

RAJ RAYON INDUSTRIES LIMITED

(A Government Recognised Star Export House)



Corporate Off. : 5C/196 & 197, AKSHAY MITTAL INDUSTRIAL ESTATE, SAKINAKA, ANDHERI (E), MUMBAI-400 059 (INDIA)
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CIN NO. : L17120DN1993PLC000368

Date: 14th November, 2015

To, The Listing Department The National Stock Exchange India Ltd Exchange Plaza, Plot No: C/1, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai- 400 051	To, The Corporate Services Department Bombay Stock Exchange Limited 1 st Floor, New Trading Ring, Rotunda Building, P.I. Tower, Dalal Street, Mumbai-400 001
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Dear Sir,

Symbol: RAJRAYON

Series: EQ

Scrip Code: 530699

Sub: Un-audited Financial Result And Limited Review for the 02nd quarter ended on 30th September, 2015

Enclosed the Unaudited Financial Result for the 02nd quarter ended on 30th September, 2015 and Limited Review Certificate for the said quarter issued by the Auditor of the Company M/s K.M. Garg & Co., Chartered Accountants, Mumbai, duly approved by the Board of Directors of the Company in their Board meeting held on today i.e. 14th November, 2015.

Kindly acknowledge the receipt.

Thanking You,

Yours faithfully,
For RAJ RAYON INDUSTRIES LIMITED

Rajkumar Kanudn
Chairperson & Director
Encl: As Above

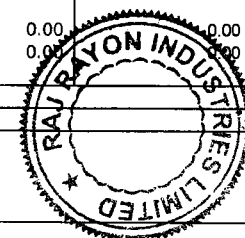
RAJ RAYON INDUSTRIES LIMITED

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 / HALF YEAR ENDED: 30TH SEPTEMBER, 2015

PART I							
(₹ in Lacs)							
Sr. No.	Particulars	Quarter ended 30th Sep, 2015	Quarter ended 30th June, 2015	Quarter ended 30th Sep, 2014	Half year ended 30th Sep, 2015	Half year ended 30th Sep, 2014	Year ended 31st March 2015 (Audited)
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	11173.58	14396.24	932.51	25569.82	1999.40	18326.84
	(b) Other operating income	39.94	23.52	1.26	63.46	2.34	30.85
	Total income from operations (net)	11213.52	14419.76	933.77	25633.28	2001.74	18357.69
2	Expenditure:						
	(a) Cost of materials consumed	9137.02	11608.67	1347.97	20745.69	2228.96	21015.47
	(b) Purchases of stock-in-trade	182.34	991.00	(604.34)	1173.34	(604.34)	(2922.43)
	(c) Changes in inventories of finished goods, Work in Progress and Stock-in-Trade	1007.68	(24.24)	(414.20)	983.44	(244.71)	(4732.50)
	(d) Employee benefits expense	243.52	248.49	82.42	492.01	160.32	673.36
	(e) Depreciation and amortisation expense	1276.54	1276.68	930.71	2553.22	1860.71	4240.76
	(f) Other expenses	2245.46	2219.40	307.86	4464.86	588.13	4580.78
	Total Expenses	14092.56	16320.00	1650.42	30412.56	3989.07	22855.44
3	Profit / (Loss) from operations before other income, finance cost and exceptional Items (1-2)	(2879.04)	(1900.24)	(716.65)	(4779.28)	(1987.33)	(4497.75)
4	Other Income	100.50	61.84	31.02	162.34	645.23	822.25
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)	(2778.54)	(1838.40)	(685.63)	(4616.94)	(1342.10)	(3675.50)
6	Finance costs	2190.83	2105.36	1621.96	4296.19	3205.60	7108.72
7	Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6)	(4969.37)	(3943.76)	(2307.59)	(8913.13)	(4547.70)	(10784.22)
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)	(4969.37)	(3943.76)	(2307.59)	(8913.13)	(4547.70)	(10784.22)
10	Tax Expense						
	Current Tax	0.00	0.00	0.00	0.00	0.00	0.00
	Deferred Tax	(1786.69)	(1215.45)	(712.25)	(3002.14)	(1420.75)	(3297.96)
	Tax Adjustments for earlier years	0.00	0.00	0.00	0.00	0.00	0.12
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(3182.68)	(2728.31)	(1595.34)	(5910.99)	(3126.95)	(7486.38)
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)	(3182.68)	(2728.31)	(1595.34)	(5910.99)	(3126.95)	(7486.38)
14	Paid-up equity share capital of ₹ 1/- each	3464.54	3464.54	2664.54	3464.54	2664.54	2664.54
15	Reserves excluding revaluation reserves						(5056.89)
16	Earnings Per Share (EPS)						
	Basic	(0.92)	(0.84)	(0.60)	(1.76)	(1.17)	(2.81)
	Diluted	(0.92)	(0.84)	(0.60)	(1.76)	(1.17)	(2.81)
PART II							
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	Number of Shares	228418070	228418070	165718070	228418070	165718070	165718070
	Percentage of Shareholding	65.93	65.93	62.19	65.93	62.19	62.19
2	Promoter and Promoter Group Shareholding						
a)	Pledged / Encumbered						
	Number of Shares	100735930	100735930	100735930	100735930	100735930	100735930
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	85.34	85.34	100.00	85.34	100.00	100.00
	Percentage of shares (as a % of the total share capital of the company)	29.08	29.08	37.81	29.08	37.81	37.81
b)	Non encumbered						
	Number of Shares	17300000	17300000	0	17300000	0	0
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	14.66	14.66	0.00	14.66	0.00	0.00
	Percentage of shares (as a % of the total share capital of the company)	4.99	4.99	0.00	4.99	0.00	0.00
B	INVESTORS COMPLAINTS	3 months ended 30/09/2015					
	Pending at the beginning of the quarter		Nil				
	Received during the quarter		4				
	Disposed of during the quarter		4				
	Remaining unresolved at the end of the quarter		Nil				



