

Date : 14th August, 2018

To,
DCS-CRD
The BSE Limited,
P. J. Towers,
Dalal Street,
Mumbai - 400 001
Stock Code: 523523

Listing Department,
National Stock Exchange of India Ltd
5th Floor, Exchange Plaza,
Bandra (E),
MUMBAI - 400 051
Stock Code: RAINBOWPAP

Dear Sir / Madam,

Sub: Unaudited Financial Results for the quarter ended on 30th June, 2018

Dear Sir,

With reference to the above subject, please find enclosed herewith Standalone un-audited Financial Results for the quarter ended on 30th June, 2018 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the Limited Review Report as approved by the Suspended Board of Directors at their meeting held on Monday, 14th August, 2018.

You are requested to notify this information to the Members and investors at large.

Thanking you,

Yours faithfully,
FOR RAINBOW PAPERS LIMITED


SHASHIKANT THAKAR
COMPANY SECRETARY
FCS : 1607

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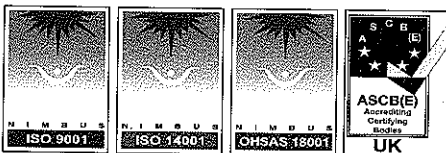
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2018

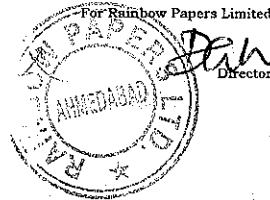
Sr. No.	Particulars	(INR in Crores)			
		Quarter Ended		Year Ended	
		June 30, 2018 Unaudited	March 31, 2018 Audited	June 30, 2017 Unaudited	March 31, 2018 Audited
1	Income				
	(a) Revenue from Operations	-	-	-	0.28
	(b) Other Income	-	-	0.02	0.01
	Total Income	-	-	0.02	0.29
2	Expenses				
	(a) Cost of Materials Consumed	-	-	-	0.28
	(b) Purchase of stock-in-trade	-	-	-	-
	(c) Change in Inventories of finished goods, work in progress and stock-in-trade	-	-	-	-
	(d) Employee benefits expense	0.46	(0.23)	0.39	2.65
	(e) Finance costs	-	(0.08)	-	0.03
	(f) Depreciation and amortisation Expenses	24.17	27.78	27.78	111.12
	(g) Other expenses	1.18	0.66	79.00	84.94
	Total expenses	25.81	28.13	107.17	199.02
3	Profit/(Loss) before exceptional items and tax (1-2)	(25.81)	(28.13)	(107.15)	(198.73)
4	Add/(Less) : Exceptional Items (net)	-	-	-	-
5	Profit / (Loss) before tax [3 + 4]	(25.81)	(28.13)	(107.15)	(198.73)
6	Tax expenses				
	a) Current Tax	-	-	-	-
	b) Deferred Tax	-	-	-	-
	c) Excess/Short Provision of tax of earlier years	-	-	-	-
	Total Tax Expense (a+b)	-	-	-	-
7	Net Profit (+) / Loss(-) for the period	(25.81)	(28.13)	(107.15)	(198.73)
8	Other Comprehensive Income		0.06	(0.02)	-
	- Items that will not be classified to Profit & Loss	-	-	-	-
9	Total Comprehensive Income/(Loss) after Tax	(25.81)	(28.07)	(107.17)	(198.73)
10	Paid Up Equity Share capital (Face Value Rs. 2/- Per Share)	21.24	21.24	21.24	21.24
11	Earnings Per Share (of Rs.2/- each) (Not annualised) :				
	(a) Basic and Diluted	(2.43)	(2.65)	(10.09)	(18.71)

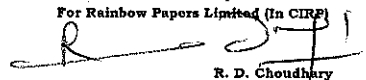
NOTES :

