

GASM DANSR AND CO.,

Chartered Accountants

Review Report to M/s RAINBOW FOUNDATIONS LIMITED

We have reviewed the accompanying statement of unaudited financial results of M/s RAINBOW FOUNDATIONS LIMITED for the period ended 30th September 2018. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have reviewed the adjustments made for these periods for Ind AS transition. Our conclusion is not modified in respect of the said matter.

Place: Chennai
Date: 14/11/2018

For M/s. GASM DANSR AND CO.



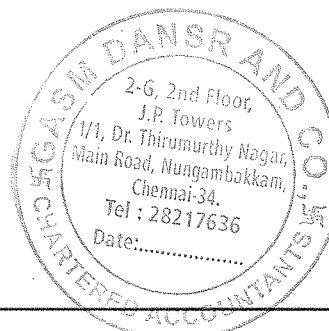
(Ananddevkumar)

(Partner)

(Mem No: 200/23631)

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Branch Office : Mogappair, K.K.Nagar - Tamil Nadu and Faridabad - Haryana



RAINBOW FOUNDATIONS LIMITED
4, THANIKACHALAM ROAD,
T.NAGAR, CHENNAI - 600 017

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2018

Rs. In Lakhs

Particulars	Quarter Ended			Year to Date		Year ended
	30-Sep-2018	30-Jun-2018	30-Sep-2017	30-Sep-2018	30-Sep-2017	31-Mar-2017
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
I. Revenue from operations	178.25	753.47	910.58	931.72	2,576.46	5,537.78
II. Other Income	10.58	3.69	21.40	14.26	30.36	94.69
III. Total Revenue (I +II)	188.83	757.16	931.98	945.99	2,606.82	5,632.47
<i>IV. Expenses:</i>						
Purchase of Stock-in-Trade	1,711.58	375.08	474.75	2,086.66	1,942.44	3,729.32
Changes in inventories of Stock-in-Trade	(1,587.80)	8.01	62.35	(1,579.79)	32.84	280.28
Employee benefit expense	13.74	9.27	12.82	23.01	28.03	53.14
Financial costs	0.09	329.55	335.43	329.64	478.90	1,292.82
Depreciation and amortization expense	2.65	3.61	1.94	6.26	3.22	9.47
Other expenses	11.64	8.69	7.82	20.32	16.05	42.42
Total Expenses	151.90	734.20	895.11	886.10	2,501.48	5,407.45
V. Profit before exceptional and extraordinary items and tax (III - IV)	36.93	22.96	36.87	59.89	105.34	225.02
VI. Exceptional Items (Profit after adjusting loss on sale of fixed asset)	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	36.93	22.96	36.87	59.89	105.34	225.02
VIII. Extraordinary Items (prior period expenses)	-	-	-	-	-	-
IX. Profit before tax (VII - VIII)	36.93	22.96	36.87	59.89	105.34	225.02
X. Tax expense:						
(1) Current tax	-	-	0.53	-	2.35	73.71
(2) Deferred tax	-	-	-	-	-	0.86
XI. Profit(Loss) after tax (IX-X)	36.93	22.96	36.34	59.89	102.99	150.45
XII. Other comprehensive Income/(loss) for the period	-	-	-	-	1.29	-
XIII. Total Comprehensive Income/(Loss) for the period (XI + XII)	36.93	22.96	36.34	59.89	104.28	150.45
XVI. Earning per equity share:						
(1) Basic	0.67	0.42	0.66	1.09	1.89	2.73
(2) Diluted	0.67	0.42	0.66	1.09	1.89	2.73

Notes:

- The above unaudited results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on
- The financial result for the quarter ended 30TH SEPTEMBER 2018 are in compliance with the Indian Accounting Standard (INDAS) Rules, 2015 notified by the Ministry of Corporate Affairs. Consequently, the financial result for the corresponding quarter ended 30TH SEPTEMBER 2017 have been restated to comply with INDAS to make financial comparable.
- The figures for the corresponding previous period have been regrouped wherever necessary, to make them comparable with the figures of the current period.

For and on behalf of the Board

(Gajraj Jain)

Joint Managing Director

DIN : 01182117

Chennai

Date: 14/11/2018



RAINBOW FOUNDATIONS LIMITED
4, THANIKACHALAM ROAD,
T.NAGAR, CHENNAI - 600 017

This is forming Part of Quaterly Result of Rainbow Foundations Limited as on 30th Sep 2018 as required by SEBI Circular CIR/CFD/FAC/62/2016 dt.05/07/2016.

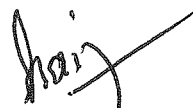
Reconciliation on Standalone Unaudited Financial Result to those reported under previous Generally Accepted Accounting Principal (GAAP) is summaries as follows:-

		Rs. In Lakhs
	Particulars	30-Sep-2018
	Profit after Tax as reported under Indian GAAP	36.93
	Adjustments on account of:	
1	Reversal of Depreciation on leasehold land being Operating lease	-
2	Recognition of amortisation of leasehold land being operating lease, in other expense	-
3	Measurement of financial assets and liabilities at amortised cost	-
4	Reversal of amortisation of Goodwill	-
5	Recognition of loss allowance for expected credit losses on financial assets measured at amortised cost	-
6	Recognition of foreign exchange fluctuation as MTM of forward contracts	-
7	Reversal of Revenue on compliance with Ind AS	-
8	Reversal of Cost of Services on compliance with Ind AS	-
9	Deferred tax impact on above Ind AS adjustments	-
	Profit after Tax as reported under Ind AS	36.93

Notes:

The above Reconciliation on Standalone Unaudited Financial Result have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14th Nov 2018

For and on behalf of the Board



(Gajraj Jain)

Joint Managing Director

DIN : 01182117

Place: Chennai
Date: 14/11/2018

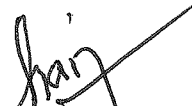


RAINBOW FOUNDATIONS LIMITED
4, THANIKACHALAM ROAD, T.NAGAR, CHENNAI-600017

Statement of Assets and Liabilities as at 30.09.2018

ASSETS		As At 30-09-2018 Unaudited	As at 31-Mar-2018 Audited
1	Non-Current Assets		
	(a) Property, Plant and Equipment	109.66	115.92
	(b) Other Non-Current Assets	10.52	10.52
2	Current Assets		
	(a) Inventories	24,254.91	14,069.54
	(b) Financial Assets		
	(i) Investments	0.53	0.53
	(ii) Trade Receivables	1,064.55	333.20
	(iii) Cash and Cash Equivalents	159.78	70.93
	(iv) Loans	159.73	170.34
	(c) Current Tax Assets		
	(d) Other Current Assets	72.96	30.90
	TOTAL-ASSETS	25,832.64	14,801.88
EQUITY AND LIABILITIES			
EQUITY			
	(a) Equity Share Capital	551.31	551.31
	(b) Other Equity	1,044.19	966.02
LIABILITIES			
1	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	33.00	37.99
	(b) Deferred Tax Liability (Net)	3.55	3.41
	(c) Other Non Current Liabilities	-	223.94
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	22,904.31	12,388.25
	(ii) Trade Payables	1,296.28	466.32
	(b) Provisions	-	30.31
	(c) Current Liabilities (Net)	-	134.33
	TOTAL-EQUITY AND LIABILITIES	25,832.64	14,801.88

For and on behalf of the Board


 (Gajraj Jain)
 Joint Managing Director
 DIN : 01182117

Place: Chennai
Date: 14/11/2018

