PUBLIC ANNOUNCEMENT

RAIN COMMODITIES LIMITED

Registered Office : "Rain Center", 34, Srinagar Colony,
Hyderabad – 500 073, Andhra Pradesh
Tel:91 40 4040 1234; Fax: 91 40 4040 1214;
E-mail : secretarial@priyacement.com ; website: www.raincommodities.com

FOR THE ATTENTION OF THE SHAREHOLDERS / BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY

This Public Announcement is issued in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998

OFFER FOR BUY-BACK OF EQUITY SHARES FROM OPEN MARKET THROUGH STOCK EXCHANGES

1. THE BUY-BACK OFFER AND PRICE

1.1 Rain Commodities Limited (**"RCOL" or** the **"Company"**) hereby announces its intention to Buy-back its fully paid-up equity shares of the face value of Rs.2/- each (**"Equity Shares"**) from the existing registered shareholders / beneficial owners of the Equity Shares of RCOL through the open market using the nationwide electronic trading terminals of the Bombay Stock Exchange Limited (**"BSE"**) and the National Stock Exchange of India Limited (**"NSE"**) pursuant to Article 28a of the Articles of Association of the Company and in accordance with Sections 77A, 77AA and 77B of the Companies Act, 1956 (the **"Act"**) and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (**the"Buy-back Regulations"**) at a price not exceeding Rs.41 per equity share (**"Maximum Offer Price"**) payable in cash, for an aggregate amount not exceeding Rs. 3500 Lakhs (the **"Buy-back" / "Offer Size"**) i.e., within 10% of the existing paid-up equity share capital and free reserves of the Company as on 31st December, 2010 (the date of the last audited accounts) constituting upto a maximum of 1,00,00,000 equity shares of Rs.2/- each.

1.2 The number of shares to be bought back would depend upon the average price paid for the shares bought back and the amount deployed in the Buy-back, but however total number of shares to be bought back shall not exceed 25% of 35,41,72,895 Equity Shares of Rs.2 /-each.

1.3 Subject to the Buy-back price being less than or equal to Rs.41 per share, the Company shall Buy-back a minimum of 60,00,000 Equity Shares.

1.4 The Maximum Offer Price of Rs.41 per share has been arrived after considering the stock market quotations, book value, return on net-worth and the possible impact of the Buy-back on the earnings per share of the Company. The maximum Buy-back price of Rs.41 per share offers a premium of 40.41% over the closing price of Rs.29.20 on 24th October, 2011 at BSE and 40.89% over the closing price of Rs.29.10 on the same day at NSE, being the latest trading day prior to the date of the board meeting for approving the Buy-back Offer. There was no trading at Delhi Stock Exchange Limited (**"DSE"**) on 24th October 2011.

1.5 As required under the Act and the Buy-back Regulations, the Company shall not purchase partly paid-up Equity Shares with calls in arrears, locked-in or non-transferable equity shares in the Buy-back, till the pendency of the lock-in or till the equity shares become transferable. There will be no negotiated deals (whether on or off Stock Exchanges), spot transactions or any other private arrangements in implementation of the Buy-back.

2. PROPOSED TIME TABLE

Board meeting approving Buy-back	**25.10.2011**
Date of opening of the Buy-back	**14.11.2011**
Acceptance of shares	Within 7 days of the relevant payout dates of the respective Stock Exchanges
Extinguishment of shares	Within 15 days of acceptance as above
Last date for the Buy-back	30.04.2012 or when the Company has completed Buy-back to the extent of 1,00,00,000 Equity Shares under the offer or exhaustion of Rs.3500 lakhs, whichever is earlier. The Board reserves the right to close the Buy-back Offer at an earlier date, subject however to, purchase of minimum offer shares under the Buy-back offer by giving appropriate notice and reasons for such early closure and completing all formalities.

Note:Last date for the Buy-back given also includes completion of payment obligations in respect of Buy-back.

3. THE SPECIFIED DATE - Not applicable

4. AUTHORITY FOR THE OFFER OF BUY- BACK

Pursuant to Section 77A, 77AA and 77B and the other applicable provisions of the Act, the Buy-back Regulations and Article 28a of the Articles of Association of the Company, the present Buy-back Offer has been duly authorized by a resolution passed by the Board of Directors of the Company at its meeting held on 25th October, 2011.

