



RAIN INDUSTRIES LIMITED

(Formerly Rain Commodities Limited) CIN: L26942TG1974PLC001693

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PART I							(Rupees in lakhs)
Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months ended September 30, 2014							
Particulars	Quarter ended			Nine Months ended		Year ended	
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013	
	Unaudited					Audited	
1	Income from operations						
(a)	Net Sales / Income from Operations (Net of excise duty)	296,971	308,975	297,602	914,374	862,265	1,150,386
(b)	Other Operating Income (See Note 6 and 10 below)	6,240	6,503	3,358	18,197	11,450	24,047
	Total Income from Operations (net)	303,211	315,478	300,960	932,571	873,715	1,174,433
2	Expenses						
(a)	Cost of Materials Consumed	123,485	121,928	125,443	361,350	386,982	509,625
(b)	Purchases of Stock-in-trade	49,960	49,356	45,158	160,739	112,439	167,901
(c)	Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	(3,665)	7,591	3,213	15,249	2,316	(6,732)
(d)	Employee Benefits Expense	23,942	24,460	23,873	73,624	67,708	88,559
(e)	Depreciation and Amortisation Expense	8,483	8,553	9,618	25,923	26,398	35,682
(f)	Impairment Loss (See Note 9 below)	-	-	-	-	-	13,036
(g)	Power and Fuel	15,633	14,871	12,908	46,192	42,860	60,369
(h)	Selling and Distribution Expenses	23,124	22,643	19,579	66,892	57,083	75,487
(i)	Other Expenses	34,565	36,716	33,394	102,092	90,757	129,440
	Total Expenses	275,527	286,118	273,186	852,061	786,543	1,073,367
3	Profit from Operations before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs, Tax, Share of Profit/(Loss) of Associates and Minority Interest (1-2)	27,684	29,360	27,774	80,510	87,172	101,066
4	Other Income	769	576	387	1,814	5,281	5,663
5	Foreign Exchange (Gain)/Loss (See Notes 5 below)	(1,959)	(2,284)	1,938	(3,237)	3,697	5,051
6	Profit before Finance Costs, Tax, Share of Profit/(Loss) of Associates and Minority Interest (3+4-5)	30,412	32,220	26,223	85,561	88,756	101,678
7	Finance Costs	14,892	14,819	15,585	45,963	43,820	59,331
8	Profit Before Tax, Share of Profit/(Loss) of Associates and Minority Interest (6-7)	15,520	17,401	10,638	39,598	44,936	42,347
9	Tax Expense (See Note 8 below)	4,638	4,889	1,828	11,041	11,198	3,672
10	Net Profit for the Period before Share of Profit/(Loss) of Associates and Minority Interest (8-9)	10,882	12,512	8,810	28,557	33,738	38,675
11	Share of Profit/(Loss) of Associates	-	18	23	15	23	(121)
12	Minority Interest	584	(179)	(178)	252	(31)	(102)
13	Net Profit for the period/year (10+11+12)	11,466	12,351	8,655	28,824	33,730	38,452
14	Paid-up Equity Share Capital - Face Value Rs. 2/- each	6,727	6,727	6,727	6,727	6,727	6,727
15	Reserves excluding Revaluation Reserves	-	-	-	-	-	315,604
16	Earnings Per Share - Basic and Diluted (of Rs. 2/- each) (Not Annualised)	3.41	3.67	2.58	8.57	10.00	11.41 *
	(* Annualised)						
(See accompanying notes to the Consolidated Unaudited Financial Results)							