Statement of Assets & Liabilities		(₹ in Lacs)	
Sr. No.	Particulars	As at 30.09.2015 (Unaudited)	As at 31.03.2015 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' fund		
	(a) Share Capital	4864.54	4064.54
	(b) Reserves & Surplus	(10967.89)	(5056.89)
	Sub-total - Shareholders' funds	(6103.35)	(992.35)
2	Non-current liabilities		
	(a) Long - term borrowings	51554.14	53360.10
	(b) Other long term liabilities	32.00	32.00
	(c) Long term provisions	23.10	24.98
	Sub-total - Non-current liabilities	51609.24	53417.08
3	Current liabilities		
	(a) Short term borrowings	10927.52	10281.46
	(b) Trade payables	1745.62	2910.32
	(c) Other current liabilities	10634.54	6738.57
	(d) Short term provisions	0.96	0.96
	Sub-total - Current liabilities	23308.64	19931.31
	TOTAL - EQUITY AND LIABILITIES	68814.53	72356.04
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	34324.68	36864.12
	(b) Non-current investments	10.02	10.02
	(c) Deferred tax assets (net)	9261.63	6259.50
	(d) Long term loans and advances	20.04	15.07
	(e) Other non-current assets	777.34	665.73
	Sub-total - Non-current assets	44393.71	43814.44
2	Current assets		
	(a) Inventories	6268.92	8124.52
	(b) Trade receivables	14277.81	14363.03
	(c) Cash and cash equivalents	383.42	2336.89
	(d) Short-term loans and advances	3142.11	3374.51
	(e) Other current assets	348.56	342.65
	Sub-total - Current assets	24420.82	28541.60
	TOTAL - ASSETS	68814.53	72356.04

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 2015.
- Corresponding figures of earlier year/ half year / quarter have been regrouped wherever necessary.
- The Company operates in a single segment i.e. textile having same risk and return.
- 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 on various factors including improved performance of the Company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate 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.
- The Company is in the process of making an application under the Sick Industrial Companies (Special Provisions) Act, 1985.
- In view of the complete erosion of net worth of the Company, the lenders have invoked the "Strategic Debt Restructuring" (SDR) with reference dated 26th October, 2015 pursuant to the RBI Circular dated 08th June, 2015. The Company have presented these financial statements on going concern basis.

Place : Mumbai
Date : 14th November 2015



By order of the Board
Rajkumari Kanodia
Rajkumari Kanodia
Non Executive Chairperson & Director

INDEPENDENT AUDITORS' REVIEW REPORT

To
Board of Directors of
Raj Rayon Industries Limited,

We have reviewed the accompanying statement of Unaudited Financial Results of M/s. Raj Rayon Industries Limited ("the Company") for the quarter & half year ended 30th September 2015 (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.

We draw attention to Note 5 of the accompanying Unaudited Financial Results for the quarter & half year ended 30th September 2015, that in spite of the complete erosion of Net worth of the Company and in view of the lenders invoking the "Strategic Debt Restructuring" (SDR) pursuant to RBI guidelines, the Company has presented these financial statements on going concern basis.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable Accounting Standards and other recognized 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 November 2015

