



RAIN COMMODITIES LIMITED

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

Audited Financial Results (Stand-alone) for the Quarter ended September 30, 2007

(Rupees in lakhs)

Particulars	Quarter ended		Half year ended		Year ended
	September 30, 2007	September 30, 2006	September 30, 2007	September 30, 2006	March 31, 2007
1 Net Sales/Income from operations	14,906	11,822	27,911	11,822	37,307
2 Other Income	107	71	203	71	553
3 Total Income	15,013	11,893	28,114	11,893	37,860
4 Expenditure					
a) (Increase)/Decrease in Stock in Trade and work in progress	(434)	(407)	(535)	(407)	104
b) Consumption of Raw Materials	728	686	1,400	686	2,006
c) Purchase of traded goods	1,055	-	1,055	-	-
d) Employees Cost	373	271	690	273	910
e) Depreciation	347	320	706	321	965
f) Power and Fuel	2,587	2,561	5,061	2,561	7,195
g) Rates and Taxes	1,916	1,586	3,619	1,586	5,068
h) Selling and Distribution Expenses	2,599	2,512	5,095	2,512	7,636
g) Other Expenditure	1,424	1,138	2,478	1,139	3,518
	10,595	8,667	19,569	8,671	27,402
5 Interest	355	963	694	963	2,170
6 Profit / (Loss) from Ordinary Activities before tax	4,063	2,263	7,851	2,259	8,288
7 Tax Expense	405	4	837	4	16
8 Net Profit	3,658	2,259	7,014	2,255	8,272
9 Paid-up equity share capital (Face value Rs.10/- per equity share)	6,697	2,311	6,697	2,311	3,211
10 Reserves excluding revaluation reserve as per balance sheet of previous accounting year					14,176
11 Earnings per share (for the period - not annualised)					
- Basic (Rs.)	5.46	9.84	10.47	10.01	31.37
- Diluted (Rs.)	5.41	9.47	10.37	9.62	31.10
12 Aggregate of Public Shareholding					
- Number of Shares	19,314,773	11,910,501	19,314,773	11,910,501	19,313,773
- Percentage of Shareholding	60.15%	51.54%	60.15%	51.54%	60.15%

Notes:

- 1) The above Stand alone Financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on October 30, 2007.
- 2) Pursuant to the Scheme of Amalgamation ("the Scheme") among the Company, its wholly owned subsidiary, Rain Industries Limited ('RIL') and Rain Calcining Limited ('RCL'), approved by the Hon'ble High Court of Judicature at Andhra Pradesh on October 25, 2007 and the copy of the order of which is awaited,
 - a) the cement business of RIL has been transferred to and vested in the Company with effect from July 1, 2006;
 - b) the entire business and undertaking of RCL including all assets, liabilities, duties and obligations have been transferred to and vested in the Company with effect from April 1, 2007; and
 - c) the Calcined Petroleum Coke and Power Business of the Company have been transferred to and vested in RIL on April 1, 2007.
 The Company is in the process of completing certain formalities, (including filing of certified copies of the sanction/approvals of the Hon'ble High Courts with the Registrars of Companies, Andhra Pradesh) in this regard.
- 3) Consequent to the implementation of the Scheme as mentioned in Note 2, the above results for the previous periods ended September 30, 2006 and year ended March 31, 2007 have been recasted considering the transfer of cement operations effective July 1, 2006. Accordingly, the financial results of the Company for the half year ended September 30, 2007 are not comparable with those of the corresponding previous periods.
- 4) The above financial results of the Company represent the stand-alone financial results of the Company. In view of non availability of financial results of CII Carbon LLC, USA, (acquired by a wholly owned subsidiary of the Company on July 19, 2007) for the period from July 19, 2007 to September 30, 2007 as per the Generally Accepted Accounting Principles in India, no consolidated financial results of the Company including the results of operations of Calcined Petroleum Coke and Power Business carried out by a wholly owned subsidiary in India has been furnished.
- 5) The Company has adjusted extraordinary loss of Rs 6,048 lakhs from the transfer of Calcined Petroleum Coke and Power business, as per the Scheme, to a wholly owned subsidiary, RIL, against the capital reserve instead of charging to the Profit and Loss Account for the half year ended September 30, 2007, as such loss would get eliminated on consolidation. Had the Company recognized such extraordinary loss in the Profit & Loss, the profit for the half year ended September 30, 2007 would be lower by Rs. 6,048 lakhs. Such treatment of extraordinary loss is subjected to by the Auditors in their report.
- 6) Rain/ CII Holdings Inc. ('Rain/CII'), a wholly owned subsidiary of the Company, acquired all of the outstanding equity interests of Juniper Investment LLC ('Juniper'), which in turn owned all of the outstanding equity interests of CII Carbon LLC ('CII'), from Cadogan Holdings B.V. The aggregate purchase price was US\$ 604.90 million in cash and a junior subordinated promissory note with a principal amount of US\$ 12.90 million, maturing in January 2018 at an interest of 10%. The cash purchase price included the repayment of US\$ 326.70 million of indebtedness of Juniper and CII. With the acquisition of CII, the wholly owned subsidiary of the Company became the largest manufacturer of Caclined Petroleum Coke in the World.

In connection with the said acquisition, during the quarter, erstwhile Rain Calcining Limited have invested an amount of US\$ 89.80 million towards equity shares in Moonglow Company Business Inc. and an amount of US\$ 5 million in common stock of Rain/CII. Also, Rain Commodities (USA) Inc., a wholly owned subsidiary of the Company, have invested an amount of US\$ 92 million towards Preferred Stock in Rain/CII.
- 7) The Board of Directors has reviewed the progress on brownfield expansion of Cement plant in Kurnool and noted that the expansion would be completed in January 2008.
- 8) The Company 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.
- 9) The Earnings Per Share for the current periods has been calculated, considering the increase in Paid-up Capital of the Company on account of additional equity shares to be issued to the shareholders of erstwhile Rain Calcining Limited, in the share exchange ratio of 2:7 (i.e., two equity shares of Rs. 10 each in Rain Commodities Limited for seven equity shares of Rain Calcining Limited), as per the terms of the Scheme.
- 10) During the current quarter, 24 investor complaints were received and resolved. There were no complaints pending, both at the beginning and at the end of the quarter.
- 11) Figures of the previous periods/ 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
October 30, 2007

PRIYA CEMENT
FAST AND STRONG. LASTS LONG.