



RAIN INDUSTRIES LIMITED

(Formerly Rain Commodities Limited) CIN: L26942TG1974PLC001693

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PART I

(Rupees in lakhs)

Statement of Consolidated Audited Financial Results for the Quarter and Year ended December 31, 2014

Particulars	Quarter ended			Year ended	
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	Audited - see Note 16 below	Unaudited	Audited - see Note 16 below	Audited	
1 Income from operations					
(a) Net Sales / Income from Operations (Net of excise duty)	258,990	296,971	288,121	1,173,364	1,150,386
(b) Other Operating Income (See Note 6 and 11 below)	2,138	6,240	12,597	20,335	24,047
Total Income from Operations (net)	261,128	303,211	300,718	1,193,699	1,174,433
2 Expenses					
(a) Cost of Materials Consumed	93,149	123,485	122,643	454,499	509,625
(b) Purchases of Stock-in-trade	61,912	49,960	55,462	222,651	167,901
(c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	(3,356)	(3,665)	(9,048)	11,893	(6,732)
(d) Employee Benefits Expense	24,046	23,942	20,851	97,670	88,559
(e) Depreciation and Amortisation Expense	8,775	8,483	9,284	34,698	35,682
(f) Impairment Loss (See Note 10 below)	952	-	13,036	952	13,036
(g) Power and Fuel	14,326	15,633	17,509	60,518	60,369
(h) Selling and Distribution Expenses	22,813	23,124	18,404	89,705	75,487
(i) Other Expenses	32,471	34,565	38,683	134,563	129,440
Total Expenses	255,088	275,527	286,824	1,107,149	1,073,367
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)	6,040	27,684	13,894	86,550	101,066
4 Other Income	1,876	769	382	3,690	5,663
5 Foreign Exchange (Gain)/Loss (See Notes 5 below)	1,149	(1,959)	1,354	(2,088)	5,051
6 Profit before Finance Costs, Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (3+4-5)	6,767	30,412	12,922	92,328	101,678
7 Finance Costs	14,822	14,892	15,511	60,785	59,331
8 Profit Before Exceptional items, Tax, Share of Profit/(Loss) of Associates and Minority Interest (6-7)	(8,055)	15,520	(2,589)	31,543	42,347
9 Exceptional items (See Note 8 below)	25,774	-	-	25,774	-
10 Profit Before Tax, Share of Profit/(Loss) of Associates and Minority Interest (8-9)	(33,829)	15,520	(2,589)	5,769	42,347
11 Tax Expense / (benefit) (See Note 12 below)	(12,247)	4,638	(7,526)	(1,206)	3,672
12 Net Profit for the Period before Share of Profit/(Loss) of Associates and Minority Interest (10-11)	(21,582)	10,882	4,937	6,975	38,675
13 Share of Profit/(Loss) of Associates	(27)	-	(144)	(12)	(121)
14 Minority Interest	1,638	584	(71)	1,890	(102)
15 Net Profit for the period/year (12+13+14)	(19,971)	11,466	4,722	8,853	38,452
16 Paid-up Equity Share Capital - Face Value Rs. 2/- each	6,727	6,727	6,727	6,727	6,727
17 Reserves excluding Revaluation Reserves	-	-	-	287,851	315,604
18 Earnings Per Share - Basic and Diluted (of Rs. 2/- each)	-5.94*	3.41*	1.41*	2.63	11.41
(* Not Annualised)					
(See accompanying notes to the Consolidated Audited Financial Results)					

