

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH,2010

(Rs. In Lacs)

| Particulars | Quarter ended | | Year ended | |
|---|-----------------|----------------|-----------------|-----------------|
| | 31/03/10 | 31/03/09 | 31/03/10 | 31/03/09 |
| 1 (a) Net Sales / Income from Operations | 10946.98 | 5148.12 | 28427.67 | 23331.20 |
| (b). Other Operating Income | 39.66 | 36.55 | 142.22 | 295.67 |
| Total | 10986.64 | 5184.67 | 28569.89 | 23626.87 |
| 2. Expenditure | | | | |
| (a) Increase/Decrease in Stock in Trade & Work in Progress | 373.36 | 64.13 | (155.90) | (94.28) |
| (b) Consumption of Raw Material | 4507.46 | 2360.14 | 12818.74 | 11870.76 |
| (c) Purchase of Traded goods | 1412.02 | 0.00 | 1428.28 | 0.00 |
| (d) Employees Cost | 203.10 | 140.65 | 777.93 | 678.23 |
| (e) Depreciation | 695.44 | 701.36 | 2402.97 | 2496.64 |
| (f) Other expenditure | 2370.82 | 887.98 | 7273.49 | 5946.30 |
| (g) Total | 9562.20 | 4154.24 | 24545.52 | 20897.65 |
| 3.Profit from Operations before Other Income,Interest and Exceptional Items(1-2) | 1424.44 | 1030.42 | 4024.36 | 2729.22 |
| 4. Other Income | 360.31 | 6.02 | 379.08 | 15.86 |
| 5.Profit before Interest and Exceptional Items (3+4) | 1784.75 | 1036.43 | 4403.44 | 2745.08 |
| 6. Interest | 319.17 | 544.82 | 1289.64 | 1042.72 |
| 7. Exceptional Items (add / (less)) | 2.91 | (15.49) | 4.27 | (12.27) |
| 8. Profit(+)/Loss(-) from ordinary activities before tax [5-6+7] | 1468.48 | 476.12 | 3118.08 | 1690.09 |
| 9. Tax Expenses | | | | |
| (a) Current Tax | 247.25 | 55.26 | 527.60 | 196.94 |
| (b) MAT Credit Entitlement | 22.26 | (56.42) | (185.63) | (168.40) |
| (c) Deferred Tax | 413.17 | (686.87) | 413.17 | (686.87) |
| (d) Total | 682.68 | (688.03) | 755.14 | (658.33) |
| 10. Net Profit(+)/Loss(-) from ordinary activities after tax (8-9) | 785.80 | 1164.15 | 2362.94 | 2348.43 |
| 11. Extraordinary items (Net of tax expense Rs Nil) | 0.00 | 0.00 | 0.00 | 0.00 |
| 12. Net Profit(+)/Loss(-) for the period (10-11) | 785.80 | 1164.15 | 2362.94 | 2348.43 |
| 13.Operating Profit - EBITDA (2(e) + (5)) | 2480.20 | 1737.80 | 6806.41 | 5241.72 |
| 14.Cash Profit | 1894.42 | 1178.64 | 5179.08 | 4158.20 |
| 15. Paid up equity share capital (Face Value of share Rs.10 each) | 1744.35 | 720.80 | 1744.35 | 720.80 |
| 16. Reserves excluding revaluation Reserves | - | - | 20437.09 | 7577.58 |
| 17. Basic and diluted Earning Per Share (EPS) (Based on Weighted average No. of Shares) | 5.47 | 16.15 | 26.33 | 32.58 |
| 18. Public shareholding | | | | |
| – Number of Shares | 13124170 | 3248358 | 13124170 | 3248358 |
| – Percentage of Shareholding | 75.24 | 45.07 | 75.24 | 45.07 |
| 19. Promoters and promoter group shareholding | | | | |
| a) Pledged/ Encumbered | | | | |
| - Number of shares | - | - | - | - |
| -Percentage of shares (as a % of the total shareholding of promoter and promoter group) | - | - | - | - |
| -percentage of shares (as a % of total share capital fo the company) | - | - | - | - |
| b) Non - encumbered | | | | |
| - Number of shares | 4319290 | 3959647 | 4319290 | 3959647 |
| -Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% | 100% |
| -percentage of shares (as a % of total share capital fo the company) | 24.76 | 54.93 % | 24.76 | 54.93 % |
| 20. Debt / Equity Ratio | - | - | 1.57 | 3.35 |
| 21.Interest Service Coverage Ratio (ISCR) | 7.77 | 3.19 | 5.28 | 5.03 |

