



Rainbow Foundations Ltd.

12th November, 2020

To
The Manager (Corporate Compliances)
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai – 400001

SCRIP CODE: 531694

Dear Sir,

SUB: Intimation of the outcome of the Board Meeting held on 12th November, 2020

Kindly refer our letter dated 05th November, 2020, we hereby inform you that the Board of Directors of the Company at their meeting held on 12th September, 2020 have considered and approved the Unaudited Financial Results and Limited review report from the Auditors of the Company for the Quarter and half year ended 30th September, 2020 and same are enclosed herewith.

Request you to take the above on record and oblige.

Thanking you,

Yours faithfully,

For RAINBOW FOUNDATIONS LIMITED



GAJRAJ JAIN
Managing Director
DIN: 01182117



Encl: As above



GASM DANSR AND CO.,

Chartered Accountants

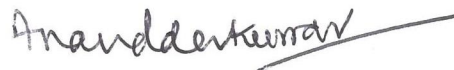
Independent Auditor's Limited Review Report on Review Of Interim Financial Results

Review report to
The Board of Directors
M/s RAINBOW FOUNDATIONS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of RAINBOW FOUNDATIONS LIMITED ("the Company") for the quarter and six months ended September 30, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation"), as amended.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting policies and principles generally accepted in India, read with the Circular is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian accounting standards ('Ind AS') specified under the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai
Date: 12/11/2020

For M/s. GASM DANSR AND CO.



(Ananddevkumar)

(Partner)

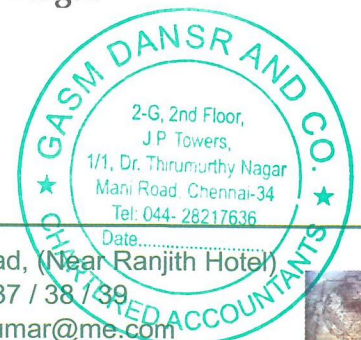
(Mem No: 023631)

2-G, II floor, J. P. Tower, 1/1, Dr. Thirumurthy Nagar

Main Road, Chennai 600034

Firm Reg No: 005986S

UDIN: 20023631AAAACC5851



Head Office : 2-G, 2nd Floor, J.P. Tower, 1/1, Dr. Thirumurthy Nagar Main Road, (Near Ranjith Hotel)

Nungambakkam, Chennai - 600 034. Phone : 28217636, 45008637 / 38139

Fax : 91-44-45008518 E-mail : gasmdansr@gmail.com / ananddevkumar@me.com

Branch Office : Mogappair, K.K.Nagar - Tamil Nadu and Faridabad - Haryana



RAINBOW FOUNDATIONS LIMITED
4, THANIKACHALAM ROAD,
T.NAGAR, CHENNAI - 600 017

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2020

Rs. In Lakhs

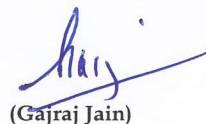
Particulars	Quarter Ended			Year to Date		Year ended
	30-Sep-2020	30-Jun-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	31-Mar-2020
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
I. Revenue from operations	880.46	420.47	727.50	1,300.93	1,060.50	2,584.94
II. Other Income	79.86	79.75	84.42	159.62	163.46	331.03
III. Total Revenue (I + II)	960.32	500.22	811.92	1,460.54	1,223.96	2,915.97
<i>IV. Expenses:</i>						
Purchase of Stock-in-Trade	571.40	309.63	-	881.03	-	741.25
Changes in inventories of Stock-in-Trade	78.51	-	644.43	78.51	881.89	1,132.98
Employee benefit expense	22.90	16.88	17.36	39.78	34.77	71.05
Financial costs	221.82	121.68	76.56	343.49	156.12	592.49
Depreciation and amortization expense	3.49	3.79	2.03	7.27	4.76	9.28
Other expenses	15.31	21.85	11.64	37.16	34.47	136.34
Total Expenses	913.41	473.83	752.01	1,387.24	1,112.00	2,683.40
V. Profit before exceptional and extraordinary items and tax (III - IV)	46.91	26.39	59.91	73.30	111.96	232.57
VI. Exceptional Items (Profit after adjusting loss on sale of fixed asset)	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	46.91	26.39	59.91	73.30	111.96	232.57
VIII. Extraordinary Items (prior period expenses)	-	-	-	-	-	-
IX. Profit before tax (VII - VIII)	46.91	26.39	59.91	73.30	111.96	232.57
X. Tax expense:						
(1) Current tax	-	-	-	-	-	56.23
(2) Deferred tax	-	-	-	-	-	6.22
XI. Profit(Loss) after tax (IX-X)	46.91	26.39	59.91	73.30	111.96	170.13
XII. Other comprehensive Income/ (loss) for the period	-	-	-	-	-	-
XIII. Total Comprehensive Income/ (Loss) for the period (XI + XII)	46.91	26.39	59.91	73.30	111.96	170.13

XVI. Earning per equity share:						
(1) Basic	0.85	0.48	1.09	1.33	2.03	3.09
(2) Diluted	0.85	0.48	1.09	1.33	2.03	3.09

Notes:

- The above un audited results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 12.11.2020.
- The figures for the corresponding previous period have been regrouped wherever necessary, to make them comparable with the figures of the current period.