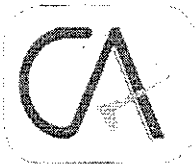
- 1 The financial results of the company for the quarter ended June 30, 2018 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company/Under Supervision of Resolution Professional in their meeting held on August 14, 2018. The Statutory Auditors of the Company have carried out Limited Review of these results and have expressed an unqualified conclusion.
- 2 The figures for the quarter ended March 31, 2018 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2018 and the unaudited published year to date figures upto the end third quarter ended 31st December, 2017, which were subject to limited review by the auditor.
- 3 The company has adopted Ind AS 115 "Revenue from contract with customers" effected from April 01, 2018. Application of Ind AS 115 does not have any significant impact on retained earnings as at April 01, 2018 and the financial results for the quarter ended June 30, 2018.
- 4 (a) TFCI, Shalimar Wires Industries Limited, Rachna Air Components Private Limited and Tech Aid have filed winding up petitions under section 433 and 434 of the Companies Act, 1956 against the company before the Hon'ble Gujarat High Court and the same is pending before Hon'ble Gujarat High Court.
- (b) TFCI, IFCI, Dena Bank and Allahabad Bank had filed Original Applications against the Company before the Debt Recovery Tribunal-1, Ahmedabad ("DRT") under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993. However the original applications filed by IFCI, Dena Bank and Allahabad Bank are pending before the DRT, Ahmedabad and original applications filed by TFCI is pending before the DRT, Delhi.
- (c) TFCI, IFCI, Transworld Impex and Ion Exchange (India) Ltd had filed criminal complaints against the company and its Directors/ officers under section 138 of Negotiable Instruments Act, 1881 for dishonor of various cheques issued by the Company and the Company is contesting all the said cases and all the matters are pending for further hearing before the Hon'ble Metropolitan Magistrates, Mumbai, Hon'ble Metropolitan Magistrates, Nagpur and Hon'ble Metropolitan Magistrates, New Delhi.
- (d) Anmol Polymers Private Limited and Raghav Industrial Products Limited have filed a case for recovery of money against material supplied by them before District Court of Sirmur, Shimla.
- (e) Further, IFCI Limited, Allahabad Bank, Bank of India, Axis Bank have served the Notice under Section 13(2) of Chapter III of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act, 2002") against the company. Further, IFCI Limited and Allahabad Bank have served the Notice in exercise of power under section 13(4) read with rule 9 of Chapter III of the SARFAESI Act, 2002 for the symbolic / physical possession of the exclusive assets held by them of the Company and its Guarantors. IFCI Limited had approached Collector, Mehsana for obtaining physical possession of exclusive properties charged to them. The Company has successfully defended the case and the matter is now dismissed. Allahabad Bank has moved to Chief Metropolitan Magistrate for obtaining physical possession of the exclusive properties charged to them. The Company has approached Debt Recovery Tribunal against the Bank's move and the DRT has stayed the order of Chief Metropolitan Magistrate till further hearing.
- (f) All of the Financial Institutions and Bankers have classified their advances to the company as Non-Performing Assets (NPA) and therefore the provision of interest pertaining to current quarter amounting to Rs 36.22 Crore (Accumulated Interest up to 30.06.2018 of Rs. 316.39 Crore) (On Approximate Basis) on these advances have not been provided by the company and to that extent loss for the quarter and lenders liability has been understated. The exact amount of unprovided interest is subject to final determination.
- (g) The Company has received a show cause notice stating violation of section 25(O) of Industrial Disputes Act, 1947 & the matter is pending before the Labour Court, Kalol. In view of this provision for salary and its retirement benefits has been made on estimated basis.
- (h) Due to Non Supply of Electricity on account of default in payment to the electricity board and other reasons, from 27th day of July, 2016 production of the company is stopped.
- (i) In view of the above facts, the going concern of the company is seriously affected but the company is hopeful to commence the activity and therefore the accounts are prepared on going concern basis.
- 5 The Board of Directors in its meeting held on September 14, 2017 approved a Composite Scheme of Compromise and Arrangement between Kushal Limited (Formerly Known as Kushal Tradelink Limited) and Amalgamation of Rainbow Papers Limited with Kushal Limited (Formerly Known as Kushal Tradelink Limited) under section 230-232 of the companies Act, 2013 and SEBI (LODR) Regulations, 2015. The said proposal is stalled on account of admission of petition of one of the operational creditor at National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 and accordingly Board has no powers to pursue the said scheme.
- 6 (a) Some of the creditors have filed notice under section 9 of Insolvency and Bankruptcy Code, 2016 and one of the application has been admitted by National Company Law Tribunal, Ahmedabad Bench and the Hon'ble NCLT has given certain directions for the compliances. Other application has not been yet admitted.
- (b) On September 12, 2017 Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench, had admitted the petition for initiating Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC) and vide its Order dated September 22, 2017 appointed Mr. George Samuel as the Interim Resolution Professional (IRP) in terms of the IBC. Subsequent to expiry of the term of interim resolution professional, NCLT has vide its order dated November 06, 2017 appointed Mr. Ramchandra D. Choudhary as the Resolution Professional (RP).
- (c) Under the CIRP, a resolution plan needs to be prepared & presented and approved by the CoC. The resolution plan which would be approved by the CoC will need to be further approved by the Hon'ble NCLT. As the Company is under resolution process, the financial statements have been presented on a 'going concern' basis.
- (d) Mr. Ramchandra D. Choudhary has, in his capacity as the RP appointed in terms of the Insolvency and Bankruptcy Code, 2016, took control and custody of the management and operations of the Company from November 06, 2017. The financial results for quarter ended March 31, 2018 have been certified by the Chairman and Chief Financial Officer of the Company, in accordance with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming truthfulness, fairness, accuracy & completeness of the results. These financial statements have thereafter been taken on record by the RP on May 30, 2018 for filing with the stock exchanges.

