RAIN INDUSTRIES LIMITED

(Formerly Rain Commodities Limited)

RIL/SEs/2014 May 8, 2014

The General Manager Department of Corporate Services **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400 001	The Manager Listing Department **The National Stock Exchange of India Limited** Bandra Kurla Complex Bandra East Mumbai – 400 051	The Secretary **Delhi Stock Exchange Limited** DSE House 3/1 ASAF ALI Road New Delhi - 110002

Dear Sir/ Madam,

Sub: Unaudited Financial Results for the First quarter ended March 31, 2014 – Reg.
Ref : Scrip Code: 500339 (BSE), Scrip code : RAIN (NSE) & Scrip code : 5019 (DSE)

With reference to the above stated subject, please find enclosed herewith Unaudited Financial Results (Standalone, Consolidated and Segment) for the First quarter ended March 31, 2014.

Also find attached Limited Review Report issued by M/s. B S R & Associates LLP, Chartered Accountants, Statutory Auditors of the Company on the Unaudited Financial Results for the First quarter ended March 31, 2014.

These results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on May 8, 2014.

This is for your kind information and record.

Thanking you,

Yours faithfully,
for **RAIN INDUSTRIES LIMITED**

S.V.R Reddy

S. VENKAT RAMANA REDDY
COMPANY SECRETARY

Regd. Office: Rain Center
34, Sringar Colony
Hyderabad 500073
India

CIN: L26942AP1974PLC001693

Phone: +91 (40) 40401234
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Website: www.rain-industries.com

B S R & Associates LLP
Chartered Accountants

8-2-618/2, Reliance Humsafar,
4th Floor, Road, No. 11,
Banjara Hills
Hyderabad - 500 034. India.

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Review Report on the Statement of Standalone Unaudited Results for the quarter ended March 31, 2014 of Rain Industries Limited (formerly Rain Commodities Limited) Pursuant to the Clause 41 of the Listing Agreement

To the Board of Directors of
Rain Industries Limited (formerly Rain Commodities Limited)

We have reviewed the accompanying Statement of Standalone Unaudited Results ('the Statement') of Rain Industries Limited (formerly Rain Commodities Limited) ("the Company") for the quarter ended March 31, 2014 attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement issued by the Securities and Exchange Board of India ("Listing Agreement") 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 reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in their meeting held on May 8, 2014. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 statement is 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration Number: 116231W

Sriram Mahalingam
Partner
Membership Number: 049642

Hyderabad
May 8, 2014

RAIN INDUSTRIES LIMITED
(Formerly Rain Commodities Limited) CIN: L26942AP1974PLC001693
Regd. Off: "Rain Center", 34, Srinagar Colony, Hyderabad - 500 073, Andhra Pradesh, India. Ph.No.040-40401234; Fax:040-40401214
Email: secretarial@rain-industries.com www.rain-industries.com

PART I (Rupees in lakhs)

Statement of Standalone Unaudited Results for the Quarter ended March 31, 2014

	Particulars	Quarter ended			Year ended
		March 31, 2014	December 31, 2013	March 31, 2013	December 31, 2013
		Unaudited	Audited - see Note 5 below	Unaudited	Audited
1	**Income from operations**				
	(a) Net Sales / Income from Operations (Net of excise duty)	-	-	4,102	7,072
2	**Expenses**				
	(a) Purchases of Stock-in-trade	-	-	7,003	7,044
	(b) Changes in Inventories of Stock-in-trade	-	-	(2,918)	-
	(b) Employee Benefits Expense	47	31	54	179
	(c) Depreciation Expense	12	12	12	50
	(d) Other Expenses	64	44	56	271
	Total Expenses	**123**	**87**	**4,207**	**7,544**
3	**Loss from Operations before Other Income, Foreign Exchange (Gain) / Loss, Finance Costs and Tax (1-2)**	**(123)**	**(87)**	**(105)**	**(472)**
4	Other Income (See Note 3 below)	401	4,237	654	5,785
5	Foreign Exchange (Gain) / Loss	(279)	(174)	(134)	1,374
6	**Profit before Finance Costs and Tax (3+4-5)**	**557**	**4,324**	**683**	**3,939**
7	Finance Costs	451	269	385	1,134
8	**Profit before Tax (6-7)**	**106**	**4,055**	**298**	**2,805**
9	Tax Expense	-	1,274	95	1,275
10	**Net Profit for the period (8-9)**	**106**	**2,781**	**203**	**1,530**
11	Paid-up Equity Share Capital - Face Value Rs. 2/- each	6,727	6,727	6,727	6,727
12	Reserves excluding Revaluation Reserves	-	-	-	26,128
13	Earnings Per Share - Basic & Diluted (of Rs. 2/- each) (Not Annualised)	0.03	0.82	0.06	0.45 *
	(* Annualised)				