PART II						
		Quarter ended			Year ended	
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of Shares	198,882,219	198,882,219	187,164,116	198,882,219	187,164,116
	- Percentage of Shareholding	59.13%	59.13%	55.65%	59.13%	55.65%
2	Promoters and Promoter Group Shareholding	137,463,460	137,463,460	149,181,563	137,463,460	149,181,563
(a)	Pledged / Encumbered					
	- Number of Shares	25,316,465	25,316,465	25,316,465	25,316,465	25,316,465
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	18.42%	18.42%	16.97%	18.42%	16.97%
	- Percentage of Shares (as a % of the total Share Capital of the Company)	7.53%	7.53%	7.53%	7.53%	7.53%
(b)	Non - encumbered					
	- Number of Shares	112,146,995	112,146,995	123,865,098	112,146,995	123,865,098
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	81.58%	81.58%	83.03%	81.58%	83.03%
	- Percentage of Shares (as a % of the total Share Capital of the Company)	33.34%	33.34%	36.82%	33.34%	36.82%
B	INVESTOR COMPLAINTS	Quarter ended December 31, 2014				
	Pending at the beginning of the quarter	-Nil-				
	Received during the quarter	23				
	Disposed off during the quarter	23				
	Remaining unresolved at the end of the quarter	-Nil-				
Notes:						
1	The Consolidated Audited Financial Results were reviewed by the Audit Committee on February 26, 2015 and approved by the Board of Directors at their meetings held on February 27, 2015.					
2	The Consolidated Financial Results for the Financial year ended December 31, 2014 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 the Companies (Accounting Standards) Rules 2006, as per section 211 (3C) of the Companies Act, 1956 and section 133 of the Companies Act, 2013 to the extent applicable.					
4	The Board of Directors had declared an Interim Dividend of Rs. 1/- per Equity Share i.e. 50% on a face value of Rs. 2/- per Equity Share fully paid up for the financial year 2014 on November 6, 2014.					
5	The Group has designated foreign currency loans availed as a hedging instrument to hedge its net investment in non-integral foreign operations, with effect from January 1, 2009. Accordingly, the foreign exchange (gain) / loss on such foreign currency loans, determined as an effective net investment hedge is recognised in Reserves and Surplus and would be transferred to the Statement of Profit and Loss upon sale or disposal of the investment in such non-integral foreign operations.					
	Foreign Exchange (Gain) / Loss transferred to Reserves and Surplus: (Rupees in lakhs)					
	Particulars	Quarter ended			Year ended	
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	Foreign Exchange (Gain) / Loss	233	232	(175)	141	4,196
6	The Company has been indemnified in relation to certain environmental expenditure, as per the terms of a prior acquisition made by the Company. Based on completion of due process as per the terms of the agreement, the Company has recognised final claim amount of Rs. 5,313 Lakhs during the quarter ended September 30, 2014. The total claim amount recognised for the year ended December 31, 2014 was Rs. 15,016 Lakhs and for the year ended December 31, 2013 was Rs. 10,066 Lakhs.					
7	Hudhud cyclone had hit North coast of Andhra Pradesh State on October 12, 2014. However, due to the preemptive steps taken by the company, Hudhud did not cause any material damage to the manufacturing facilities of Rain CII Carbon (Vizag) Limited ("RCCVL") (Step-down wholly owned subsidiary of the Company) situated at Visakhapatnam, Andhra Pradesh. The cyclone resulted in temporary stoppage of operations at this facility. Post completion of required repair activities and technical evaluation, RCCVL had restarted first Kiln on October 26, 2014 and second Kiln on November 5, 2014. RCCVL is having adequate Insurance coverage subject to general deductibles.					

8	Exceptional items include:	(Rupees in lakhs)				
		Quarter ended			Year ended	
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	Incremental pension liability resulting from actuarial losses (due to significant fall in interest rates in Europe)	18,198	-	-	18,198	-
	Inventory write-down, resulting from abnormal fall in net realizable value, due to sharp decline in prices of inputs	2,369	-	-	2,369	-
	Foreign exchange loss resulting from substantial depreciation of Russian Ruble against US Dollar	5,207	-	-	5,207	-
9	On January 04, 2013, as a part of the acquisition of RUETGERS, Company had recognized a liability towards contingent consideration payable to prior owners of RUETGERS N.V., Belgium. As the conditions stipulated for payment of such contingent consideration are not fulfilled within the agreed timelines, outstanding contingent consideration of Rs. 15,802 lakhs (as at December 31, 2013) is not payable and the reversal of the liability is adjusted against goodwill during the current year.					
10	The Board of Directors of the Company had considered and approved the closure of RCC's Calcining facility in Moundsville - West Virginia, USA. This closure is brought on by the impact of new regulations by the Environmental Protection Agency, USA, requiring considerable additional investments which the Board believes is economically unviable. Further, the closure of the above facility is not expected to have any significant impact on the combined output of the Company. The Company has carried out impairment analysis based on the fair valuation report of the independent valuer and recognized an impairment loss of Rs. 13,036 Lakhs during the quarter ended December 31, 2013.					
11	During the quarter ended June 30, 2012, one of the Calcined Petroleum Coke ("CPC") Storage Domes at the Gramercy Facility of Rain CII Carbon LLC, USA was damaged by a lightning strike and subsequent fire. The Other Operating Income for the year ended December 31, 2013 includes Rs. 3,752 Lakhs of insurance proceeds pertaining to inventory.					
12	Tax expense / (benefit) is inclusive of:	(Rupees in lakhs)				
		Quarter ended			Year ended	
	Particulars	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	Minimum Alternate Tax	(1,286)	730	(775)	(252)	(4,200)
	Tax expense / (credit) relating to earlier years	81	170	(1,080)	251	(1,096)
13	Certain Standalone information of the Company:	(Rupees in lakhs)				
		Quarter ended			Year ended	
	Particulars	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	Net Sales / Income from Operations (Net of excise duty)	274	155	-	773	7,072
	Profit/(Loss) Before Tax (including Other Income)	(194)	3,482	4,055	3,400	2,805
	Profit/(Loss) After Tax	(235)	2,582	2,781	2,458	1,530