PART II							
		Quarter ended			Nine Months ended		Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
A	PARTICULARS OF SHAREHOLDING						
	1 Public shareholding						
	- Number of Shares	198,882,219	190,293,294	185,889,584	198,882,219	185,889,584	187,164,116
	- Percentage of Shareholding	59.13%	56.58%	55.27%	59.13%	55.27%	55.65%
	2 Promoters and Promoter Group Shareholding	137,463,460	146,052,385	150,456,095	137,463,460	150,456,095	149,181,563
	(a) Pledged / Encumbered						
	- Number of Shares	25,316,465	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%	17.33%	16.83%	18.42%	16.83%	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%	7.53%
	(b) Non - encumbered						
	- Number of Shares	112,146,995	120,735,920	125,139,630	112,146,995	125,139,630	123,865,098
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	81.58%	82.67%	83.17%	81.58%	83.17%	83.03%
	- Percentage of Shares (as a % of the total Share Capital of the Company)	33.34%	35.89%	37.20%	33.34%	37.20%	36.82%
B	INVESTOR COMPLAINTS		Quarter ended September 30, 2014				
	Pending at the beginning of the quarter		-Nil-				
	Received during the quarter		28				
	Disposed off during the quarter		28				
	Remaining unresolved at the end of the quarter		-Nil-				
Notes:							
1	The Consolidated Unaudited Financial Results were reviewed by the Audit Committee on November 5, 2014 and approved by the Board of Directors at their meetings held on November 6, 2014.						
2	The Consolidated Unaudited Financial Results for the quarter and nine months ended September 30, 2014 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 the Companies (Accounting Standards) Rules 2006, including the Unaudited Financial Results of all its Subsidiaries and Associates.						
4	The Board of Directors have 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 at their meetings held 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			Nine Months ended		Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
	Foreign Exchange (Gain) / Loss	232	(1)	616	(92)	4,371	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 claim amount recognised for the nine months ended September 30, 2014 is Rs. 15,016 Lakhs and for the year ended December 31, 2013 was Rs. 10,066 Lakhs.						
7	During the month of October 2014, Hudhud cyclone had hit North coast of Andhra Pradesh state, 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") (a 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 is expected to restart soon. RCCVL is having adequate Insurance coverage subject to general deductibles.						
8	Tax expense is inclusive of: (Rupees in lakhs)						
	Particulars	Quarter ended			Nine Months ended		Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
	Minimum Alternate Tax	730	1	(2,053)	1,034	(3,425)	(4,200)
	Tax expense / (credit) relating to earlier years	170	-	-	170	(16)	(1,096)
9	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.						

10 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.

11 Certain Standalone information of the Company:

(Rupees in lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
Net Sales / Income from Operations (Net of excise duty)	-	-	10	-	7,072	7,072
Profit/(Loss) Before Tax (including Other Income)	3,482	6	(443)	3,594	(1,250)	2,805
Profit/(Loss) After Tax	2,582	5	(349)	2,693	(1,251)	1,530

12 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			Nine Months ended		Year ended
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
1) Segment Revenue						
(a) Carbon Products	218,871	230,206	223,863	680,507	645,831	860,712
(b) Chemicals	74,174	75,216	80,745	226,711	219,015	292,193
(c) Cement	23,304	21,835	19,021	64,357	64,145	83,975
Total	316,349	327,257	323,629	971,575	928,991	1,236,880
Less: Inter Segment Revenue	19,378	18,282	26,027	57,201	66,726	86,494
Net Sales / Income from Operations (Net of excise duty)	296,971	308,975	297,602	914,374	862,265	1,150,386
2) Segment Results						
Profit before Other Income, Foreign Exchange (Gain)/Loss and Finance Costs from each segment						
(a) Carbon Products	24,131	23,613	23,221	69,081	76,186	84,723
(b) Chemicals	2,423	6,461	4,451	12,690	9,507	13,973
(c) Cement	1,130	(714)	102	(1,261)	1,479	2,370
Total	27,684	29,360	27,774	80,510	87,172	101,066
Less: i) Finance Costs	14,892	14,819	15,585	45,963	43,820	59,331
ii) Other Income	(769)	(576)	(387)	(1,814)	(5,281)	(5,663)
iii) Foreign Exchange (Gain)/Loss	(1,959)	(2,284)	1,938	(3,237)	3,697	5,051
Total Profit Before Tax	15,520	17,401	10,638	39,598	44,936	42,347
3) Capital Employed						
(Segment Assets – Segment Liabilities)						
(a) Carbon Products	854,311	852,642	875,727	854,311	875,727	857,549
(b) Chemicals	196,505	206,902	205,088	196,505	205,088	215,741
(c) Cement	47,251	46,986	51,403	47,251	51,403	50,445
(d) Unallocated	(25,326)	(25,398)	(31,089)	(25,326)	(31,089)	(26,862)
Total	1,072,741	1,081,132	1,101,129	1,072,741	1,101,129	1,096,873