Details of Assets & Liabilities

| Particulars | As on 31.03.2010 | As on 31.03.2009 |
|---|---------------------|---------------------|
| Share Holders Funds | | |
| (a) Share Capital | 1744.35 | 720.80 |
| (b) Reserves and Surplus | 20437.09 | 7577.58 |
| Loan Funds | 33577.28 | 28283.70 |
| Deferred Tax Liability | 1421.02 | 1007.86 |
| Total | 57179.74 | 37589.94 |
| Fixed Assets (Net of Accumulated depreciation) | 31401.13 | 13071.00 |
| Capital Work-in-Progress | 11203.36 | 20792.98 |
| Investments | 2.14 | 227.04 |
| Current Assets Loans & Advances | | |
| (a) Inventories | 3366.41 | 2909.71 |
| (b) Sundry Debtors | 3943.82 | 3103.44 |
| (c) Cash and Bank Balances | 12155.95 | 1283.15 |
| (d) Loans and Advances | 3324.77 | 1524.06 |
| Current Liability & Provisions | | |
| (a) Current Liabilities | 6617.84 | 4556.80 |
| (b) Provisions | 1600.00 | 819.20 |
| Net Current Assets | 14573.11 | 3444.36 |
| Miscellaneous Expenditure not written Off | 0.00 | 54.56 |
| Total | 57179.74 | 37589.94 |

NOTES :

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 28th May,2010.
- The Board of Directors has recommended a Dividend of Rs 2.00 (PY Rs 1.60) per Share having face value of Rs 10 each for the financial year ended 31st March, 2010.
- The GDR offer of the company concluded on 27th January,2010 and allotment of 1,02,35,455 underlying Equity Shares were made in the Board Meeting held on 28th January,2010. The GDRs of the company are listed at Euro MTF Market of Luxembourg Stock Exchange and the funds raised have been and are being utilised to finance the Expansion Plan and balance funds pending utilisation have been placed as deposits with Bank.
- The Company has envisaged Capacity Expansion Plans to the tune of Rs 32700 Lacs which includes installation of One Paper Machine imported from Germany having capacity of 330 TPD and a Captive Power Plant of 30 MW and the project is expected to be completed by the end of March 2011.
- The Company has successfully commissioned One Paper machine having capacity of 254 TPD in the financial year under review and has taken it into commercial production.
- The company has charged depreciation on Straight Line Method on Plant & Machinery installed on & after 1st April,2009 and hence the figures of depreciation are not comparable with corresponding period.
- Other Income includes Foreign Exchange Gain of Rs 281.49 Lacs & Profit on Sale of Investments Rs 52.37 Lacs.
- The Company operates only in one reportable segment namely Manufacturing and Processing of Paper.
- Status of Investors Complaints : Opening -Nil ,Received & Resolved during the Quarter - 04 Closing- Nil
- The number of shares considered in calculating the Basic & Diluted EPS is based on weighted average number of shares outstanding during the period / Year as per Accounting Standard 20.
- Comparative figures have been regrouped/rearranged wherever necessary.
- Debt Equity Ratio : Aggregate of Long Term Debt & Deferred Tax Liability / Shareholders Funds less Misc. Exp to the extent not written off
- ISCR : Earnings before Depreciation, Interest & Tax / Interest Expense

For Rainbow Papers Limited

Ajay Goenka
Managing Director

Place : Ahmedabad
Date : 28-05-2010