(See accompanying notes to the financial results)

B S R & Associates LLP CHARTERED ACCOUNTANTS

RAIN INDUSTRIES LIMITED Hyderabad

PART II

			Quarter ended			Year ended
			March 31, 2014	December 31, 2013	March 31, 2013	December 31, 2013
A		PARTICULARS OF SHAREHOLDING				
	1	Public shareholding				
		- Number of Shares	187,164,116	187,164,116	185,889,584	187,164,116
		- Percentage of Shareholding	55.65%	55.65%	55.27%	55.65%
	2	Promoters and Promoter Group Shareholding	149,181,563	149,181,563	150,456,095	149,181,563
	(a)	Pledged / Encumbered				
		- Number of Shares	25,316,465	25,316,465	25,316,465	25,316,465
		- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	16.97%	16.97%	16.83%	16.97%
		- Percentage of Shares (as a % of the total Share Capital of the Company)	7.53%	7.53%	7.53%	7.53%
	(b)	Non - encumbered				
		- Number of Shares	123,865,098	123,865,098	125,139,630	123,865,098
		- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	83.03%	83.03%	83.17%	83.03%
		- Percentage of Shares (as a % of the total Share Capital of the Company)	36.82%	36.82%	37.20%	36.82%

B	INVESTOR COMPLAINTS	Quarter ended March 31, 2014
	Pending at the beginning of the quarter	-Nil-
	Received during the quarter	90
	Disposed of during the quarter	90
	Remaining unresolved at the end of the quarter	-Nil-

Notes:

1 The Standalone Unaudited Results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2014.

2 The Standalone Unaudited Results for the quarter ended March 31, 2014 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.

3 Other income includes:

(Rupees in lakhs)

	Quarter ended			Year Ended
	March 31, 2014	December 31, 2013	March 31, 2013	December 31, 2013
Dividends from Subsidiary Companies	-	3,768	-	3,768
Interest on Deposits with Banks and Others	392	461	649	1,985

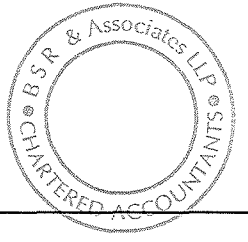
B S R & Associates LLP CHARTERED ACCOUNTANTS

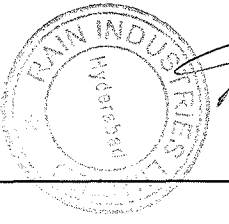
RAIN INDUSTRIES LIMITED Hyderabad

4 The segment results are included in consolidated Unaudited results in compliance with Accounting Standard - 17 "Segment Reporting".

5 Figures for the quarter ended December 31, 2013 are the balancing figures between the audited figures in respect of the full financial year ended December 31, 2013 and the unaudited figures for the nine months ended September 30, 2013.

6 The figures of the previous year / periods have been regrouped / reclassified, wherever considered necessary to correspond with the current period's classification / disclosure.





By order of the Board
for Rain Industries Limited

Place: Hyderabad
Date: May 8, 2014

N. Jagan Mohan Reddy
Managing Director

B S R & Associates LLP
Chartered Accountants

8-2-618/2, Reliance Humsafar,
4th Floor, Road, No. 11,
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Hyderabad - 500 034. India.

