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

(Rupees in Millions)

Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year ended June 30, 2017

		Particulars	Quarter ended			Half Year ended		Year ended
			June 30, 2017	March 31, 2017	June 30, 2016	June 30, 2017	June 30, 2016	December 31, 2016
			Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	**Income**							
	(a)	Revenue from operations	27,166.28	25,349.04	25,661.08	52,515.32	47,722.30	94,944.69
	(b)	Other income	474.89	205.92	449.64	680.81	651.86	1,211.57
		Total income	**27,641.17**	**25,554.96**	**26,110.72**	**53,196.13**	**48,374.16**	**96,156.26**
2	**Expenses**							
	(a)	Cost of materials consumed	7,709.25	8,885.58	7,216.60	16,594.83	14,232.49	27,995.64
	(b)	Purchases of stock-in-trade	4,904.09	3,823.37	3,784.94	8,727.46	7,545.15	15,265.45
	(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	524.16	(1,149.09)	695.73	(624.93)	1,187.55	914.34
	(d)	Employee benefits expense	2,509.87	2,472.22	2,550.33	4,982.09	5,134.16	9,709.33
	(e)	Finance costs	1,483.16	1,535.58	1,579.52	3,018.74	3,130.56	6,308.45
	(f)	Depreciation and amortisation expense	1,294.65	1,366.37	1,309.04	2,661.02	2,527.22	5,189.72
	(g)	Excise duty	795.04	669.00	603.38	1,464.04	1,219.44	2,362.94
	(h)	Other expenses	6,045.67	6,234.44	6,030.09	12,280.11	11,979.43	23,389.97
		Total expenses	**25,265.89**	**23,837.47**	**23,769.63**	**49,103.36**	**46,956.00**	**91,135.84**
3	**Profit from operations before exceptional items, Share of Profit of Associates and tax (1-2)**		**2,375.28**	**1,717.49**	**2,341.09**	**4,092.77**	**1,418.16**	**5,020.42**
4	Exceptional items (See Note 6 and 7 below)		-	670.30	-	670.30	-	261.56
5	**Profit from ordinary activities before tax and Share of Profit of Associates (3-4)**		**2,375.28**	**1,047.19**	**2,341.09**	**3,422.47**	**1,418.16**	**4,758.86**
6	Tax expense / (benefit)							
	- Current tax		725.95	934.20	933.84	1,660.15	1,261.79	2,837.92
	- Deferred tax		92.85	(533.81)	27.00	(440.96)	(642.87)	(1,045.85)
			818.80	**400.39**	**960.84**	**1,219.19**	**618.92**	**1,792.07**
7	**Net Profit before Share of Profit of Associates (5-6)**		**1,556.48**	**646.80**	**1,380.25**	**2,203.28**	**799.24**	**2,966.79**
8	Share of Profit of Associates		-	-	-	-	-	41.53
9	**Net Profit for the period/year (7+8)**		**1,556.48**	**646.80**	**1,380.25**	**2,203.28**	**799.24**	**3,008.32**
10	**Other comprehensive income/(loss) (net of tax)**							
(a)	Items that will not to be reclassified to profit or loss:							
	Remeasurements of net actuarial loss on post employment benefit plans		-	(5.87)	-	(5.87)	-	(1,106.37)
	Income tax effect		-	2.20	-	2.20	-	380.86
(b)	Items that will be reclassified to profit or loss:							
	Foreign Currency Translation Reserve		966.96	(695.47)	(74.43)	271.49	1,075.67	(469.25)
	Income tax effect		37.07	3.69	(20.44)	40.76	(49.01)	(63.96)
	Total other comprehensive income/(loss) (net of tax)		**1,004.03**	**(695.45)**	**(94.87)**	**308.58**	**1,026.66**	**(1,258.72)**
11	**Total comprehensive income/(loss) for the period/year (9+10)**		**2,560.51**	**(48.65)**	**1,285.38**	**2,511.86**	**1,825.90**	**1,749.60**