For and on behalf of the Board


(Gajraj Jain)

Joint Managing Director
DIN : 01182117

Place: Chennai
Date: 12/11/2020

As per report of even date



RAINBOW FOUNDATIONS LIMITED

4, THANIKACHALAM ROAD,
T.NAGAR, CHENNAI - 600 017

STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER 2020

ASSETS	As At 30-09-2020 Unaudited	As At 30-Sep-2019 Unaudited	As at 31-Mar-2020 Audited
1 Non-Current Assets			
(a) Property, Plant and Equipment	152.94	100.32	159.33
(b) Other Non-Current Assets	6.54	10.53	4.29
2 Current Assets			
(a) Inventories	22,485.45	20,283.67	21,483.53
(b) Financial Assets			
(i) Investments	57.03	0.03	0.03
(ii) Trade Receivables	836.21	1,062.58	723.00
(iii) Cash and Cash Equivalents	102.70	54.21	57.94
(iv) Loans	5,582.24	4,845.89	5,328.42
(c) Current Tax Assets			
(d) Other Current Assets	37.53	112.79	34.56
TOTAL-ASSETS	29,260.64	26,470.02	27,791.10
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	5,101.31	5,101.31	5,101.31
(b) Other Equity	1,291.85	1,160.39	1,218.55
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,372.79	24.70	1,255.60
(b) Deferred Tax Liability (Net)	7.99	1.77	7.99
(c) Other Non Current Liabilities	2,499.29	665.28	540.36
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14,468.61	18,194.67	17,104.84
(ii) Trade Payables	2,648.98	1,270.64	2,326.45
(b) Provisions	-	21.95	-
(c) Current Liabilities (Net)	869.82	29.31	236.00
TOTAL-EQUITY AND LIABILITIES	29,260.64	26,470.02	27,791.10

Place: Chennai
Date: 12/11/2020

For and on behalf of the Board



(Gajraj Jain)

Joint Managing Director
DIN : 01182117

As per report of even date



RAINBOW FOUNDATIONS LIMITED
4, THANIKACHALAM ROAD,
T.NAGAR, CHENNAI - 600 017

This is forming Part of Quaterly Result of Rainbow Foundations Limited as on 30th Sep 2019 as required by SEBI Circular CIR/CFD/FAC/62/2016 dt.05/07/2016.

Reconciliation on Standalone Unaudited Financial Result to those reported under previous Generally Accepted Accounting Principal (GAAP) is summaries as follows:-

Rs. In Lakhs

	Particulars	30-Sep-2020
	Profit after Tax as reported under Indian GAAP	46.91
	Adjustments on account of:	
1	Reversal of Depreciation on leasehold land being Operating lease	-
2	Recognition of amortisation of leasehold land being operating lease, in other expense	-
3	Measurement of financial assets and liabilities at amortised cost	-
4	Reversal of amortisation of Goodwill	-
5	Recognition of loss allowance for expected credit losses on financial assets measured at amortised cost	-
6	Recognition of foreign exchange fluctuation as MTM of forward contracts	-
7	Reversal of Revenue on compliance with Ind AS	-
8	Reversal of Cost of Services on compliance with Ind AS	-
9	Deferred tax impact on above Ind AS adjustments	-
	Profit after Tax as reported under Ind AS	46.91

Notes:

The above Reconciliation on Standalone Unaudited Financial Result have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 12th Nov 2020

For and on behalf of the Board



(Gajraj Jain)

Joint Managing Director

DIN : 01182117

Place: Chennai
Date: 12/11/2020

As per report of even date



RAINBOW FOUNDATIONS LIMITED
REGD.OFF: 4, THANIKACHALAM ROAD, T.NAGAR, CHENNAI - 600 017.
CASH FLOW STATEMENT

	30-09-20		30-09-19	
	(Amount in Rs. Lakhs)		(Amount in Rs. Lakhs)	
A. Cash Flow from Operating Activities				
a. Net Profit before taxation and extraordinary items		73.30		111.96
b. Adjustments for:				
Depreciation	7.27		4.76	
Interest income	(157.32)		(160.37)	
Liabilities/Provisions written back	-		-	
(Profit)/Loss on sale of fixed assets	-		-	
Interest expense(net)	343.49	193.45	156.12	0.51
c. Operating Profit before working capital changes		266.75		112.47
i. (Increase)/Decrease in sundry debtors	(113.21)		(476.42)	
ii. (Increase)/Decrease in inventories	(1,001.92)		(774.38)	
iii. Increase/(Decrease) in current liabilities	2,915.28		6.70	
iv. (Increase)/Decrease in loans and advances	(253.82)		(171.25)	
v. (Increase)/Decrease in other current assets	(5.23)		32.70	
Total		1,541.11		(1,382.66)
d. Cash generated from operations		1,807.86		(1,270.19)
e. Income Taxes paid net of refund		-		-
f. Net Cash from operating activities		1,807.86		(1,270.19)
B. Cash Flow from Investing Activities				
a. Purchase of Fixed assets	(0.89)		-	
b. Proceeds from sale of asset	-		-	
c. Advances to subsidiaries/ firms			-	
d. Investment Made	(57.00)		0.50	
e. Interest received	157.32		160.37	
f. Net Cash from investing activities		99.43		160.87
C. Cash Flow from Financing Activities				
a. Issue of shares/Capital introduced	-		-	
b. Proceeds from long term borrowings	-		-	
c. Repayment of long term borrowings	-		-	
d. Change in working capital finance	1,117.19		19.95	
e. Net increase/(decrease) in other borrowings	(2,636.23)		1,210.80	
f. Interest paid	(343.49)		(156.12)	
g. Net Cash from financing activities		(1,862.53)		1,074.62
Net increase in cash and cash equivalents (A+B+C)		44.76		(34.70)
Cash and cash equivalents at the beginning of the period		57.94		88.91
Cash and cash equivalents at the end of the period		102.70		54.21
<p>Previous periods figures have been regrouped/rearranged wherever necessary to conform to the current period's classification. Place: Chennai Date: 12/11/2020</p>				

As per report of even date



For and on behalf of the Board

(Signature)
(Gajraj Jain)

Joint Managing Director
DIN : 01182117