

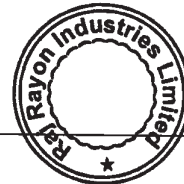
RAJ RAYON INDUSTRIES LIMITED

Regd. Office: Survey No. 177/1/3, Village – Surangi, Dist –Silvassa, Dadra & Nagar Haveli (UT) – 396 230

CIN No. L17120DN1993PLC000368

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED: 30TH JUNE, 2014

| PART I | | (₹ in Lacs) | | | |
|---------|--|----------------------------------|-----------------------------------|----------------------------------|--|
| Sr. No. | Particulars | Quarter ended 30th June, 2014 | Quarter ended 31st March, 2014 | Quarter ended 30th June, 2013 | Year ended 31st March 2014 (Audited) |
| 1 | Income from operations | | | | |
| | (a) Net sales/income from operations (Net of excise duty) | 1066.89 | 4006.15 | 18466.19 | 46695.98 |
| | (b) Other operating income | 1.08 | 48.56 | 80.18 | 314.58 |
| | Total Income from operations (net) | 1067.97 | 4054.71 | 18546.37 | 47010.56 |
| 2 | Expenditure: | | | | |
| | (a) Cost of materials consumed | 880.99 | 2033.92 | 6011.61 | 24961.03 |
| | (b) Purchases of stock-in-trade | 0.00 | 6.08 | 6562.31 | 9932.52 |
| | (c) Changes in inventories of finished goods, Work in Progress and Stock-in-Trade | 169.49 | 1492.60 | 5087.17 | 9954.98 |
| | (d) Employee benefits expense | 77.90 | 216.90 | 190.91 | 826.83 |
| | (e) Depreciation and amortisation expense | 930.00 | 299.59 | 609.32 | 3161.11 |
| | (f) Other expenses | 277.81 | 1022.92 | 1181.98 | 7750.02 |
| | (g) Expenditure (other than interest) transferred to capital work in progress | 0.00 | 0.00 | (1403.11) | (1423.48) |
| | Total Expenses | 2336.19 | 5072.00 | 18240.19 | 55163.02 |
| 3 | Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2) | (1268.22) | (1017.29) | 306.18 | (8152.45) |
| 4 | Other Income | 611.75 | 86.85 | 45.89 | 266.17 |
| 5 | Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4) | (656.47) | (930.44) | 352.07 | (7886.28) |
| 6 | Finance costs | 1583.64 | 1154.06 | 857.81 | 4874.03 |
| 7 | Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6) | (2240.11) | (2084.50) | (505.74) | (12760.31) |
| 8 | Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 |
| 9 | Profit / (Loss) from ordinary activities before tax (7+8) | (2240.11) | (2084.50) | (505.74) | (12760.31) |
| 10 | Tax Expense | | | | |
| | Current Tax | 0.00 | 0.00 | 0.00 | 0.00 |
| | MAT Credit Entitlement | 0.00 | 0.00 | 0.00 | 0.00 |
| | Deferred Tax | (708.50) | (499.99) | (158.42) | (3982.51) |
| | MAT Credit / Tax Adjustments for earlier years | 0.00 | (1.52) | 0.00 | (1.52) |
| 11 | Net Profit / (Loss) from ordinary activities after tax (9-10) | (1531.61) | (1582.99) | (347.32) | (8776.28) |
| 12 | Extraordinary Items (net of tax expense) | 0.00 | 0.00 | 0.00 | 0.00 |
| 13 | Net Profit / (Loss) for the period (11-12) | (1531.61) | (1582.99) | (347.32) | (8776.28) |
| 14 | Paid-up equity share capital of ₹ 1/- each | 2664.54 | 2664.54 | 2664.54 | 2664.54 |
| 15 | Reserves excluding revaluation reserves | | | | 2438.98 |
| 16 | Earnings Per Share (EPS) | | | | |
| | Basic | (0.57) | (0.59) | (0.13) | (3.29) |
| | Diluted | (0.57) | (0.59) | (0.13) | (3.29) |
| PART II | | | | | |
| A | PARTICULARS OF SHAREHOLDING | | | | |
| 1 | Public Shareholding | | | | |
| | Number of Shares | 165718070 | 165718070 | 165718070 | 165718070 |
| | Percentage of Shareholding | 62.19 | 62.19 | 62.19 | 62.19 |
| 2 | Promoter and Promoter Group Shareholding | | | | |
| a) | Pledged / Encumbered | | | | |
| | Number of Shares | 47400000 | 47400000 | 47400000 | 47400000 |
| | Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 47.05 | 47.05 | 47.05 | 47.05 |
| | Percentage of shares (as a % of the total share capital of the company) | 17.79 | 17.79 | 17.79 | 17.79 |
| b) | Non encumbered | | | | |
