



RAJ RAYON INDUSTRIES LTD.

(Formerly Known as Raj Rayon Ltd.)

Regd. Office: Survey No. 177/1/3 & 177/1/4, Village – Surangi,
Dist –Silvassa, Dadra & Nagar Haveli (UT) – 396 230

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED: 31ST MARCH, 2011

(₹ in Lacs)

PARTICULARS	QUARTER ENDED ON 31/03/2011 (AUDITED)	CORRESPONDING QUARTER ENDED ON 31/03/2010 (AUDITED)	YEAR TO DATE FIGURE FOR CURRENT YEAR 31/03/2011 (AUDITED)	PREVIOUS ACCOUNTING YEAR ENDED 31/03/2010 (AUDITED)
1. (a) Net Sales/Income from operations	12451.49	10145.88	42509.23	32731.04
(b) Other Operating Income	111.61	103.58	565.11	191.29
2. Expenditure:				
(a) (Increase)/Decrease in Stock in Trade & Work in Progress	(1243.90)	(1158.67)	(1659.95)	(1102.16)
(b) Consumption of Raw Materials	7612.38	6134.72	25525.82	19556.62
(c) Purchase of Traded Goods	3214.85	2721.67	8478.47	6038.88
(d) Payments to and Provisions for Employees	197.86	160.58	656.51	554.53
(e) Depreciation	519.14	448.10	2051.24	1703.96
(f) Manufacturing, Administrative, Selling & Other Expenses	1614.56	1745.29	5754.05	5132.90
(g) Total	11914.89	10051.69	40806.13	31884.74
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	648.20	197.78	2268.21	1037.59
4. Other Income	278.35	570.58	294.35	840.45
5. Profit before Interest and Exceptional Items (3+4)	926.56	768.36	2562.56	1878.04
6. Interest	702.79	457.56	1879.39	1547.30
7. Profit after Interest but before Exceptional Items (5-6)	223.77	310.79	683.16	330.74
8. Exceptional Items				
9. Profit+/Loss () from ordinary activities before tax (7+8)	223.77	310.79	683.16	330.74
10. Tax Expense				
- Current Tax	55.83	56.33	147.39	59.72
- MAT Credit Entitlement	(39.65)	(49.58)	(122.34)	(49.58)
- Deferred Tax	54.70	75.04	251.74	7.96
11. Net Profit+/Loss() from Ordinary Activities after Tax (9-10)	152.88	229.00	406.38	312.63
Tax Adjustments for earlier years	0.45	61.06	0.45	61.06
12. Extraordinary Items (Net of Tax Expense)				
13. Net Profit+/Loss () for the period (11-12)	152.43	167.95	405.93	251.58
14. Paid-up equity share capital of Rs 10 each	1894.47	1799.82	1894.47	1799.82
15. Reserves excluding revaluation reserves			7042.11	6705.34
16. Earnings Per Share (EPS) (not annualised)				
- Basic	0.80	0.93	2.17	1.43
- Diluted	0.71	0.93	2.05	1.42
17. Public Shareholding				
- Number of Shares	11371807	11371807	11371807	11371807
- Percentage of Shareholding	60.03	63.18	60.03	63.18
18. Promoter and Promoter Group Shareholding				
a) Pledged / Encumbered				
- Number of Shares	2000000	2000000	2000000	2000000
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	26.41	30.18	26.41	30.18
- Percentage of shares (as a % of the total sharecapital of the company)	10.56	11.11	10.56	11.11
b) Non encumbered				
- Number of Shares	5572893	4626393	5572893	4626393
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	73.59	69.82	73.59	69.82
- Percentage of shares (as a % of the total sharecapital of the company)	29.42	25.70	29.42	25.70

Notes:

- The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 26th May, 2011.
- During the quarter ended 31st March, 2011, the Company has received and disposed of 1 investor complaint. No complaint was pending at the beginning and at the end of the quarter.
- Corresponding figures of earlier year / quarter have been regrouped wherever necessary.
- The Company operates in a single segment i.e. textile having same risk and return.
- Auditors' qualification in financial statements of 2010-2011:
 - Auditor's qualification: ".....for non provision of doubtful debts for recovery of which the company has filed legal suits amounting to ₹ 88.61 lacs"
 - "Had the company made the respective provision for doubtful debts, the profit for the year ended on 31.03.2011 and surplus in profit and loss account would have been lower by ₹ 88.61 lacs."
 - In the opinion of the Board, since the legal suits against the debtors are yet to be heard by the Honourable Court, the Company is hopeful to recover amount from respective debtors, hence no provision is required to be made at this stage.
- The name of the Company has been changed from "Raj Rayon Limited" to "Raj Rayon Industries Limited" w.e.f. 18th August, 2010.
- The Company has allotted 10390000 share warrants of ₹ 17 each on 3rd January, 2011. Each share warrant is convertible into 1 equity share of ₹ 10 at a premium of ₹ 7. Share warrants application money, 25% of ₹ 17, received by the Company is utilised for the purposes as stated in the notice of postal ballot dated 18th October, 2010.
- During the year the Company has received In-Principle approval under Clause 24 (a) of the Listing Agreement for issue of 11000000 share warrants from National Stock Exchange of India Limited vide letter dated 26th November, 2010 and for 10390000 share warrants from Bombay Stock Exchange of India Limited vide letter dated 22nd December, 2010.
- The Board of Directors has recommended a dividend of 0.30 paise per share subject to approval, of shareholders in Annual General Meeting & bankers of the Company.
- The registered office of the Company has been shifted w.e.f. 31st March, 2011 from 5-C, 196/197, "Akshay", Mittal Industrial Estate, Saki Naka, Andheri (East), Mumbai- 400 059, State of Maharashtra to Survey No. 177/1/3 & 177/1/4, Village – Surangi, Dist –Silvassa, Dadra & Nagar Haveli (UT) – 396 230 the said shifting has been confirmed & approved by Company Law Board vide its order dated 29th March, 2011.
- The commercial production, under the expansion project, on 5 machines of PTY & on 6 machines of Twisting, commenced from 1st March 2011.

Statement of Assets & Liabilities

(₹ in Lacs)

PARTICULARS	As on 31.03.2011 (Audited)	As on 31.03.2010 (Audited)
SOURCES OF FUNDS:		
SHAREHOLDERS' FUND		
Share Capital	1894.47	1799.82
Reserves & Surplus	7042.11	6705.34
Share Warrant Application Money	441.58	9.47
LOAN FUNDS	16980.97	13678.85
DEFERRED TAX LIABILITY (Net)	868.47	616.73
TOTAL	27227.60	22810.20
APPLICATION OF FUNDS:		
FIXED ASSETS (including CWIP)	17047.07	16110.71
INVESTMENTS	190.37	186.62
CURRENT ASSETS, LOANS & ADVANCES:		
Inventories	8260.90	5902.49
Sundry Debtors	8287.70	6659.07
Cash & Bank Balances	501.38	419.09
Loans & Advances	1671.53	1826.92
Less: CURRENT LIABILITIES & PROVISIONS:		
Current Liabilities	8530.11	8183.01
Provisions	201.25	111.67
TOTAL	27227.60	22810.20

By order of the Board

Sd/-

Gourishankar Poddar

Chairman & Managing Director

Place : Mumbai

Date : May 26, 2011