



RAJ RAYON INDUSTRIES LTD.

(Formerly Known as Raj Rayon Ltd.)

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED: 30TH SEPTEMBER, 2013

| PART - I | | | | | | | (₹ in Lacs) |
|----------|--|------------------|-----------------|-----------------|------------------|-----------------|-------------------------|
| Sr. No. | PARTICULARS | Quarter ended | | | Half year ended | | Year Ended |
| | | 30th Sep,2013 | 30th June,2013 | 30th Sep,2012 | 30th Sep,2013 | 30th Sep,2012 | 31st Mar,2013 (Audited) |
| 1 | Income from operations | | | | | | |
| | (a) Net sales/income from operations | 15466.22 | 18466.19 | 15005.21 | 33932.41 | 27485.91 | 70861.93 |
| | (b) Other operating income | 102.69 | 80.18 | 65.59 | 182.87 | 342.30 | 473.68 |
| | Total income from operations (net) | 15568.91 | 18546.37 | 15070.80 | 34115.28 | 27828.21 | 71335.61 |
| 2 | Expenditure: | | | | | | |
| | (a) Consumption of materials consumed | 11038.01 | 6011.61 | 6337.95 | 17049.62 | 12594.89 | 26831.20 |
| | (b) Purchases of stock-in-trade | 3210.14 | 6562.31 | 6186.85 | 9772.45 | 8638.25 | 35189.60 |
| | (c) (Increase)/Decrease in Stock in Trade & Work in Progress | 1272.91 | 5087.17 | (577.16) | 6360.08 | 358.09 | (2414.34) |
| | (d) Employee benefits expense | 215.28 | 190.91 | 202.01 | 406.19 | 385.81 | 817.89 |
| | (e) Depreciation and amortisation expense | 1133.20 | 609.32 | 646.75 | 1742.52 | 1295.03 | 2555.65 |
| | (f) Other expenses | 3582.41 | 1181.98 | 1375.98 | 4764.39 | 2670.35 | 5783.39 |
| | (g) Expenditure (other than interest) transferred to capital work in progress | 0.00 | (1403.11) | 0.00 | (1403.11) | 0.00 | (988.46) |
| | Total Expenses | 20451.95 | 18240.19 | 14172.38 | 38692.14 | 25942.42 | 67774.93 |
| 3 | Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2) | (4883.04) | 306.18 | 898.42 | (4576.86) | 1885.79 | 3560.68 |
| 4 | Other Income | 80.92 | 45.89 | 41.26 | 126.81 | 75.68 | 417.06 |
| 5 | Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4) | (4802.12) | 352.07 | 939.68 | (4450.05) | 1961.47 | 3977.74 |
| 6 | Finance costs | 1398.91 | 857.81 | 749.80 | 2256.72 | 1531.03 | 3386.23 |
| 7 | Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6) | (6201.03) | (505.74) | 189.88 | (6706.77) | 430.44 | 591.51 |
| 8 | Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 9 | Profit / (Loss) from ordinary activities before tax (7+8) | (6201.03) | (505.74) | 189.88 | (6706.77) | 430.44 | 591.51 |
| 10 | Tax Expense | | | | | | |
| | Current Tax | 0.00 | 0.00 | 37.87 | 0.00 | 86.32 | 186.38 |
| | MAT Credit Entitlement | 0.00 | 0.00 | (10.22) | 0.00 | (54.81) | 0.00 |
| | Deferred Tax | (2020.29) | (158.42) | 124.01 | (2178.71) | 181.30 | 85.70 |
| | MAT Credit / Tax Adjustments for earlier years | 0.00 | 0.00 | (52.23) | 0.00 | (52.23) | (51.95) |
| 11 | Net Profit / (Loss) from ordinary activities after tax (9-10) | (4180.74) | (347.32) | 90.45 | (4528.06) | 269.86 | 371.38 |
| 12 | Extraordinary Items (net of tax expense) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 13 | Net Profit / (Loss) for the period (11-12) | (4180.74) | (347.32) | 90.45 | (4528.06) | 269.86 | 371.38 |
| 14 | Paid-up equity share capital of ₹ 1/- each | 2664.54 | 2664.54 | 2664.54 | 2664.54 | 2664.54 | 2664.54 |
| 15 | Reserves excluding revaluation reserves | | | | | | 11215.26 |
| 16 | Earnings Per Share (EPS) | | | | | | |
| | Basic | (1.57) | (0.13) | 0.34 | (1.71) | 1.03 | 0.14 |
| | Diluted | (1.57) | (0.13) | 0.34 | (1.71) | 1.03 | 0.14 |