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Review Report on Statement of Consolidated Unaudited Results for the quarter ended March 31, 2014 of Rain Industries Limited (formerly Rain Commodities Limited) Pursuant to the Clause 41 of the Listing Agreement

To the Board of Directors of
Rain Industries Limited (formerly Rain Commodities Limited)

We have reviewed the accompanying Statement of Consolidated Unaudited Results ('the Statement') of Rain Industries Limited (formerly Rain Commodities Limited) ("the Company") its subsidiaries and associates (collectively referred to as the "Rain Group") for the quarter ended March 31, 2014 attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement issued by the Securities and Exchange Board of India ("Listing Agreement") 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 of the Company in their meeting held on May 8, 2014. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 statement is 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 did not review the financial results of certain subsidiaries and associates which have been reviewed by other auditors whose reports have been furnished to us, and our opinion is based on the review procedures performed by other auditors. The attached consolidated unaudited result includes revenue of Rs. 239,437 lakhs for the quarter ended March 31, 2014 in respect of the aforementioned subsidiaries and associates.

Rain Industries Limited (formerly Rain Commodities Limited)
Review Report (continued)

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of consolidated unaudited results for the quarter ended March 31, 2014, prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration Number: 116231W



Sriram Mahalingam
Partner
Membership Number: 049642

Hyderabad
May 8, 2014

RAIN INDUSTRIES LIMITED

(Formerly Rain Commodities Limited) CIN: L26942AP1974PLC001693

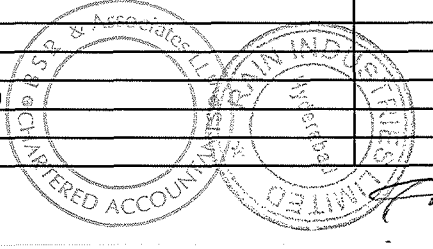
Regd. Off: "Rain Center", 34, Srinagar Colony, Hyderabad - 500 073, Andhra Pradesh, India. Ph.No.040-40401234; Fax:040-40401214

Email: secretarial@rain-industries.com www.rain-industries.com

PART I (Rupees in lakhs)

Statement of Consolidated Unaudited Results for the Quarter ended March 31, 2014

	Particulars	Quarter ended			Year ended
		March 31, 2014	December 31, 2013	March 31, 2013	December 31, 2013
		Unaudited	Audited - see Note 11 below	Unaudited	Audited
1	**Income from operations**				
	(a) Net Sales / Income from Operations (Net of excise duty)	308,428	288,121	274,007	1,150,386
	(b) Other Operating Income (See Note 5 and 8 below)	5,454	12,597	5,387	24,047
	Total Income from Operations (net)	**313,882**	**300,718**	**279,394**	**1,174,433**
2	**Expenses**				
	(a) Cost of Materials Consumed	115,937	122,643	130,262	509,625
	(b) Purchases of Stock-in-trade	61,423	55,462	29,059	167,901
	(c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	11,323	(9,048)	1,022	(6,732)
	(d) Employee Benefits Expense	25,222	20,851	21,747	88,559
	(e) Depreciation and Amortisation Expense	8,887	9,284	7,756	35,682
	(f) Impairment Loss (See Note 6 below)	-	13,036	-	13,036
	(g) Power and Fuel	15,688	17,509	14,545	60,369
	(h) Selling and Distribution Expenses	21,125	18,404	19,215	75,487
	(i) Other Expenses	30,811	38,683	28,818	129,440
	Total Expenses	**290,416**	**286,824**	**252,424**	**1,073,367**
3	**Profit from Operations before Other Income, Foreign Exchange Loss, Finance Costs, Tax, Share of Loss of Associates and Minority Interest (1-2)**	**23,466**	**13,894**	**26,970**	**101,066**
4	Other Income	469	382	3,698	5,663
5	Foreign Exchange Loss (See Notes 4 below)	1,006	1,354	733	5,051
6	**Profit before Finance Costs, Tax, Share of Profit of Associates and Minority Interest (3+4-5)**	**22,929**	**12,922**	**29,935**	**101,678**
7	Finance Costs	16,252	15,511	14,251	59,331
8	**Profit Before Tax, Share of Profit of Associates and Minority Interest (6-7)**	**6,677**	**(2,589)**	**15,684**	**42,347**
9	Tax Expense (See Note 7 below)	1,514	(7,526)	4,479	3,672
10	**Net Profit for the Period before Share of Profit of Associates and Minority interest (8-9)**	**5,163**	**4,937**	**11,205**	**38,675**
11	Share of Loss of Associates	(3)	(144)	-	(121)
12	Minority Interest	(153)	(71)	(47)	(102)
13	**Net Profit for the period (10+11+12)**	**5,007**	**4,722**	**11,158**	**38,452**
14	Paid-up Equity Share Capital - Face Value Rs. 2/- each	6,727	6,727	6,727	6,727
15	Reserves excluding Revaluation Reserves	-	-	-	315,604
16	Earnings Per Share - Basic and Diluted (of Rs. 2/- each) (Not Annualised)	1.49	1.41	3.29	11.41 *
	(* Annualised)				
(See accompanying notes to the financial results)					



