



RAIN INDUSTRIES LIMITED
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(Rupees in Millions)						
Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months ended September 30, 2017						
Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	December 31, 2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1 Income						
(a) Revenue from operations (Refer note 6 below)	30,508.11	27,166.28	22,932.74	83,023.43	70,655.04	94,944.69
(b) Other income	255.70	474.89	196.34	936.51	848.19	1,211.57
Total income	30,763.81	27,641.17	23,129.08	83,959.94	71,503.23	96,156.26
2 Expenses						
(a) Cost of materials consumed	11,244.27	7,709.25	5,221.26	27,839.10	19,453.75	27,995.64
(b) Purchases of stock-in-trade	3,414.65	4,904.09	4,567.58	12,142.11	12,112.73	15,265.45
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	94.01	524.16	(105.61)	(530.92)	1,081.94	914.34
(d) Employee benefits expense	2,600.97	2,509.87	2,375.71	7,583.06	7,509.87	9,709.33
(e) Finance costs	1,462.95	1,483.16	1,515.20	4,481.69	4,645.76	6,308.45
(f) Depreciation and amortisation expense	1,335.33	1,294.65	1,292.98	3,996.35	3,820.20	5,189.72
(g) Excise duty (Refer note 6 below)	-	795.04	588.34	1,464.04	1,807.78	2,362.94
(h) Other expenses	6,415.92	6,045.67	5,749.41	18,696.03	17,728.84	23,389.97
Total expenses	26,568.10	25,265.89	21,204.87	75,671.46	68,160.87	91,135.84
3 Profit from operations before share of profit of associates, exceptional items and tax (1-2)	4,195.71	2,375.28	1,924.21	8,288.48	3,342.36	5,020.42
4 Exceptional items (See Note 7 and 8 below)	-	-	261.56	670.30	261.56	261.56
5 Profit from operations before share of profit of associates and tax (3-4)	4,195.71	2,375.28	1,662.65	7,618.18	3,080.80	4,758.86
6 Share of profit of associates	-	-	-	-	-	41.53
7 Profit from ordinary activities before tax (5+6)	4,195.71	2,375.28	1,662.65	7,618.18	3,080.80	4,800.39
8 Tax expense / (benefit)						
- Current tax	1,452.31	725.95	618.53	3,112.46	1,880.32	2,837.92
- Deferred tax	209.30	92.85	(266.87)	(231.66)	(909.74)	(1,045.85)
	1,661.61	818.80	351.66	2,880.80	970.58	1,792.07
9 Net Profit for the period/year (7-8)	2,534.10	1,556.48	1,310.99	4,737.38	2,110.22	3,008.32
10 Other comprehensive income/(loss) (net of tax)						
(a) Items that will not be reclassified to profit or loss:						
Remeasurements of net actuarial loss on post employment benefit plans	-	-	-	(5.87)	-	(1,106.37)
Income tax effect	-	-	-	2.20	-	380.86
(b) Items that will be reclassified to profit or loss:						
Foreign Currency Translation Reserve	971.84	966.96	(86.95)	1,243.33	988.72	(469.25)
Income tax effect	1.34	37.07	18.59	42.10	(30.42)	(63.96)
Total other comprehensive income/(loss) (net of tax)	973.18	1,004.03	(68.36)	1,281.76	958.30	(1,258.72)

11	Total comprehensive income/(loss) for the period/year (9+10)	3,507.28	2,560.51	1,242.63	6,019.14	3,068.52	1,749.60
12	Profit attributable to:						
	Owners of the Company	2,456.52	1,515.31	1,268.34	4,563.96	2,033.42	2,909.42
	Non-controlling interests	77.58	41.17	42.65	173.42	76.80	98.90
	Net Profit for the period/year	2,534.10	1,556.48	1,310.99	4,737.38	2,110.22	3,008.32
13	Other comprehensive income/(loss) attributable to:						
	Owners of the Company	973.87	1,001.82	(67.43)	1,284.17	969.65	(1,246.03)
	Non-controlling interests	(0.69)	2.21	(0.93)	(2.41)	(11.35)	(12.69)
	Other comprehensive income/(loss) for the period/year	973.18	1,004.03	(68.36)	1,281.76	958.30	(1,258.72)
14	Total comprehensive income/(loss) attributable to:						
	Owners of the Company	3,430.39	2,517.13	1,200.91	5,848.13	3,003.07	1,663.39
	Non-controlling interests	76.89	43.38	41.72	171.01	65.45	86.21
	Total comprehensive income/(loss) for the period/year	3,507.28	2,560.51	1,242.63	6,019.14	3,068.52	1,749.60
15	Earnings Per Share - Basic and Diluted (of Rs. 2/- each)	7.30	4.51	3.77	13.57	6.05	8.65
		<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>	
	(See accompanying notes to the Consolidated Unaudited Financial Results)						

Notes:

- The Consolidated Unaudited Financial Results were reviewed by the Audit Committee on November 7, 2017 and approved by the Board of Directors at their meeting held on November 8, 2017.
- 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 nine months ended September 30, 2016 and year ended December 31, 2016 have been restated as per Ind AS.
- The Group has 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 nine months ended September 30, 2016 and year ended December 31, 2016 for the consolidated unaudited financial results are presented in note 11 below.
- The Consolidated Financial Results for the quarter and nine months ended September 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.
- 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.
- Consequent to the introduction of Goods and Services Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. In accordance with Indian Accounting Standard – 18 on Revenue and Schedule III of the Companies Act, 2013 unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue. Accordingly, the figures for the periods upto June 30, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding:

Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	December 31, 2016
Revenue from operations (A)	30,508.11	27,166.28	22,932.74	83,023.43	70,655.04	94,944.69
Excise duty (B)	-	795.04	588.34	1,464.04	1,807.78	2,362.94
Sale of products excluding excise duty (A - B)	30,508.11	26,371.24	22,344.40	81,559.39	68,847.26	92,581.75

- In 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.
- 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.

(Rupees in Millions)

Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	December 31, 2016
Revenue from operations	40.38	68.88	23.72	376.04	375.65	448.46
Profit/(Loss) Before Tax	379.45	2.20	338.16	389.28	372.17	350.46
Profit/(Loss) After Tax	316.39	2.20	320.46	325.04	352.21	329.32

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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			Nine Months ended		Year ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	December 31, 2016
1) Segment Revenue						
(a) Carbon Products	25,368.21	21,038.67	17,689.25	66,066.47	53,068.46	72,331.40
(b) Chemicals	5,257.65	5,441.78	5,009.81	15,930.63	15,749.66	20,493.93
(c) Cement	2,191.69	2,823.44	2,419.76	7,568.89	8,152.40	10,612.24
Total	32,817.55	29,303.89	25,118.82	89,565.99	76,970.52	1,03,437.57
Less: Inter Segment Revenue	2,309.44	2,137.61	2,186.08	6,542.56	6,315.48	8,492.88
Net Sales / Revenue from Operations	30,508.11	27,166.28	22,932.74	83,023.43	70,655.04	94,944.69
2) Segment Results						
Profit before Finance Costs, Other Income and Exceptional items from each segment						
(a) Carbon Products	5,267.54	2,966.33	2,879.48	10,873.26	5,553.89	7,576.94
(b) Chemicals	(15.11)	319.59	293.38	701.41	1,121.78	1,886.17
(c) Cement	150.53	97.63	70.21	258.99	464.26	654.19
Total	5,402.96	3,383.55	3,243.07	11,833.66	7,139.93	10,117.30
Less: i) Finance Costs	1,462.95	1,483.16	1,515.20	4,481.69	4,645.76	6,308.45
ii) Other Income	(255.70)	(474.89)	(196.34)	(936.51)	(848.19)	(1,211.57)
iii) Exceptional items	-	-	261.56	670.30	261.56	261.56
Total Profit Before Tax	4,195.71	2,375.28	1,662.65	7,618.18	3,080.80	4,758.86
3) Segment Assets						
(a) Carbon Products	1,05,559.21	98,783.31	99,005.50	1,05,559.21	99,005.50	98,236.61
(b) Chemicals	24,853.39	23,635.60	23,271.21	24,853.39	23,271.21	22,329.99
(c) Cement	7,140.91	7,054.18	7,142.59	7,140.91	7,142.59	7,227.30
(d) Unallocated	3,299.84	5,742.73	4,720.83	3,299.84	4,720.83	2,988.29
Total	1,40,853.35	1,35,215.82	1,34,140.13	1,40,853.35	1,34,140.13	1,30,782.19
4) Segment Liabilities						
(a) Carbon Products	19,470.74	16,040.03	14,925.33	19,470.74	14,925.33	14,426.74
(b) Chemicals	6,805.17	6,787.28	6,770.81	6,805.17	6,770.81	6,920.17
(c) Cement	1,987.78	2,026.77	2,108.13	1,987.78	2,108.13	1,969.87
(d) Unallocated	74,521.02	75,492.58	76,652.88	74,521.02	76,652.88	75,112.32
Total	1,02,784.71	1,00,346.66	1,00,457.15	1,02,784.71	1,00,457.15	98,429.10

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	Nine Months ended	Year ended
		September 30, 2016	September 30, 2016	December 31, 2016
(a)	Net profit under Previous Indian GAAP attributable to the owners of the Company	1,218.11	2,020.69	2,247.27
(b)	Reclassifications of net actuarial loss on defined obligation to other comprehensive income	-	-	1,106.37
(c)	Deferred financing costs	(93.22)	(250.34)	(334.77)
(d)	Depreciation and amortisation expense	22.10	192.96	19.58
(e)	Others	6.79	18.87	15.09
(f)	Tax adjustments	114.56	51.24	(144.12)
(g)	Net profit for the period as per Ind AS attributable to the owners of the Company	1,268.34	2,033.42	2,909.42
(h)	Other comprehensive income/(loss) (net of tax) as per Ind AS attributable to the owners of the Company	(67.43)	969.65	(1,246.03)
(i)	Total comprehensive income as per Ind AS attributable to the owners of the Company	1,200.91	3,003.07	1,663.39

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 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: November 8, 2017

N. Jagan Mohan Reddy
Managing Director
DIN:00017633