12	**Profit attributable to:**						
	Owners of the Company	1,515.31	592.13	1,350.61	2,107.44	765.09	2,909.42
	Non-controlling interests	41.17	54.67	29.64	95.84	34.15	98.90
	Net Profit for the period/year	**1,556.48**	**646.80**	**1,380.25**	**2,203.28**	**799.24**	**3,008.32**
13	**Other comprehensive income/(loss) attributable to:**						
	Owners of the Company	1,001.82	(691.52)	(101.03)	310.30	1,037.08	(1,246.03)
	Non-controlling interests	2.21	(3.93)	6.16	(1.72)	(10.42)	(12.69)
	Other comprehensive income/(loss) for the period/year	**1,004.03**	**(695.45)**	**(94.87)**	**308.58**	**1,026.66**	**(1,258.72)**
14	**Total comprehensive income/(loss) attributable to:**						
	Owners of the Company	2,517.13	(99.39)	1,249.58	2,417.74	1,802.17	1,663.39
	Non-controlling interests	43.38	50.74	35.80	94.12	23.73	86.21
	Total comprehensive income/(loss) for the period/year	**2,560.51**	**(48.65)**	**1,285.38**	**2,511.86**	**1,825.90**	**1,749.60**
15	Earnings Per Share - Basic and Diluted (of Rs. 2/- each)	4.51	1.76	4.02	6.27	2.27	8.65
		(not annualised)	*(not annualised)*	*(not annualised)*	*(not annualised)*	*(not annualised)*	
(See accompanying notes to the Consolidated Unaudited Financial Results)							

Notes:

1. The Consolidated Unaudited Financial Results were reviewed by the Audit Committee on August 10, 2017 and approved by the Board of Directors at their meeting held on August 11, 2017.

2. The Group follows January to December as financial year and has adopted Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder, from January 1, 2017. Therefore, above consolidated unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" and the other accounting principles generally accepted in India and accordingly the financial results for the quarter and half year ended June 30, 2016 and year ended December 31, 2016 have been restated as per Ind AS.

3. The Group has also prepared a reconciliation of the net profit for the corresponding periods under the previously acceptable Generally Accepted Accounting Principles (Previous Indian GAAP) with the total comprehensive income as reported in these consolidated financial results under Ind AS. The net profit reconciliation for the quarter and half year ended June 30, 2016 and year ended December 31, 2016 for the consolidated unaudited financial results are presented in note 11 below. The Company has also prepared reconciliation between equity under Previous Indian GAAP to Ind AS (as at December 31, 2016) and are presented under note 12 below.

4. The Consolidated Financial Results for the quarter and half year ended June 30, 2017 along with previous periods presented, as restated under Ind AS, have been subjected to "Limited Review" by the statutory auditors. An unqualified report has been issued by them thereon.

5. The Board of Directors of the Company at their meeting held on August 11, 2017, have 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, 2017.

6. During March 2017, the Company's wholly owned step-down subsidiary in the USA issued Senior Secured Notes ("the 2025 Notes") for US$ 550 million. Interest is payable on the 2025 Notes at 7.25% per annum on a semi annual basis and the principle is repayable on April 1, 2025. The 2025 Notes are guaranteed by certain subsidiary companies of the Company in the USA. The proceeds of the 2025 Notes have been used to repay 8.00% 2018 Notes of US$ 378 million; 8.25% 2021 Notes of US$ 115 million and repay senior bank debt. All unamortised deferred financing cost pertaining to the 2018 Notes and the 2021 Notes, including redemption premium of US$ 5.4 million aggregating to US$ 10 million (INR 670 million) have been expensed during the quarter ended March 31, 2017 and disclosed as exceptional item.

7. During the year 2016, the Board of Directors of the Company had considered and approved the closure of its impregnated wood products manufacturing facility in Hanau, Germany. Accordingly, the Group had made the necessary provision for the closure costs during the year and disclosed as exceptional item.

