



# 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)  
☎ : +91 - 22 - 4034 3434 • Fax : +91 - 22 - 4034 3400 • E-mail : mumbai@rajrayon.com • Website : www.rajrayon.com

**CIN NO. L17120DN1993PLC000368**

Date: 30<sup>th</sup> May, 2014

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

Dear Sir,

Symbol: RAJRAYON

Series: EQ

Scrip Code: 530699

Sub: Outcome of Board of Directors Meeting held on 30<sup>th</sup> May, 2014

The outcome of Board of Directors meeting held on today at the Corporate Office of the Company at 5C- 196/197, Akshay, Mittal Industrial Estate, Sakinaka, Andheri (East), Mumbai- 400 059 is as under:

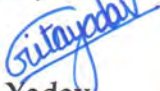
1. Approved Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2014, a copy of the same enclosed.
2. The Board of Directors has not recommended any dividend in view of losses/compliance to approved restructuring proposal under CDR system.
3. The Board of Directors has subject to Members approval appointed Mr. Naval Babulal Kanodia as Whole Time Director of the Company.

Kindly acknowledge the receipt.

Thanking You,

Yours faithfully,

For RAJ RAYON INDUSTRIES LIMITED

  
Gita Yadav

Company Secretary & Compliance Officer

Encl: as above

**RAJ RAYON INDUSTRIES LIMITED (Formerly known as Raj Rayon Limited)**

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

CIN No. L17120DN1993PLC000368

AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED: 31ST MARCH, 2014

| PART I  |                                                                                                        |                                  |                              |                              |                                      | (₹ in Lacs)                          |
|---------|--------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------|------------------------------|--------------------------------------|--------------------------------------|
| Sr. No. | Particulars                                                                                            | Quarter ended 31st Mar, 2014     | Quarter ended 31st Dec, 2013 | Quarter ended 31st Mar, 2013 | Year ended 31st March 2014 (Audited) | Year ended 31st March 2013 (Audited) |
| 1       | Income from operations                                                                                 |                                  |                              |                              |                                      |                                      |
|         | (a) Net sales/income from operations (Net of excise duty)                                              | 4006.15                          | 8757.42                      | 24982.10                     | 46695.98                             | 70861.93                             |
|         | (b) Other operating income                                                                             | 48.56                            | 83.15                        | 87.05                        | 314.58                               | 473.68                               |
|         | <b>Total income from operations (net)</b>                                                              | <b>4054.71</b>                   | <b>8840.57</b>               | <b>25069.15</b>              | <b>47010.56</b>                      | <b>71335.61</b>                      |
| 2       | Expenditure:                                                                                           |                                  |                              |                              |                                      |                                      |
|         | (a) Cost of materials consumed                                                                         | 2033.92                          | 5877.49                      | 6521.27                      | 24961.03                             | 26831.20                             |
|         | (b) Purchases of stock-in-trade                                                                        | 6.08                             | 153.99                       | 18230.79                     | 9932.52                              | 35190.29                             |
|         | (c) Changes in inventories of finished goods ,Work in Progress and Stock-in-Trade                      | 1492.60                          | 2102.31                      | (2011.83)                    | 9954.98                              | (2415.03)                            |
|         | (d) Employee benefits expense                                                                          | 216.90                           | 203.74                       | 221.73                       | 826.83                               | 817.89                               |
|         | (e) Depreciation and amortisation expense                                                              | 299.59                           | 1119.01                      | 615.96                       | 3161.11                              | 2555.65                              |
|         | (f) Other expenses                                                                                     | 1022.92                          | 1962.71                      | 1746.55                      | 7750.02                              | 5792.23                              |
|         | (g) Expenditure (other than interest) transferred to capital work in progress                          | 0.00                             | 0.00                         | (988.46)                     | (1423.48)                            | (988.46)                             |
|         | <b>Total Expenses</b>                                                                                  | <b>5072.00</b>                   | <b>11419.25</b>              | <b>24336.01</b>              | <b>55163.02</b>                      | <b>67783.77</b>                      |
| 3       | <b>Profit / (Loss) from operations before other income, finance cost and exceptional Items (1-2)</b>   | <b>(1017.29)</b>                 | <b>(2578.68)</b>             | <b>733.15</b>                | <b>(8152.45)</b>                     | <b>3551.84</b>                       |
| 4       | Other Income                                                                                           | 86.85                            | 52.52                        | 302.42                       | 266.17                               | 425.90                               |
| 5       | <b>Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)</b>       | <b>(930.44)</b>                  | <b>(2526.16)</b>             | <b>1035.57</b>               | <b>(7886.28)</b>                     | <b>3977.74</b>                       |
| 6       | Finance costs                                                                                          | 1154.06                          | 1463.25                      | 1019.64                      | 4874.03                              | 3386.23                              |
| 7       | <b>Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6)</b> | <b>(2084.50)</b>                 | <b>(3989.41)</b>             | <b>15.93</b>                 | <b>(12760.31)</b>                    | <b>591.51</b>                        |
| 8       | Exceptional Items                                                                                      | 0.00                             | 0.00                         | 0.00                         | 0.00                                 | 0.00                                 |
| 9       | <b>Profit / (Loss) from ordinary activities before tax (7+8)</b>                                       | <b>(2084.50)</b>                 | <b>(3989.41)</b>             | <b>15.93</b>                 | <b>(12760.31)</b>                    | <b>591.51</b>                        |
| 10      | Tax Expense                                                                                            |                                  |                              |                              |                                      |                                      |
|         | Current Tax                                                                                            | 0.00                             | 0.00                         | 59.00                        | 0.00                                 | 186.38                               |
|         | MAT Credit Entitlement                                                                                 | 0.00                             | 0.00                         | 0.00                         | 0.00                                 | 0.00                                 |
|         | Deferred Tax                                                                                           | (499.99)                         | (1303.80)                    | (46.81)                      | (3982.51)                            | 85.70                                |
|         | MAT Credit / Tax Adjustments for earlier years                                                         | (1.52)                           | 0.00                         | 0.28                         | (1.52)                               | (51.95)                              |
| 11      | <b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>                                   | <b>(1582.99)</b>                 | <b>(2685.61)</b>             | <b>3.47</b>                  | <b>(8776.28)</b>                     | <b>371.38</b>                        |
| 12      | Extraordinary Items (net of tax expense)                                                               | 0.00                             | 0.00                         | 0.00                         | 0.00                                 | 0.00                                 |
| 13      | <b>Net Profit / (Loss) for the period (11-12)</b>                                                      | <b>(1582.99)</b>                 | <b>(2685.61)</b>             | <b>3.47</b>                  | <b>(8776.28)</b>                     | <b>371.38</b>                        |
| 14      | Paid-up equity share capital of ₹ 1/- each                                                             | 2664.54                          | 2664.54                      | 2664.54                      | 2664.54                              | 2664.54                              |
| 15      | Reserves excluding revaluation reserves                                                                |                                  |                              |                              | 2438.98                              | 11215.26                             |