PART II

			Quarter ended			Year ended
			March 31, 2014	December 31, 2013	March 31, 2013	December 31, 2013
A		PARTICULARS OF SHAREHOLDING				
	1	Public shareholding				
		- Number of Shares	187,164,116	187,164,116	185,889,584	187,164,116
		- Percentage of Shareholding	55.65%	55.65%	55.27%	55.65%
	2	Promoters and Promoter Group Shareholding	149,181,563	149,181,563	150,456,095	149,181,563
	(a)	Pledged / Encumbered				
		- Number of Shares	25,316,465	25,316,465	25,316,465	25,316,465
		- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	16.97%	16.97%	16.83%	16.97%
		- Percentage of Shares (as a % of the total Share Capital of the Company)	7.53%	7.53%	7.53%	7.53%
	(b)	Non - encumbered				
		- Number of Shares	123,865,098	123,865,098	125,139,630	123,865,098
		- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	83.03%	83.03%	83.17%	83.03%
		- Percentage of Shares (as a % of the total Share Capital of the Company)	36.82%	36.82%	37.20%	36.82%

B	INVESTOR COMPLAINTS	Quarter ended March 31, 2014
	Pending at the beginning of the quarter	-Nil-
	Received during the quarter	90
	Disposed of during the quarter	90
	Remaining unresolved at the end of the quarter	-Nil-

Notes:

1 The Consolidated Unaudited Results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2014.

2 The Consolidated Unaudited Results for the quarter ended March 31, 2014 have been subjected to a 'Limited Review' by the Statutory Auditors of the Company. An unqualified report has been issued by them thereon.

3 The Consolidated Unaudited Results have been prepared in accordance with Accounting Standard 21 - Consolidated Financial Statements, notified under the Companies (Accounting Standards) Rules 2006, including the Unaudited Results of all its Subsidiaries and Associates.

4 The Group has designated foreign currency loans availed as a hedging instrument to hedge its net investment in non-integral foreign operations, with effect from January 1, 2009. Accordingly, the foreign exchange (gain) / loss on such foreign currency loans, determined as an effective net investment hedge is recognised in Reserves and Surplus and would be transferred to the Statement of Profit and Loss upon sale or disposal of the investment in such non-integral foreign operations.

Foreign Exchange (Gain) / Loss transferred to Reserves and Surplus:

	Quarter ended			Year ended
	March 31, 2014	December 31, 2013	March 31, 2013	December 31, 2013
Foreign Exchange (Gain) / Loss	(323)	(175)	(336)	4,196

B S R & Associates LLP CHARTERED ACCOUNTANTS

RAIN INDUSTRIES LIMITED Hyderabad

5 The Company has been indemnified in relation to certain environmental expenditure, as per the terms of a prior acquisition made by the Company. Based on completion of due process as per the terms of the agreement, the Company has recognised an amount of Rs. 4,377 lakhs during the quarter ended March 31, 2014 and Rs. 10,066 Lakhs during the quarter ended December 31, 2013, as Other Operating Income. Any future amount recoverable under the said indemnity will be recognised on completion of due process under the agreement, net of expenses, if any.