Particulars	As at December 31, 2014	As at December 31, 2013
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	6,727	6,727
(b) Reserves and surplus	287,851	315,604
Sub-total - Shareholders' funds	294,578	322,331
2 Minority interest	2,163	4,162
3 Non-current liabilities		
(a) Long-term borrowings	716,782	745,083
(b) Deferred tax liabilities, net	42,251	47,206
(c) Other long-term liabilities	5,262	12,694
(d) Long-term provisions	78,983	68,785
Sub-total - Non-current liabilities	843,278	873,768
4 Current liabilities		
(a) Short-term borrowings	34,314	58,674
(b) Trade payables	100,078	125,749
(c) Other current liabilities		
(i) Current maturities of long-term borrowings	16,164	25,297
(ii) Others	53,727	42,608
(d) Short-term provisions	11,212	10,053
Sub-total - Current liabilities	215,495	262,381
TOTAL - EQUITY AND LIABILITIES	1,355,514	1,462,642
B ASSETS		
1 Non-current assets		
(a) Fixed assets	318,567	332,280
(b) Goodwill on consolidation	579,518	621,159
(c) Non-current investments	683	755
(d) Deferred tax assets, net	20,273	16,596
(e) Long-term loans and advances	25,815	11,429
(f) Other non-current assets	148	165
Sub-total - Non-current assets	945,004	982,384
2 Current assets		
(a) Current investments	1,954	650
(b) Inventories	153,372	200,018
(c) Trade receivables	137,120	153,706
(d) Cash and cash equivalents (represents cash and bank balances)	89,952	84,469
(e) Short-term loans and advances	24,131	24,274
(f) Other current assets	3,981	17,141
Sub-total - Current assets	410,510	480,258
TOTAL - ASSETS	1,355,514	1,462,642

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 lakhs)

Particulars	Quarter ended			Year ended	
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013
1) Segment Revenue					
(a) Carbon Products	188,754	218,871	214,881	869,261	860,712
(b) Chemicals	68,019	74,174	73,178	294,730	292,193
(c) Cement	23,007	23,304	19,830	87,364	83,975
Total	279,780	316,349	307,889	1,251,355	1,236,880
Less: Inter Segment Revenue	20,790	19,378	19,768	77,991	86,494
Net Sales / Income from Operations (Net of excise duty)	258,990	296,971	288,121	1,173,364	1,150,386
2) Segment Results					
Profit before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs and Exceptional items from each segment					
(a) Carbon Products	7,609	24,131	8,537	76,690	84,723
(b) Chemicals	(3,486)	2,423	4,466	9,204	13,973
(c) Cement	1,917	1,130	891	656	2,370
Total	6,040	27,684	13,894	86,550	101,066
Less: i) Finance Costs	14,822	14,892	15,511	60,785	59,331
ii) Other Income	(1,876)	(769)	(382)	(3,690)	(5,663)
iii) Foreign Exchange (Gain)/Loss	1,149	(1,959)	1,354	(2,088)	5,051
iv) Exceptional items	25,774	-	-	25,774	-
Total Profit Before Tax	(33,829)	15,520	(2,589)	5,769	42,347
3) Capital Employed					
(Segment Assets – Segment Liabilities)					
(a) Carbon Products	821,421	854,311	857,549	821,421	857,549
(b) Chemicals	170,322	196,505	215,741	170,322	215,741
(c) Cement	47,416	47,251	50,445	47,416	50,445
(d) Unallocated	(9,472)	(25,326)	(26,862)	(9,472)	(26,862)
Total	1,029,687	1,072,741	1,096,873	1,029,687	1,096,873

16 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.

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

18 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 27, 2015

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