| 16      | <b>Earnings Per Share (EPS)</b>                                                                        |                                  |                              |                              |                                      |                                      |
|         | Basic                                                                                                  | (0.59)                           | (1.01)                       | 0.00                         | (3.29)                               | 0.14                                 |
|         | Diluted                                                                                                | (0.59)                           | (1.01)                       | 0.00                         | (3.29)                               | 0.14                                 |
| PART II |                                                                                                        |                                  |                              |                              |                                      |                                      |
| A       | <b>PARTICULARS OF SHAREHOLDING</b>                                                                     |                                  |                              |                              |                                      |                                      |
| 1       | Public Shareholding                                                                                    |                                  |                              |                              |                                      |                                      |
|         | Number of Shares                                                                                       | 165718070                        | 165718070                    | 165718070                    | 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                     | 47400000                     | 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                     | 53335930                     | 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       | <b>INVESTORS COMPLAINTS</b>                                                                            | <b>3 months ended 31/03/2014</b> |                              |                              |                                      |                                      |
|         | 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                           |                               |                               |
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| (₹ in Lacs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                           |                               |                               |
| Sr. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Particulars                               | As at 31.03.2014<br>(Audited) | As at 31.03.2013<br>(Audited) |
| <b>A</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>EQUITY AND LIABILITIES</b>             |                               |                               |
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Shareholders' fund                        |                               |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (a) Share Capital                         | 4064.54                       | 4064.54                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (b) Reserves & Surplus                    | 2438.98                       | 11215.26                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (c) Money received against share warrants | 0.00                          | 0.00                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total - Shareholders' funds           | 6503.52                       | 15279.80                      |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Non-current liabilities                   |                               |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (a) Long - term borrowings                | 51535.28                      | 20981.76                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (b) Deferred tax liabilities (net)        | 0.00                          | 1025.02                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (c) Other long term liabilities           | 32.00                         | 0.00                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (d) Long term provisions                  | 18.77                         | 33.18                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total - Non-current liabilities       | 51586.05                      | 22039.96                      |
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Current liabilities                       |                               |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (a) Short term borrowings                 | 2856.05                       | 11695.56                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (b) Trade payables                        | 3142.44                       | 14856.16                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (c) Other current liabilities             | 2034.35                       | 5578.35                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (d) Short term provisions                 | 14.77                         | 105.38                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total - Current liabilities           | 8047.60                       | 32235.45                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>TOTAL - EQUITY AND LIABILITIES</b>     | <b>66137.17</b>               | <b>69555.22</b>               |
| <b>B</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>ASSETS</b>                             |                               |                               |
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Non-current assets                        |                               |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (a) Fixed assets                          | 34644.04                      | 34169.25                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (b) Non-current investments               | 10.02                         | 17.02                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (c) Deferred tax assets (net)             | 2957.49                       | 0.00                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (d) Long term loans and advances          | 5118.88                       | 155.19                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (e) Other non-current assets              | 628.84                        | 642.73                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total - Non-current assets            | 43359.27                      | 34984.19                      |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Current assets                            |                               |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (a) Inventories                           | 1714.62                       | 13067.51                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (b) Trade receivables                     | 16836.66                      | 17936.58                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (c) Cash and cash equivalents             | 1433.89                       | 699.93                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (d) Short-term loans and advances         | 2308.16                       | 2250.38                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (e) Other current assets                  | 484.57                        | 616.63                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total - Current assets                | 22777.91                      | 34571.03                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>TOTAL - ASSETS</b>                     | <b>66137.17</b>               | <b>69555.22</b>               |
| <p>Notes:</p> <ol style="list-style-type: none"> <li>The above audited financial results were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 30th May, 2014.</li> <li>Corresponding figures of earlier year / quarter have been regrouped wherever necessary.</li> <li>The Company operates in a single segment i.e. textile having same risk and return.</li> <li>At the request of the Company ("Borrower"), the Corporate Debt Restructuring Proposal ("CDR Proposal") of the Borrower was referred to Corporate Debt Restructuring Cell ("CDR Cell") by the Consortium of Bankers led by the State Bank of India ("SBI"). The CDR Proposal as recommended by SBI, the Lead Banker and approved by the lenders who are the members of the CDR cell ("CDR Lenders") was approved by the CDR Empowered Group ("CDR EG") on 24th March 2014 and communicated vide letter of approval dated 27th March 2014. The Cut Off date for CDR Proposal is 01st August 2013. The Master Restructuring Agreement ("MRA") between the Borrower and the CDR Lenders has been executed, by virtue of which the restructured facilities are governed by the provision as specified in the MRA. Further as per the RBI Guidelines, the CDR package is to be implemented within a maximum period of 120 days from the date of approval of package by CDR EG i.e. 24th March 2014.</li> <li>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.</li> <li>Under CDR Package and as per the terms of the Approved Restructuring proposal under CDR System, the Promoters has brought Rs. 10.98 Crores by way of Unsecured Loans as Promoters Contribution towards Lenders Sacrifice.</li> <li>As per the Approved Restructuring proposal, the additional Working capital Limit of Rs. 80.94 Crore will be released post commissioning of DPM POY Project.</li> <li>The Company has made the Provision for doubtful Trade Receivables amounting to Rs. 88.61 Lacs and accordingly the Auditor's qualification made in earlier period has been dealt with by the Company.</li> <li>The Company's Continuous Polymerization Plant (CP Plant), commercial production of which was commenced from 01st July 2013 has been temporarily shutdown from November 2013 onwards. The CP Plant will restart after successful commissioning of Direct Polymer Melt POY Plant (DPM POY Plant) which is scheduled to be operational in July 2014.</li> <li>The Company's other Plants (PTY, POY &amp; FDY) were running partially and temporarily shutdown in the Month of March 2014 due to negative Margins. The Company has restarted the PTY plant partially and will be fully operational with other Plants once the margin improves.</li> <li>The Board of Directors has not recommended any dividend in view of losses / compliance to approved restructuring proposal under CDR system.</li> </ol> |                                           |                               |                               |

