

RAIN COMMODITIES LIMITED

Regd. Off: "Rain Center", 34 Srinagar Colony, Hyderabad 500 073, AP, India.

Audited Financial Results for the Quarter ended June 30, 2007

(Rupees in lakhs)

S. No	Particulars	Quarter ended June 30, 2007	Quarter ended June 30, 2006	Year ended March 31, 2007
1	Net sales	-	-	
2	Other income	1.41	0.17	173.73
3	Total income	1.41	0.17	173.73
4	Total expenditure	18.89	3.73	61.29
	a) (Increase)/ decrease in Stock in Trade	-	-	
	b) Consumption of raw materials	-	-	
	c) Staff cost	3.90	1.70	15.13
	d) Other expenditure	15.00	2.03	46.16
5	Interest	1.23	-	167.15
6	Depreciation	-	0.30	0.91
7	Loss before Tax	(18.71)	(3.86)	(55.62)
8	Provision for Taxation			
	- Current tax	-	-	
	- Deferred tax	-	-	
	- Fringe benefit tax	0.07	0.00	0.19
9	Net Loss	(18.78)	(3.86)	(55.81)
10	Paid-up equity share capital (Face value Rs.10/- per equity share)	3,211	2,211	3,211
11	Reserves excluding revaluation reserves	5,825	4,210	7,159
12	Earnings per share (for the quarter - not annualised)			
	- Basic	(0.05)	(0.02)	(0.24)
	- Diluted	(0.05)	(0.02)	(0.24)
13	Aggregate of Public Shareholding			
	- Number of Shares	19,314,773	10,910,501	19,313,773
	- Percentage of Shareholding	60.15%	49.34%	60.15%

Audited Financial Results (Consolidated) for the Quarter ended June 30, 2007

(Rupees in lakhs)

S. No	Particulars	June 30, 2007	June 30, 2006	March 31, 2007
1	Net Sales	13,005	12,241	49,547
2	Other Income	301	930	4,028
3	Total Income	13,306	13,171	53,575
4	Total Expenditure	8,644	8,225	34,739
	a) (Increase)/Decrease in Stock in Trade	(100)	(202)	(97)
	b) Consumption of Raw Materials	672	661	2,667
	c) Staff Cost	317	239	1,157
	d) Power & Fuel	2,474	2,335	9,530
	e) Rates and Taxes	1,699	1,599	6,667
	f) Selling and Distribution Expenses	2,497	2,530	10,171
	g) Other Expenditure	1,085	1,063	4,644
5	Interest	935	1,925	6,909
6	Depreciation	379	367	1,482
7	Profit Before Taxation, Extraordinary Item and Share of Associates	3,348	2,654	10,445
8	Provision for Taxation			
	- Current Tax	428	-	1,056
	- MAT Credit Entitlement	-	-	(1,055)
	- Deferred Tax	-	-	952
	- Fringe Benefit Tax	4	3	18
9	Net Profit Before Extraordinary Item and Share of Associates	2,916	2,651	9,474
10	Extraordinary Item - Income (Net of taxes)	6,250	-	2,845
11	Net Profit Before Share of Associates	9,166	2,651	12,319
12	Share of Profit/ (Loss) in Associate	-	(793)	(128)
13	Net Profit	9,166	1,858	12,191
14	Paid-up equity share capital (Face value Rs.10/- per equity share)			3,211
15	Reserves excluding Revaluation Reserves			8,357
16	Earnings per share (for the quarter - not annualised)			
	- Basic before Extraordinary item (Rs.)	9.08	8.40	35.56
	- Basic after Extraordinary item (Rs.)	28.55	8.40	46.39
	- Diluted before Extraordinary item (Rs.)	8.89	8.04	35.25
	- Diluted after Extraordinary item (Rs.)	27.95	8.04	45.98
17	Aggregate of Public Shareholding			
	- Number of Shares	19,314,773	10,910,501	19,313,773
	- Percentage of Shareholding	60.15%	49.34%	60.15%

Notes:

- 1 The above results have been reviewed by the Audit Committee and taken on record/approved by the Board of Directors at their meeting held on August 18, 2007.
- 2 The Consolidated financial results include the results of Rain Commodities Limited ('the Company') and the financial results of its wholly owned subsidiaries - Rain Industries Limited and Rain Commodities (USA) Inc. ('RCUSA')
- 3 The Scheme of Arrangement ('the Scheme') between the Company, Rain Industries Limited and Rain Calcining Limited has been approved by the shareholders of the Company, Rain Industries Limited and Rain Calcining Limited on June 4, 2007 and is pending approval of the Hon'ble High Court of Andhra Pradesh. The above results of the Company have been prepared without giving effect to the Scheme.
- 4 RCUSA, during March 2006, acquired 100% shareholding of Rain/GLC Holdings LLC, which in turn holds 20.23% ownership interest in GLC Carbon USA Inc. ('GLC') and executed a definitive agreement to acquire the remaining ownership interest in GLC in February 2007. However, during March 2007, RCUSA decided not to pursue the acquisition of the remaining ownership interest in GLC, considering the counter offer at a higher price received from another company. During the current quarter, RCUSA sold the Notes and Common Stock of GLC at a profit. The profit earned on the sale of these investments after considering the expenses incurred and taxes payable in relation to the same have been recognised as Extraordinary Income in the above results.
- 5 The consolidated results for the quarter ended June 30, 2006 have been recasted after considering the results of Rain Commodities (USA) Inc. for the quarter ended June 30, 2006 and the Group's share of profit/ (loss) in GLC Carbon USA Inc amounting to for the period then ended. The proportionate loss of GLC carbon USA Inc amounting to Rs. 793.07 lakhs recognized in the above results for the quarter ended June 30, 2006 is based on the management estimates.
- 6 During the month of July 2007, Rain Commodities (USA) Inc. invested an amount of USD 92 million towards Preferred Stock in Rain/ CII Holdings, the wholly subsidiary of Rain Calcining Limited.
- 7 The group presently operates in one business segment (i.e. manufacture and sale of cement) and in one geographical segment (India). Hence, the disclosure requirements as required under Accounting Standard 17, 'Segment Reporting', issued by the Institute of Chartered Accountants of India are not applicable.
- 8 During the current quarter, 6 investor complaints were received and resolved. There were no complaints pending, both at the beginning and at the end of the quarter.
- 9 Figures of the previous quarters/ year have been regrouped and reclassified, wherever considered necessary.

By order of the Board
For **RAIN COMMODITIES LIMITED**

Sd/-

N RADHAKRISHNA REDDY
CHAIRMAN & MANAGING DIRECTOR

Hyderabad
August 18, 2007