160.22	6,524.92	27,737.33	30,169.96
	(b) Purchases of Stock-in-trade	3,152.72	4,567.58	5,582.06	15,265.45	22,893.43
	(c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	(167.60)	(105.61)	360.60	914.34	(173.53)
	(d) Employee Benefits Expense	2,197.00	2,375.71	2,409.67	9,706.87	9,610.54
	(e) Depreciation and Amortisation Expense	927.35	855.46	841.69	3,461.39	3,278.16
	(f) Impairment Loss	-	-	-	-	-
	(g) Power and Fuel	1,436.51	1,204.13	1,414.12	5,428.47	5,410.88
	(h) Selling and Distribution Expenses	2,037.97	2,037.23	1,945.10	8,576.12	8,869.98
	(i) Other Expenses	2,605.05	3,083.84	3,220.78	11,998.33	11,912.04
	Total Expenses	20,676.40	19,178.56	22,298.94	83,088.30	91,971.46
3	Profit from Operations before Other Income, Foreign Exchange Gain, Finance Costs, Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (1-2)	3,154.76	3,221.90	1,341.65	10,075.70	10,213.85
4	Other Income	52.67	158.96	182.29	736.79	499.40
5	Foreign Exchange Gain (See Note 6 below)	(175.37)	(37.17)	(74.70)	(341.97)	(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)	3,382.80	3,418.03	1,598.64	11,154.46	10,809.23
7	Finance Costs	1,440.09	1,429.69	1,445.85	5,866.54	5,763.49
8	Profit from ordinary activities before Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (6-7)	1,942.71	1,988.34	152.79	5,287.92	5,045.74
9	Exceptional items (See Note 7 and 8 below)	1,108.84	261.56	60.91	1,370.40	60.91
10	Profit from ordinary activities before Tax, Share of Profit/(Loss) of Associates and Minority Interest (8-9)	833.87	1,726.78	91.88	3,917.52	4,984.83
11	Tax Expense	626.14	466.21	276.09	1,647.95	1,962.08
12	Net Profit/(Loss) before Share of Profit/(Loss) of Associates and Minority Interest (10-11)	207.73	1,260.57	(184.21)	2,269.57	3,022.75
13	Share of Profit/(Loss) of Associates	41.53	-	(6.50)	41.53	(6.50)
14	Minority Interest	(22.68)	(42.46)	115.23	(63.83)	217.14
15	Net Profit/(Loss) for the period/year (12+13+14)	226.58	1,218.11	(75.48)	2,247.27	3,233.39
16	Paid-up Equity Share Capital - Face Value Rs. 2/- each	672.69	672.69	672.69	672.69	672.69
17	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	29,470.83	28,702.32
18	Earnings Per Share - Basic and Diluted (of Rs. 2/- each)	0.67	3.62	(0.23)	6.68	9.61
		(not annualised)	(not annualised)	(not annualised)		
(See accompanying notes to the Consolidated Audited Financial Results)						

Notes:

- 1 The Consolidated Audited Financial Results were reviewed by the Audit Committee on February 22, 2017 and approved by the Board of Directors at their meetings held on February 23, 2017.
- 2 The Consolidated Financial Results for the Financial year ended December 31, 2016 were audited by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.
- 3 The Consolidated Audited 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 Board of Directors of the Company at their meeting held on August 13, 2016, had declared an Interim Dividend of Rs. 1/- per Equity Share i.e. 50% on face value of Rs. 2/- per Equity Share fully paid up for the financial year ending December 31, 2016 and no further dividend has been recommended for the said year.
- 5 The Hon'ble High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh vide its order dated July 29, 2016 granted its approval for Scheme of Arrangement between Moonglow Company Business Inc., Rain Industries Limited, Rain Cements Limited and their respective Shareholders and Creditors in terms of the provisions of Section(s) 391 – 394 read with Section 78, 100 to 103 of the Companies Act, 1956/ Companies Act, 2013 for amalgamation of Moonglow Company Business Inc., (Step down wholly owned subsidiary) with Rain Industries Limited (Ultimate Holding Company). The Board of Directors of the Company have taken on record the order of the Hon'ble High Court at their meeting held on October 8, 2016 and e-Form INC-28 along with the Court order is filed with the Registrar of Companies, Hyderabad for the States of Telangana and Andhra Pradesh on October 20, 2016. The aforesaid Scheme of Arrangement does not have any impact on the Consolidated Audited Financials Results for the year ended December 31, 2016.
- 6 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. 200.59 million and Rs. 366.72 million has been transferred to foreign currency translation reserve during the year ended December 31, 2016 and December 31, 2015 respectively.