6 The Board of Directors of the Company had considered and approved the closure of RCC's Calcining facility in Moundsville - West Virginia, USA. This closure is brought on by the impact of new regulations by the Environmental Protection Agency, USA, requiring considerable additional investments which the Board believes is economically unviable. Further, the closure of the above facility is not expected to have any significant impact on the combined output of the Company. The Company has carried out impairment analysis based on the fair valuation report of the independent valuer and recognized an impairment loss of Rs. 13,036 Lakhs during the quarter ended December 31, 2013.

7 Tax expense is net of:

	Quarter ended			Year ended
	March 31, 2014	**December 31, 2013**	**March 31, 2013**	**December 31, 2013**
Minimum Alternate Tax credit entitlement	(303)	775	1,372	4,200
Tax credit relating to earlier years	-	1,080	-	1,096

8 During the quarter ended June 30, 2012, one of the Calcined Petroleum Coke ("CPC") Storage Domes at the Gramercy Facility of Rain CII Carbon LLC, USA was damaged by a lightning strike and subsequent fire. The Other Operating Income for the quarter ended March 31, 2013 and year ended December 31, 2013 includes Rs. 3,433 Lakhs and Rs. 3,752 Lakhs of insurance proceeds pertaining to inventory, respectively.

9 Certain Standalone information of the Company:

	Quarter ended			Year ended
	March 31, 2014	**December 31, 2013**	**March 31, 2013**	**December 31, 2013**
Net Sales / Income from Operations (Net of excise duty)	-	-	4,102	7,072
Profit Before Tax (including Other Income)	106	4,055	298	2,805
Profit After Tax	106	2,781	203	1,530

B S R & Associates LLP CHARTERED ACCOUNTANTS

10 **Segment wise Revenue, Results and Capital Employed:**

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

	Quarter ended			Year ended
	March 31, 2014	**December 31, 2013**	**March 31, 2013**	**December 31, 2013**
1) Segment Revenue				
(a) Carbon Products	231,430	214,881	204,908	860,712
(b) Chemicals	77,321	73,178	64,772	292,193
(c) Cement	19,218	19,830	22,602	83,975
Total	**327,969**	**307,889**	**292,282**	**1,236,880**
Less: Inter Segment Revenue	19,541	19,768	18,275	86,494
Net Sales / Income from Operations	**308,428**	**288,121**	**274,007**	**1,150,386**
2) Segment Results				
Profit before Other Income, Foreign Exchange Loss and Finance Costs from each segment				
(a) Carbon Products	21,337	8,537	25,100	84,723
(b) Chemicals	3,806	4,466	1,543	13,973
(c) Cement	(1,677)	891	327	2,370
Total	**23,466**	**13,894**	**26,970**	**101,066**
Less: i) Finance Costs	16,252	15,511	14,251	59,331
ii) Other Income	(469)	(382)	(3,698)	(5,663)
iii) Foreign Exchange Loss	1,006	1,354	733	5,051
Total Profit Before Tax	**6,677**	**(2,589)**	**15,684**	**42,347**
3) Capital Employed				
(Segment Assets – Segment Liabilities)				
(a) Carbon Products	831,878	857,549	783,244	857,549
(b) Chemicals	207,522	215,741	166,829	215,741
(c) Cement	48,423	50,445	50,289	50,445
(d) Unallocated	(27,053)	(26,862)	(38,340)	(26,862)
Total	**1,060,770**	**1,096,873**	**962,022**	**1,096,873**

11 Figures for the quarter ended December 31, 2013 are the balancing figures between the audited figures in respect of the full financial year ended December 31, 2013 and the unaudited figures for the nine months ended September 30, 2013.

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 results of the Company on the company's website www.rain-industries.com or on the BSE Limited website www.bseindia.com or National Stock Exchange of India Limited website www.nseindia.com.

By order of the Board
for Rain Industries Limited

N. Jagan Mohan Reddy
Managing Director

Place: Hyderabad
Date: May 8, 2014

B S R & Associates LLP ● CHARTERED ACCOUNTANTS ●