8. 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			Half Year ended		Year ended
	June 30, 2017	**March 31, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**	**December 31, 2016**
Revenue from operations	68.88	266.78	311.78	335.66	351.93	448.46
Profit/(Loss) Before Tax	2.20	7.63	(15.95)	9.83	34.02	350.46
Profit/(Loss) After Tax	2.20	6.45	(17.08)	8.65	31.76	329.32

9 Statement of Consolidated Assets and Liabilities:

(Rupees in Millions)

Particulars	As at June 30, 2017	As at December 31, 2016
ASSETS		
1. Non-current assets		
(a) Property, Plant and Equipment	30,210.31	31,506.76
(b) Capital work-in-progress	2,611.82	2,260.68
(c) Goodwill	57,033.66	57,581.30
(d) Other Intangible assets	116.01	137.90
(e) Financial Assets		
(i) Investments	326.32	323.57
(ii) Loans	319.19	306.60
(iii) Other financial assets	5.79	19.66
(f) Deferred tax asset, net	5,030.37	4,778.23
(g) Non-current tax assets, net	675.12	607.36
(h) Other non-current assets	85.81	84.75
Total non-current assets	**96,414.40**	**97,606.81**
2. Current assets		
(a) Inventories	14,234.18	12,678.05
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	12,678.79	10,422.43
(iii) Cash and cash equivalents	6,417.17	9,157.35
(iv) Bank balances other than (iii) above	2,088.50	1,281.31
(v) Loans	89.16	70.00
(vi) Other financial assets	371.71	59.65
(c) Other current assets	2,921.91	1,984.34
Total current assets	**38,801.42**	**35,653.13**
Total assets	**135,215.82**	**133,259.94**
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share Capital	672.69	672.69
(b) Other Equity	33,391.21	30,975.43
Total equity attributable to equity holders of the Company	34,063.90	31,648.12
Non-controlling interests	805.26	704.99
Total equity	**34,869.16**	**32,353.11**
2. Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	68,953.32	68,524.78
(ii) Other financial liabilities	319.46	463.79
(b) Provisions	8,664.74	8,301.18
(c) Deferred tax liability, net	4,798.58	5,083.90
(d) Non-current tax liabilities, net	388.60	380.98
(e) Other non-current liabilities	194.91	210.30
Total non-current liabilities	**83,319.61**	**82,964.93**
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	621.55	1,819.34
(ii) Trade payables	10,043.17	7,829.80
(iii) Other financial liabilities	3,746.43	5,819.69
(b) Provisions	819.04	941.69
(c) Other Current liabilities	1,013.92	929.09
(d) Current tax liabilities, net	782.94	602.29
Total current liabilities	**17,027.05**	**17,941.90**
Total equity and liabilities	**135,215.82**	**133,259.94**