7 Exceptional items include:

(Rupees in Millions)

Particulars	Quarter ended			Year ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Change in pension liability resulting from change in actuarial (gain)/loss (due to significant change in interest rates in Europe)	1,108.84	-	(697.43)	1,108.84	(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
Provision for Hanau site closure expenses	-	261.56	-	261.56	-

- 8 The Board of Directors of the Company has considered and approved the closure of its impregnated wood products manufacturing facility in Hanau, Germany. The Company has made necessary provision for the closure costs during the year ended December 31, 2016.

9 Certain Standalone information of the Company in terms of the Regulation 47(1)(b) of the SEBI (listing obligation and disclosure requirements) Regulations, 2015

(Rupees in Millions)

Particulars	Quarter ended			Year ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Net Sales / Income from Operations (Net of excise duty)	72.81	23.72	231.21	448.46	862.08
Profit/(Loss) Before Tax (including Other Income)	(20.16)	340.97	(23.93)	334.55	265.83
Profit/(Loss) After Tax	(21.34)	323.27	(25.07)	313.41	260.87

Particulars	As at December 31, 2016	As at December 31, 2015
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	672.69	672.69
(b) Reserves and surplus	29,470.83	28,702.32
Sub-total - Shareholders' funds	30,143.52	29,375.01
2 Minority interest	715.56	24.17
3 Non-current liabilities		
(a) Long-term borrowings	69,756.10	71,323.11
(b) Deferred tax liabilities, net	2,833.07	3,843.72
(c) Other long-term liabilities	628.37	715.28
(d) Long-term provisions	8,214.17	7,276.52
Sub-total - Non-current liabilities	81,431.71	83,158.63
4 Current liabilities		
(a) Short-term borrowings	1,819.34	2,594.24
(b) Trade payables	7,830.74	10,227.93
(c) Other current liabilities		
(i) Current maturities of long-term borrowings	2,917.66	2,039.55
(ii) Others	4,058.70	4,284.67
(d) Short-term provisions	1,362.02	1,525.85
Sub-total - Current liabilities	17,988.46	20,672.24
TOTAL - EQUITY AND LIABILITIES	130,279.25	133,230.05
B ASSETS		
1 Non-current assets		
(a) Fixed assets	33,186.80	32,346.18
(b) Goodwill on consolidation	58,286.10	57,160.06
(c) Non-current investments	99.20	58.77
(d) Deferred tax assets, net	2,158.86	2,786.11
(e) Long-term loans and advances	634.00	1,556.06
(f) Other non-current assets	51.33	1.86
Sub-total - Non-current assets	94,416.29	93,909.04
2 Current assets		
(a) Current investments	-	135.62
(b) Inventories	12,678.06	16,209.90
(c) Trade receivables	10,637.24	11,968.17
(d) Cash and cash equivalents (represents cash and bank balances)	10,490.81	8,604.61
(e) Short-term loans and advances	1,997.09	2,313.13
(f) Other current assets	59.76	89.58
Sub-total - Current assets	35,862.96	39,321.01
TOTAL - ASSETS	130,279.25	133,230.05

Segment wise Revenue, Results, Assets and Liabilities:

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, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
1) Segment Revenue					
(a) Carbon Products	19,030.27	17,370.63	17,884.22	71,275.24	74,917.19
(b) Chemicals	4,585.62	5,009.15	4,890.89	20,272.91	23,001.63
(c) Cement	2,172.92	2,102.11	2,347.94	9,542.32	10,292.98
Total	25,788.81	24,481.89	25,123.05	101,090.47	108,211.80
Less: Inter Segment Revenue	2,178.83	2,186.57	1,611.63	8,493.74	6,494.19
Net Sales / Income from Operations (Net of excise duty)	23,609.98	22,295.32	23,511.42	92,596.73	101,717.61
2) Segment Results					
Profit before Other Income, Foreign Exchange Gain, Finance Costs and Exceptional items from each segment					
(a) Carbon Products	2,633.69	2,857.08	835.67	7,963.71	7,817.10
(b) Chemicals	341.83	293.69	34.68	1,464.17	974.14
(c) Cement	179.24	71.13	471.30	647.82	1,422.61
Total	3,154.76	3,221.90	1,341.65	10,075.70	10,213.85
Less: i) Finance Costs	1,440.09	1,429.69	1,445.85	5,866.54	5,763.49
ii) Other Income	(52.67)	(158.96)	(182.29)	(736.79)	(499.40)
iii) Foreign Exchange Gain	(175.37)	(37.17)	(74.70)	(341.97)	(95.98)
iv) Exceptional items	1,108.84	261.56	60.91	1,370.40	60.91
Total Profit Before Tax	833.87	1,726.78	91.88	3,917.52	4,984.83
3) Segment Assets					
(a) Carbon Products	98,494.87	99,050.00	99,780.51	98,494.87	99,780.51
(b) Chemicals	22,552.42	23,502.90	23,156.94	22,552.42	23,156.94
(c) Cement	7,034.88	7,090.29	7,469.93	7,034.88	7,469.93
(d) Unallocated	2,197.08	3,129.17	2,822.67	2,197.08	2,822.67
Total	130,279.25	132,772.36	133,230.05	130,279.25	133,230.05
4) Segment Liabilities					
(a) Carbon Products	14,535.51	15,074.87	17,447.47	14,535.51	17,447.47
(b) Chemicals	6,924.22	6,776.84	6,406.46	6,924.22	6,406.46
(c) Cement	2,009.89	2,138.94	2,219.58	2,009.89	2,219.58
(d) Unallocated	3,276.79	3,634.73	4,394.69	3,276.79	4,394.69
Total	26,746.41	27,625.38	30,468.20	26,746.41	30,468.20

11 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.

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

13 The Investors can view Standalone Audited 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

Place: Hyderabad
Date: February 23, 2017

N. Jagan Mohan Reddy
Managing Director
DIN:00017633



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PART I		(Rupees in Millions)				
Statement of Standalone Audited Financial Results for the Quarter and Year ended December 31, 2016						
Particulars		Quarter ended			Year ended	
		December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
		Audited - see Note 8 below	Unaudited	Audited - see Note 8 below	Audited	Audited
1	Income from operations					
(a)	Net Sales / Income from Operations (Net of excise duty)	72.81	23.72	231.21	448.46	862.08
2	Expenses					
(a)	Purchases of Stock-in-trade	-	-	210.12	280.50	767.88
(b)	Changes in Inventories of Stock-in-trade	-	-	-	-	-
(c)	Employee Benefits Expense	24.80	22.88	18.53	89.76	67.83
(d)	Depreciation Expense	3.36	4.03	3.99	15.29	15.71
(e)	Other Expenses	56.92	10.13	19.15	111.51	70.42
	Total Expenses	85.08	37.04	251.79	497.06	921.84
3	Loss from Operations before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs and Tax (1-2)	(12.27)	(13.32)	(20.58)	(48.60)	(59.76)
4	Other Income (See Note 5 below)	51.11	398.47	30.37	606.97	463.74
5	Foreign Exchange (Gain)/Loss	7.19	(4.48)	3.29	10.35	25.60
6	Profit before Finance Costs and Tax (3+4-5)	31.65	389.63	6.50	548.02	378.38
7	Finance Costs	51.81	48.66	30.43	213.47	112.55
8	Profit/(Loss) before Tax (6-7)	(20.16)	340.97	(23.93)	334.55	265.83
9	Tax Expense	1.18	17.70	1.14	21.14	4.96
10	Net Profit/(Loss) for the period/year (8-9)	(21.34)	323.27	(25.07)	313.41	260.87
11	Paid-up Equity Share Capital - Face Value Rs. 2/- each	672.69	672.69	672.69	672.69	672.69
12	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	8,543.50	2,445.10
13	Earnings/(Loss) Per Share - Basic & Diluted (of Rs. 2/- each)	(0.06)	0.96	(0.07)	0.93	0.78
		<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>		
(See accompanying notes to the Standalone Audited Financial Results)						