- (e) During the CIRP period an escrow account with Indian Overseas Bank is opened to manage the CIRP Process and Cost. The said account is being operated by the Resolution Professional. The effect of transactions entered through such accounts are given in the books of accounts. Balance in the account is been reflected under the head "Cash & Cash Equivalents".
- (f) The COC in its meeting held on 04/06/2018 passed a resolution for seeking Voting procedure on the Resolution plan submitted by Resolution applicant i.e. Kushal Limited. The said plan was approved by the COC on 07/06/2018 and subsequently on 11/06/2018 the application was filed with Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench for its further approval.
- 7 As the Company's business activity falls within single operating segment viz. paper industry, the disclosure requirement of Ind-AS 108 on "Operating Segments" is not applicable.
- In the opinion of the Management, the Current Assets, Current Liabilities, Loans and Advances, are approximately of the value stated, if realized in the ordinary course of business. Some of the Bank balances and Balance with Revenue Authority and Outstanding Statutory Dues shown in the books of accounts are subject to reconciliation and its effect will be given on its reconciliation.
- 8(a) The amount of Inventories are as taken by the management and are subject to physical verification by the Auditor.
- (b) The company is in process of determination of doubtful debts, advances and Trade receivables.
- 9 According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the revenue from operations for the quarter ended June 30, 2017 are inclusive of excise duty. Goods and Service Tax ("GST") has been implemented with effect from July 1, 2017 which replaces excise duty and other input taxes. As per Ind AS 115, the revenue for the quarter and year ended March 31, 2018 is reported net of GST and accordingly, is not comparable to that extent with other published periods.
- 10 Figures of previous period's/ year have been regrouped. Wherever considered necessary to make them comparable to current period's figures.

Place : Ahmedabad
Date : August 14, 2018



For and on behalf of Suspended BOD
For Rainbow Papers Limited (In CIRP)

R. D. Choudhary
Resolution Professional
Regd. No. IBBI/PA-001/IP-P00157/2017-18/10325



Independent Auditor's Review Report on Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The R. D. Choudhary (Resolution Professional)
Rainbow Papers Limited,**

1. We have reviewed the accompanying statement of unaudited quarterly financial results of **Rainbow Papers Limited** ('the Company') for the quarter ended on June 30, 2018 (the "statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulation"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the "Circular").
2. The preparation of 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 read with the rule 3 of Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which is the responsibility of the Company's management and have 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 have 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 should 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 inquire 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.
4. Based on our review conducted as above, nothing has come to our attention that cause us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Sections 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

FOR, MEHTA LODHA & CO
(FIRM REGD. NO: 106250W)
CHARTERED ACCOUNTANTS

P. D. SHAH
PRAKASH D SHAH
PARTNER
MEMBERSHIP NO.: 034363

PLACE: AHMEDABAD
DATE: 14th AUG, 2018
UDIN NO: 034363/140818/2767