5. EXTRACT OF THE PUBLIC NOTICE PUBLISHED ON 26th October, 2011 IN COMPLIANCE WITH REGULATION 5A OF THE SEBI (BUYBACK OF SECURITIES) REGULATIONS,1998

Section 77A of the Companies Act, 1956 (the **"Act"**) read with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (the **"SEBI Buy-Back Regulations"**) permits, the buy-back of equity shares of a company up to 10% of its paid-up equity share capital and free reserves, if authorized by the board of directors of the company pursuant to a resolution passed at its meeting.

The board of directors of Rain Commodities Limited (the **"Company"**) at its meeting held on 25th October, 2011 approved the proposal of buy-back of the Company's fully paid-up equity shares of Rs.2/- each from the open market through the stock exchanges (hereinafter referred to as the **"Buy Back"**) in accordance with the provisions contained in the Articles of Association of the Company, Section 77A, 77AA, 77B and other applicable provisions of the Act and the SEBI Buy-Back Regulations including any statutory modifications and amendments from time to time for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary.

(a) Necessity for Buy Back

The Buy Back program is expected to contribute to the overall shareholder value. The buy back would lead to (a) maximize returns to investors and enhance overall shareholder value by returning surplus funds to shareholders in an investor-friendly manner; (b) provide an efficient mechanism for an exit opportunity to those shareholders who desire to do so, in a manner that does not substantially impact the market price of the Company's shares to the detriment of the continuing shareholders; (c) enhance the earnings per share of the Company in future, and (d) create long-term shareholder value.

(b) Mode of Buy Back

The Buy-Back is proposed to be implemented by the Company through open market purchases on the Bombay Stock Exchange Limited (**"BSE"**) and/or National Stock Exchange of India Limited (**"NSE"**) using their electronic trading facilities. The Company shall not buy-back its shares from any person through a negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buy-Back. The Buy Back shall not be made from the promoters of the Company or persons who are in control of the Company.

(c) Size and price of Buy Back

The Board of Directors has approved a maximum limit of Rs.3500 Lakhs for the Buy Back at a price not exceeding Rs.41 per equity share and the same will be financed out of Securities Premium Account and other free reserves.

The price of the Buy Back will be based on the price quotations ruling at that particular time, subject to a maximum of Rs.41 per equity share. This price has been arrived at, after considering the stock market quotations, book value per share, and the possible impact the Buy Back may have on the earnings per Share of the Company. The maximum Buy Back price of Rs.41 per equity share offers a premium of approximately 40.41 % over the closing price of Rs.29.20 on 24.10.2011 at BSE and 40.89 % over the closing price of Rs.29.10 on the same day at NSE, the latest trading day prior to the date of board meeting in which the Buy Back was approved. The maximum Buy-Back price as proposed above will not impair the growth of the Company and also contribute to the overall enhancement of the shareholder value. The Board of Directors has authorized buy back only upto maximum of 1,00,00,000 equity shares and minimum of 60,00,000 equity shares of Rs.2/- each. However, the actual number of equity shares to be bought back would depend upon the average price paid for the equity shares bought back and the amount deployed in the Buy Back. As an illustration, at the proposed maximum price of Rs.41 per equity share and for the deployed amount of Rs.3500 Lakhs, the number of equity shares to be bought back would be 85,36,585 which would aggregate to approximately 2.41 % of the pre-Buy Back paid up equity share capital of the Company. If the average purchase price be lower than Rs.41 per equity share, the number of equity shares bought back would be more, assuming the same deployment of Rs.3500 Lakhs. However, the maximum number of equity shares proposed to be bought back would fall within the overall limit of 1,00,00,000 equity shares as approved by the Board of Directors.