Notes:

- 1 The Standalone Audited Financial Results were reviewed by the Audit Committee on February 22, 2017 and approved by the Board of Directors at their meeting held on February 23, 2017.
- 2 The Standalone Financial Results for the Financial Year ended December 31, 2016 have been Audited by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.
- 3 The Board of Directors of the Company at their meeting held on August 13, 2016, had declared an Interim Dividend of Rs. 1/- per Equity Share i.e. 50% on face value of Rs. 2/- per Equity Share fully paid up for the financial year ending December 31, 2016 and no further dividend has been recommended for the said year.
- 4 The Hon'ble High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh vide its order dated July 29, 2016 granted its approval for Scheme of Arrangement between Moonglow Company Business Inc., Rain Industries Limited, Rain Cements Limited and their respective Shareholders and Creditors in terms of the provisions of Section(s) 391 – 394 read with Section 78, 100 to 103 of the Companies Act, 1956/ Companies Act, 2013 for amalgamation of Moonglow Company Business Inc., (Step down wholly owned subsidiary) with Rain Industries Limited (Ultimate Holding Company). The Board of Directors of the Company have taken on record the order of the Hon'ble High Court at their meeting held on October 8, 2016 and e-Form INC-28 along with the Court order is filed with the Registrar of Companies, Hyderabad for the States of Telangana and Andhra Pradesh on October 20, 2016. Accordingly, the Company has recorded the assets and liabilities including reserves of the Moonglow Company Business Inc, at their historical book values under "Pooling of interest method" as specified in the Scheme, and as prescribed by Accounting Standard 14 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The amalgamation has resulted in transfer of assets, liabilities and reserves in accordance with the terms of the Scheme.

5 Other income inclusive of:

(Rupees in Millions)

Particulars	Quarter ended			Year ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Dividends from Subsidiary Companies	-	349.07	-	418.07	336.80
Interest on Deposits with Banks and Others	51.11	49.40	30.38	188.81	126.94
Miscellaneous income	-	-	-	0.09	0.01

Particulars	As at December 31, 2016	As at December 31, 2015
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	672.69	672.69
(b) Reserves and surplus	8,543.50	2,445.10
Sub-total - Shareholders' funds	9,216.19	3,117.79
2 Non-current liabilities		
(a) Long-term borrowings	3,397.50	2,653.20
(b) Deferred tax liabilities (net)	-	-
(c) Long-term provisions	4.92	3.22
Sub-total - Non-current liabilities	3,402.42	2,656.42
3 Current liabilities		
(a) Trade payables	2.59	2.34
(b) Other current liabilities		
(i) Current maturities of long-term borrowings	1,359.00	636.77
(ii) Others	116.07	49.22
(c) Short-term provisions	30.41	27.87
Sub-total - Current liabilities	1,508.07	716.20
TOTAL - EQUITY AND LIABILITIES	14,126.68	6,490.41
B ASSETS		
1 Non-current assets		
(a) Fixed assets	75.88	88.11
(b) Non-current investments	9,169.66	3,048.35
(c) Long-term loans and advances	3,670.03	2,895.55
Sub-total - Non-current assets	12,915.57	6,032.01
2 Current assets		
(a) Trade receivables	13.22	5.81
(b) Cash and bank balances	116.86	126.02
(c) Short-term loans and advances	1,022.03	321.33
(d) Other current assets	59.00	5.24
Sub-total - Current assets	1,211.11	458.40
TOTAL - ASSETS	14,126.68	6,490.41

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

8 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.

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

**By order of the Board
for Rain Industries Limited**

Place: Hyderabad
Date: February 23, 2017

**N. Jagan Mohan Reddy
Managing Director
DIN:00017633**