PART - II Selected information for the quarter / half year ended 30/09/2013

| PARTICULARS OF SHAREHOLDING | | | | | | |
|-----------------------------|--|----------------------------------|-----------|----------|-----------|-----------|
| 1 | Public Shareholding | | | | | |
| | Number of Shares | 165718070 | 165718070 | 16571807 | 165718070 | 165718070 |
| | Percentage of Shareholding | 62.19 | 62.19 | 62.19 | 62.19 | 62.19 |
| 2 | Promoter and Promoter Group Shareholding | | | | | |
| a) | Pledged / Encumbered | | | | | |
| | Number of Shares | 47400000 | 47400000 | 4740000 | 47400000 | 47400000 |
| | Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 47.05 | 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 | 17.79 |
| b) | Non encumbered | | | | | |
| | Number of Shares | 53335930 | 53335930 | 5333593 | 53335930 | 53335930 |
| | Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 52.95 | 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 | 20.02 |
| B | INVESTORS COMPLAINTS | 3 months ended 30/09/2013 | | | | |
| | Pending at the beginning of the quarter | | Nil | | | |
| | Received during the quarter | | Nil | | | |
| | Disposed of during the quarter | | Nil | | | |
| | Remaining unresolved at the end of the quarter | | Nil | | | |

Statement of Assets & Liabilities

(₹ in Lacs)

| Sr. No. | PARTICULARS | As at 30th September 2013 (Unaudited) | As at 31st March 2013 (Audited) |
|---------|--|---------------------------------------|---------------------------------|
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholders' fund | | |
| | (a) Share Capital | 4064.54 | 4064.54 |
| | (b) Reserves & Surplus | 6687.21 | 11215.26 |
| | Sub-total - Shareholders' funds | 10751.75 | 15279.80 |
| 2 | Non-current liabilities | | |
| | (a) Long - term borrowings | 18818.42 | 20981.76 |
| | (b) Other long term liabilities | 32.00 | 0.00 |
| | (c) Long term provisions | 31.09 | 33.18 |
| | Sub-total - Non-current liabilities | 18881.51 | 21014.94 |
| 3 | Current liabilities | | |
| | (a) Short term borrowings | 20212.99 | 11695.56 |
| | (b) Trade payables | 11613.54 | 14856.16 |
| | (c) Other current liabilities | 6748.78 | 5536.76 |
| | (d) Short term provisions | 0.00 | 105.38 |
| | Sub-total - Current liabilities | 38575.31 | 32193.86 |
| | TOTAL - EQUITY AND LIABILITIES | 68208.57 | 68488.60 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | 35718.30 | 34169.25 |
| | (b) Non-current investments | 10.02 | 17.02 |
| | (c) Deferred tax assets (net) | 1153.69 | (1025.02) |
| | (d) Long term loans and advances | 132.50 | 155.18 |
| | (e) Other non-current assets | 497.17 | 642.74 |
| | Sub-total - Non-current assets | 37511.68 | 33959.17 |
| 2 | Current assets | | |
| | (a) Inventories | 6709.74 | 13067.50 |
| | (b) Trade receivables | 19179.14 | 17937.85 |
| | (c) Cash and cash equivalents | 1245.26 | 699.93 |
| | (d) Short-term loans and advances | 2271.86 | 2257.31 |
| | (e) Other current assets | 1290.89 | 566.84 |
| | Sub-total - Current assets | 30696.89 | 34529.43 |
| | TOTAL - ASSETS | 68208.57 | 68488.60 |

Notes:

- 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 November, 2013.
- The Statutory Auditors of the Company have carried out a Limited Review of the above unaudited financial results.
- 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.
- Auditor's qualification in financial statements of 2012-2013:
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 31st March, 2013 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.
- On subdivision of equity shares from ₹ 10/- to ₹ 1/- each w.e.f. 05th March, 2013 the number of shares and EPS for the quarter / year ended 31st March, 2013 and quarter / half year ended 30th September, 2013 are of face value of ₹ 1/- each whereas earlier quarters / years are of face value of ₹ 10/- each and accordingly not comparable.
- The Company's Continuous Polymerisation Plant (CP Plant), the commercial production of which was commenced from 01st July, 2013 has been temporarily shutdown and remaining plants (PTY, POY & FDY) of the company are running partially due to negative margin. The CP plant will restart and other plants will be fully operational once the margin improves.
- The Company has approached its Bankers for Corporate Debt Restructuring (CDR).

By order of the Board

Sd/-

Gourishankar Poddar

Chairman & Managing Director

Place : Mumbai

Date : November 14, 2013