Place : Mumbai  
Date : May 30, 2014

By order of the Board

*Rajkumar Kanodia*  
Rajkumar Kanodia  
Non Executive Chairperson & Director



**Auditors' Report on Quarterly Financial Results and Year to Date Financial Results of Raj Rayon Industries Limited Pursuant to the Clause 41 of the Listing Agreement**

To  
The Board of Directors of  
**Raj Rayon Industries Limited,**

We have audited the quarterly financial results of **Raj Rayon Industries Limited** ('the Company') for the quarter ended March 31, 2014 and the year to date financial results for the year ended March 31, 2014 attached herewith, being submitted by the company pursuant to the requirement of Clause 41 of the 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. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, which were subject to limited review.

These quarterly financial results as well as year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's Management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We draw attention to Note 5 of the accompanying Financial Results in respect of various contingencies, the outcome of which is materially uncertain and cannot be determined currently. Our opinion is not qualified in respect of the said matter.



**CA. Kamalakant Garg** B.Com., LL.B. (Gen), F.C.A., A.C.S.

**CA. Pavan Kumar Bansal** B.Com., F.C.A.

**CA. Manoj Kumar Chotia** B.Com., F.C.A.

**k. m. garg & co.**

CHARTERED ACCOUNTANTS

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date financial results:

(i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended 31<sup>st</sup> March, 2014 as well as for the year ended 31<sup>st</sup> March, 2014.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

**For K M GARG & CO**

Chartered Accountants

Registration number: 120712W



**CA. K K GARG**

Partner

Membership No: 033940



Place : Mumbai

Date : 30<sup>th</sup> May 2014