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

14 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

Place: Hyderabad
Date: November 6, 2014

N. Jagan Mohan Reddy
Managing Director



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PART I							(Rupees in lakhs)
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Particulars	Quarter ended			Nine Months ended		Year ended	
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013	
Unaudited						Audited	
1	Income from operations						
(a)	Net Sales / Income from Operations (Net of excise duty)						
	-	-	10	-	7,072	7,072	
2	Expenses						
(a)	Purchases of Stock-in-trade						
	-	-	10	-	7,044	7,044	
(b)	Changes in Inventories of Stock-in-trade						
	-	-	-	-	-	-	
(c)	Employee Benefits Expense						
	63	54	26	164	148	179	
(d)	Depreciation Expense						
	13	13	13	38	38	50	
(e)	Other Expenses						
	72	78	33	214	227	271	
	Total Expenses						
	148	145	82	416	7,457	7,544	
3	Loss from Operations before Other Income, Foreign Exchange (Gain)/Loss, Finance Costs and Tax (1-2)						
	(148)	(145)	(72)	(416)	(385)	(472)	
4	Other Income (See Note 4 below)						
	4,181	450	457	5,032	1,548	5,785	
5	Foreign Exchange (Gain)/Loss						
	230	2	602	(47)	1,548	1,374	
6	Profit/(Loss) before Finance Costs and Tax (3+4-5)						
	3,803	303	(217)	4,663	(385)	3,939	
7	Finance Costs						
	321	297	226	1,069	865	1,134	
8	Profit/(Loss) before Tax (6-7)						
	3,482	6	(443)	3,594	(1,250)	2,805	
9	Tax Expense (See Note 5 below)						
	900	1	(94)	901	1	1,275	
10	Net Profit/(Loss) for the period/year (8-9)						
	2,582	5	(349)	2,693	(1,251)	1,530	
11	Paid-up Equity Share Capital - Face Value Rs. 2/- each						
	6,727	6,727	6,727	6,727	6,727	6,727	
12	Reserves excluding Revaluation Reserves						
	-	-	-	-	-	26,128	
13	Earnings/(Loss) Per Share - Basic & Diluted (of Rs. 2/- each) (Not Annualised)						
	0.77	-	(0.10)	0.80	(0.37)	0.45 *	
	(* Annualised)						
(See accompanying notes to the Standalone Unaudited Financial Results)							

PART II

A	PARTICULARS OF SHAREHOLDING	Quarter ended			Nine Months ended		Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
1	Public shareholding						
	- Number of Shares	198,882,219	190,293,294	185,889,584	198,882,219	185,889,584	187,164,116
	- Percentage of Shareholding	59.13%	56.58%	55.27%	59.13%	55.27%	55.65%
2	Promoters and Promoter Group Shareholding	137,463,460	146,052,385	150,456,095	137,463,460	150,456,095	149,181,563
(a)	Pledged / Encumbered						
	- Number of Shares	25,316,465	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%	17.33%	16.83%	18.42%	16.83%	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%	7.53%
(b)	Non - encumbered						
	- Number of Shares	112,146,995	120,735,920	125,139,630	112,146,995	125,139,630	123,865,098
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	81.58%	82.67%	83.17%	81.58%	83.17%	83.03%
	- Percentage of Shares (as a % of the total Share Capital of the Company)	33.34%	35.89%	37.20%	33.34%	37.20%	36.82%

B	INVESTOR COMPLAINTS	Quarter ended September 30, 2014
	Pending at the beginning of the quarter	-Nil-
	Received during the quarter	28
	Disposed off during the quarter	28
	Remaining unresolved at the end of the quarter	-Nil-

Notes:

- The Standalone Unaudited Financial Results were reviewed by the Audit Committee on November 5, 2014 and approved by the Board of Directors at their meeting held on November 6, 2014.
- The Standalone Unaudited Financial Results for the quarter and nine months ended September 30, 2014 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.
- The Board of Directors have 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 at their meetings held on November 6, 2014.
- Other income inclusive of: (Rupees in lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	December 31, 2013
Dividends from Subsidiary Companies	3,692	-	-	3,692	-	3,768
Interest on Deposits with Banks and Others	480	442	446	1,314	1,524	1,985

- Tax expense for the quarter ended September 30, 2014, include Rs. 730 Lakhs pertaining to Minimum Alternative Tax and Rs. 170 Lakhs pertaining to tax expenses of earlier years.
- The segment results are included in Consolidated Unaudited Financial Results in compliance with Accounting Standard - 17 "Segment Reporting".
- 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**

**N. Jagan Mohan Reddy
Managing Director**

Place: Hyderabad
Date: November 6, 2014