(d) Shareholding of the Promoters

The aggregate shareholding of the promoters/persons who are in control of the Company as on 17th October, 2011 (being the date of notice for convening the meeting of the Board of Directors for approving the proposed Buy Back) is 15,04,56,095 equity shares of Rs.2/- each aggregating to 42.48% of the paid up equity share capital of the Company. The promoter group has not acquired/sold any equity shares of the Company through any stock exchanges during the last six months preceding the date of the Board Meeting (from 25th April, 2011 to 24th October, 2011).

(e) The promoters of the Company, persons in control and directors of the promoter(where the promoter is a company), and persons acting in concert have confirmed that they will not sell their holding under the Buy-Back as they are prohibited from selling their Shares in terms of Regulation 15(b) of the SEBI Buy- Back Regulations. In accordance with the same, no promoter and no persons in the control of the Company intend to tender their equity shares to the Company for the Buy Back.

(f) The Company confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institution or bank.

(g) The debt equity ratio of the Company after the Buy Back will be within the limit of 2:1 as prescribed under the Act.

(h) The Board of Directors of the Company confirms that, they had made a full enquiry into the affairs and prospects of the Company and that they have formed the following opinion:

(i) that immediately following the date on which the meeting of the Board of Directors is convened, there will be no grounds on which the Company could be found unable to pay its debts.

(ii) as regards its prospects for the year immediately following that date, having regard to their intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in their view be available to the Company during the year, the Company will be able to meet its liabilities and when they fall due and will not be rendered insolvent within a period of one year from that date, and

(iii) in forming their opinion for the above purposes, the Board of Directors have taken into account the liabilities as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities).

(i) The text of the report dated 25th October, 2011 received from M/s. Deloitte Haskins & Sells, Chartered Accountants, the Company's Statutory Auditors addressed to the Board of Directors is reproduced below:

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
RAIN COMMODITIES LIMITED

Report under Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

In connection with the proposed buy-back of Equity Shares of Rain Commodities Limited ("the Company"), as approved by the Board of Directors at its meeting held on October 25, 2011, in pursuance of the provisions of Sections 77A, 77AA and 77B of the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time ("the Buy-Back Regulations") and based on the information and explanations given to us and the records examined by us, we report that:

(a) We have inquired into the state of affairs of the Company in relation to its audited accounts for the year ended December 31, 2010, which were approved by the Board of Directors at its meeting held on February 25, 2011 and adopted by the shareholders at the meeting held on May 12, 2011 and the unaudited financial results for the nine month period ended September 30, 2011 which were approved by the Board of Directors at its meeting held on October 25, 2011.

(b) The Board of Directors, at its meeting held on October 25, 2011, has proposed to buy-back the Company's Equity Shares for a maximum amount of Rs. 3,500 lakhs at a price not exceeding Rs.41 per Equity Share. The amount of maximum permissible capital payment (including premium) towards the buy-back of equity shares, as computed below, has been properly determined in accordance with the provisions of Section 77A(2)(b) of the Companies Act, 1956:

Particulars	Amount* Rs in lakhs
Paid up equity Share Capital 354,172,895 Equity shares of Rs. 2 each fully paid-up** **(A)**	**7,083.46**
Free Reserves as at December 31, 2010:	
Securities Premium	10,973.72
General Reserve	5,303.27
Profit and Loss Account	12,296.17
Total Free Reserves **(B)**	**28,573.16**
Total **(A+B)**	**35,656.62**
10% thereof being permissible limit for buy back of equity shares with approval of Board of Directors	3,565.66
Amount approved by the Board of Directors for Buy-Back	3,500.00

* the amounts have been extracted from the audited financial statements of the Company for the year ended December 31, 2010

** number of equity shares are after considering sub-division of the Equity Shares of face value of Rs. 10/- each into five equity shares of Rs. 2/- each effective June 16, 2011.

(c) The Board of Directors have resolved at its meeting held on October 25, 2011 and has formed its opinion as specified in clause (x) of Schedule I of the Buy-Back Regulations that on reasonable grounds, the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board Meeting held on October 25, 2011

This report has been issued solely in connection with the proposed buy-back of Equity Shares of the Company in pursuance of the provisions of Sections 77A, 77AA and 77B of the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time and should not be used for any other purpose.