10 **Consolidated 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			Half Year ended		Year ended
	June 30, 2017	**March 31, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**	**December 31, 2016**
1) Segment Revenue						
(a) Carbon Products	21,038.67	19,659.59	19,246.22	40,698.26	35,379.21	72,331.40
(b) Chemicals	5,441.78	5,231.20	5,605.93	10,672.98	10,739.85	20,493.93
(c) Cement	2,823.44	2,553.76	2,946.99	5,377.20	5,732.64	10,612.24
Total	**29,303.89**	**27,444.55**	**27,799.14**	**56,748.44**	**51,851.70**	**103,437.57**
Less: Inter Segment Revenue	2,137.61	2,095.51	2,138.06	4,233.12	4,129.40	8,492.88
Net Sales / Revenue from Operations	**27,166.28**	**25,349.04**	**25,661.08**	**52,515.32**	**47,722.30**	**94,944.69**
2) Segment Results						
Profit before Finance Costs, Other Income and Exceptional items from each segment						
(a) Carbon Products	2,966.33	2,639.39	2,665.70	5,605.72	2,674.41	7,576.94
(b) Chemicals	319.59	396.93	556.16	716.52	828.40	1,886.17
(c) Cement	97.63	10.83	249.11	108.46	394.05	654.19
Total	**3,383.55**	**3,047.15**	**3,470.97**	**6,430.70**	**3,896.86**	**10,117.30**
Less: i) Finance Costs	1,483.16	1,535.58	1,579.52	3,018.74	3,130.56	6,308.45
ii) Other Income	(474.89)	(205.92)	(449.64)	(680.81)	(651.86)	(1,211.57)
iii) Exceptional items	-	670.30	-	670.30	-	261.56
Total Profit Before Tax	**2,375.28**	**1,047.19**	**2,341.09**	**3,422.47**	**1,418.16**	**4,758.86**
3) Segment Assets						
(a) Carbon Products	98,783.31	103,341.73	98,498.31	98,783.31	98,498.31	98,236.61
(b) Chemicals	23,635.60	22,461.36	23,689.45	23,635.60	23,689.45	22,329.99
(c) Cement	7,054.18	7,171.29	7,899.40	7,054.18	7,899.40	7,269.52
(d) Unallocated	5,742.73	5,456.63	5,091.34	5,742.73	5,091.34	5,423.81
Total	**135,215.82**	**138,431.01**	**135,178.50**	**135,215.82**	**135,178.50**	**133,259.93**
4) Segment Liabilities						
(a) Carbon Products	16,040.03	14,557.19	14,479.06	16,040.03	14,479.06	14,426.74
(b) Chemicals	6,787.28	7,133.98	6,403.94	6,787.28	6,403.94	6,920.17
(c) Cement	2,026.77	2,064.78	2,491.16	2,026.77	2,491.16	2,012.08
(d) Unallocated	6,007.36	5,847.74	6,429.08	6,007.36	6,429.08	6,105.40
Total	**30,861.44**	**29,603.69**	**29,803.24**	**30,861.44**	**29,803.24**	**29,464.39**

11 **Reconciliation of net profit under generally accepted accounting principles (Previous Indian GAAP) and as per Ind AS is given below:**

Sl. No.	Particulars	Quarter ended June 30, 2016	Half year ended June 30, 2016	Year ended December 31, 2016
(a)	Net profit under Previous Indian GAAP	1,565.06	802.58	2,247.27
(b)	Reclassifications of net actuarial loss on defined obligation to other comprehensive income	-	-	1,106.37
(c)	Deferred financing costs	(96.51)	(157.12)	(334.77)
(d)	Depreciation and amortisation expense	(169.34)	170.86	19.58
(e)	Others	24.77	12.09	15.09
(f)	Tax adjustments	26.63	(63.32)	(144.12)
(g)	Net profit for the period as per Ind AS	1,350.61	765.09	2,909.42
(h)	Other comprehensive income/(loss) (net of tax) as per Ind AS	(101.03)	1,037.08	(1,246.03)
(i)	Total comprehensive income as per Ind AS	1,249.58	1,802.17	1,663.39

12 **Reconciliation of equity under generally accepted accounting principles (Previous Indian GAAP) and as per Ind AS is given below:**

Sl. No.	Particulars	As at December 31, 2016
		Unaudited
(a)	Equity as per Previous Indian GAAP	30,143.52
(b)	Deferred financing costs	1,050.95
(c)	Depreciation and amortisation expense	717.20
(d)	Site restoration liability	(84.85)
(e)	Straightlining of lease rent on land	(51.14)
(g)	Impact of GAAP adjustments in Foreign currency translation reserve	4.15
(h)	Purchase of non-controlling interest adjusted to retained earnings	(604.69)
(i)	Others	(5.66)
(j)	Tax adjustments	478.64
(k)	Equity as per Ind AS	31,648.12

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.

For and on behalf of the Board of Directors
RAIN INDUSTRIES LIMITED

Place: Hyderabad
Date: August 11, 2017

N. Jagan Mohan Reddy
Managing Director
DIN:00017633