| | Number of Shares | 53335930 | 53335930 | 53335930 | 53335930 |
| | Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 52.95 | 52.95 | 52.95 | 52.95 |
| | Percentage of shares (as a % of the total share capital of the company) | 20.02 | 20.02 | 20.02 | 20.02 |
| B | INVESTORS COMPLAINTS | 3 months ended 30/06/2014 | | | |
| | Pending at the beginning of the quarter | | Nil | | |
| | Received during the quarter | | 1 | | |
| | Disposed of during the quarter | | 1 | | |
| | Remaining unresolved at the end of the quarter | | Nil | | |
| | Notes: | | | | |
| | 1. The above unaudited financial results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 14th August, 2014. | | | | |
| | 2. Corresponding figures of earlier year / quarter have been regrouped wherever necessary. | | | | |
| | 3. The Company operates in a single segment i.e. textile having same risk and return. | | | | |
| | 4. The Borrowers and the CDR Lenders executed a MRA. The MRA as well as the provision of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, give a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposal. The recompense payable by the Company is Contingent amount payable as recompense has been treated as Contingent Liability. The aggregate present value of the outstanding sacrifice made / to be made by CDR lenders as per the MRA is approximately Rs. 37.06 Crore for the Company. The Auditor has given the emphasis on the said matter. | | | | |
| | 5. The Company's Continuous Polymerization Plant (CP Plant), commercial production of which was commenced from 01st July, 2013 has been temporarily shutdown from November, 2013 onwards. The CP Plant will restart after successful commissioning of Direct Polymer Melt POY Plant (DPM POY Plant). | | | | |
| | 6. The Company's other Plants (PTY, POY & FDY) were running partially and temporarily shutdown in the Month of March, 2014 due to negative Margins. The Company has restarted the PTY plant partially and will be fully operational with other Plants once the margin improves. | | | | |
| | 7. During the quarter, with the prior approval of lenders, Company has sold some of its old / obsolete lines of existing POY Machinery, as they were not fit to be used for production due to higher manufacturing cost. | | | | |
| | Place : Mumbai | | | | |
| | Date : August 14, 2014 | | | | |



By order of the Board


 Rajkumari Kanodia
 Non Executive Chairperson & Director

CA. Kamalakant Garg B.Com., I.L.B. (Gen), F.C.A., A.C.S.

CA. Pavan Kumar Bansal B.Com., F.C.A.

CA. Manoj Kumar Chotia B.Com., F.C.A.

k. m. garg & co.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REVIEW REPORT

To
Board of Directors of
Raj Rayon Industries Limited,

We have reviewed the accompanying statement of Unaudited financial results of Raj Rayon Industries Limited ('the Company') for the quarter ended 30th June 2014 (the statement) except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an Audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We draw attention to Note 4 of the accompanying unaudited financial results in respect of contingencies and litigations, the outcome of which is materially uncertain and cannot be determined currently. Our conclusion is not qualified in respect of the said matter.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the Accounting Standards issued pursuant to the Companies (Accounting Standards) Rules, 2006 which continues to be apply as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies Accounts) Rules, 2014, and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K M GARG & CO
Chartered Accountants
Firm Registration number: 120712W

CA. K K GARG
Partner
Membership No: 033940



Place : Mumbai
Date : 14th August 2014