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No.008072S

K. Rajasekhar
Partner
Membership No.23341

Hyderabad, October 25, 2011

(j) As per the provisions of the Act, the resolution passed by the Board of Directors approving the Buy Back will be valid for a maximum period of twelve months from the date of passing the resolution. The exact time and manner of Buy Back will be announced by way of Public Announcement.

(k) The Board of Directors of the Company accepts responsibility for the information contained in this notice.

6. THE NECESSITY OF THE BUY-BACK

The Equity Buy-back program is expected to contribute to the overall shareholder value. The Buy-back would lead to (a) maximize returns to investors and enhance overall shareholder value by returning surplus funds to shareholders in an investor-friendly manner; (b) provide an efficient mechanism for an exit opportunity to those shareholders who desire to do so, in a manner that does not substantially impact the market price of the Company's shares to the detriment of the continuing shareholders; (c) enhance the earnings per share of the Company in future, and (d) create long-term shareholder value.

7. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUY-BACK

7.1 The Offer is open to all Shareholders / Beneficial Owners of the shares, both registered and unregistered, except Promoters of the Company or persons in control of the Company as indicated in this Public Announcement.

7.2 The Buy-back Regulations permit the Company to effect the Buy-back from the Open Market only through the Stock Exchanges having national wide electronic trading facility. Accordingly, the Company proposes to Buy-back shares on BSE and NSE only.

7.3 For the aforesaid Buy-back the Company has appointed **Karvy Stock Broking Limited**, Karvy House, 46, Avenue, Street No.1, Banjara Hills, Hyderabad – 500 034 as broker through whom the purchases and settlement on account of the Buy-back shall be made.

7.4 The Buy-back of shares will be made only through the order matching mechanism except "all or none" order matching system.

7.5 The Company shall with effect from November 14, 2011 place "buy" orders on the BSE and NSE atleast once in every week through the Broker, in such quantity and at such prices, not exceeding Rs. 41 per equity share, as it may deem fit, depending upon the prevailing quotations of the shares on the stock exchanges. When the Company has placed an order for Buy-back of shares, the identity of the Company as purchaser would be displayed on the screen of the Broker of NSE and BSE.

7.6 The equity shareholders holding equity shares in the physical form would be required to contact his/her broker, to submit physical shares under the Buy-back. The equity shareholder will be required to execute the share transfer deed(s) and attach the relevant share certificate(s) and hand over the complete set / documents to his/her broker for settlement within the timelines specified by his/her broker.

7.7 In case the share transfer deeds submitted are found to be invalid (date of transfer deed is outdated / signature on the deed does not tally with the registrars records etc.), the rule of good/bad delivery norms of the exchange shall apply and, inter alia, the shareholders broker may ask him/her to re-submit these documents duly corrected.

7.8 Beneficial Owners, who desire to sell their shares under the Buy-back, would have to do so through a stockbroker, who is a member of either BSE or NSE, by indicating to their broker the details of shares they intend to sell. The trade would be executed at the price at which the order matches and that price would be the price for that seller. The execution of the order, issuance of contract note, delivery of stock to the member and receipt of payment from the member would be carried out in accordance with the Stock Exchanges and SEBI requirements.

7.9 It may be noted that all shares bought back by the Company may not be at a uniform price. As long as the market price is lower than the maximum offer price, order for the buying back of equity shares shall be placed atleast once in a week. Such buyback orders shall be placed in normal and physical/odd lot segments. The Company shall intimate the Stock Exchanges as well as the public through its release in the newspapers regarding quantity of shares purchased and amount utilized for buyback as prescribed by the Buy-back Regulations.

7.10 The shares of the Company are traded in the compulsory demat mode under the trading code(s) 500339 at BSE and RAINCOM at NSE. Shareholders holding shares in physical form can sell their shares in the odd lot trading segment on BSE and NSE.

7.11 Subject to the Company purchasing the minimum offer shares, nothing contained herein shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to Buy-back any shares, and/or impair any power of the Company or the Board to terminate any process in relation to the Buy-back, if so permissible by law.

7.12 The Company and the Merchant Banker shall submit the information regarding the shares or other securities bought back to the stock exchanges on a daily basis and publish the said information in a national daily on a fortnightly basis and every time when an additional 5% of Buy-back has been completed. Provided that where there is no Buy-back during a particular period the Company and the Merchant Banker shall not be required to publish the details in a national daily.

7.13 The Buy-back shall be implemented in the manner and following the procedure prescribed in the Act and the Regulations and as may be determined by the Board of Directors of the Company (including Committee thereof authorized to complete the formalities of the Buy-back) and on such terms and conditions as may be permitted by law from time to time.

8. The maximum amount, which the Company would deploy for the purposes of the Buy-back is Rs.35,00,00,000 (Rupees Thirty Five Hundred Lakhs only) (The "Buy-back"/"Offer Size").

9. MAXIMUM AND MINIMUM NUMBER OF SHARES TO BUY-BACK, SOURCES OF FUNDS AND COST OF FINANCING THE BUY-BACK

The maximum number of Equity Shares to be bought back, fixed by the Board of Directors of the Company, is 1,00,00,000 Equity Shares and subject to the Buy-back price being less than or equal to Rs.41 per share, the Company shall Buy-back a minimum of 60,00,000 equity shares. However, the actual number of equity shares to be bought back would depend upon the average price paid for the equity shares bought back and the amount deployed in the Buy-back.

The funds for the Buy-back will be available from the current surplus and/or cash balances and/or internal accruals of the Company. The Company does not propose to raise any debt for buying back shares. Though the Company does not propose raising debt for effecting the proposed Buy-back, it may continue to borrow the funds in the ordinary course of business.

10. BRIEF INFORMATION ABOUT THE COMPANY

The Company was incorporated on 15th March, 1974 under the name "Tadpatri Cements Limited." and the Certificate of Commencement of Business was obtained on 10th April, 1974. The name of the Company was changed to Priyadarshini Cement Limited on 4th May, 1984 and subsequently the name was changed to Rain Commodities Limited on 16th November, 2004. Mr. N. Radhakrishna Reddy, Mr. N. Jagan Mohan Reddy and Mr. N. Sujith Kumar Reddy are the promoters of the Company. The Company's shares are listed at Bombay Stock Exchange Limited, National Stock Exchange of India Limited and The Delhi Stock Exchange Limited.

The Company is engaged in the business of trading in Green Petroleum Coke and its wholly owned subsidiary companies are engaged in the manufacture and sale of cement and Calcined Petroleum Coke. The consolidated turnover of the Company for the financial year ended 31st December, 2010 is Rs.4021 Crores.

The Company's wholly owned subsidiary company namely Rain Cements Limited (RCL) is engaged in the business of manufacture and sale of Cement under the brand name "PRIYA CEMENT" which is well established in the southern states of India. RCL has a huge marketing network of more than 50 Branches and 2500 stockists in the states of Andhra Pradesh, Tamilnadu and Karnataka. The Cement plants are located at Ramapuram Village, Kodad Taluk, Nalgonda District (Unit-I) and Sreepuram Village, Kurnool District (Unit-II) in Andhra Pradesh. The total production capacity of Unit-I and Unit-II is more than 30,00,000 metric tones per annum.

The Company's Step down subsidiary company namely Rain CII Carbon (Vizag) Limited (RCCVL) is engaged in the business of manufacture and sale of Calcined Petroleum Coke and Generation of Power. RCCVL has Unit at Visakhapatnam, Andhra Pradesh, India with an installed capacity of 4,80,000 Tonnes per annum of Calcined Petroleum Coke(CPC). RCCVL also generates 49 MW of Electricity from its co-generation facility.

The Company's step down subsidiary company namely Rain CII Carbon LLC USA (RCC) is engaged in the business of manufacture and sale of Calcined Petroleum Coke. It has seven manufacturing facilities in USA with an aggregate production capacity of 18,95,000 Tonnes of Calcined Petroleum Coke.

11. BRIEF FINANCIAL INFORMATION OF THE COMPANY (ON STANDALONE BASIS)

Brief audited financial information of the Company for the last three financial years and unaudited financial results for the nine months period ended September 30, 2011 are detailed below:

(Rs. in lakhs except key ratios)

Particulars	Year ending			Nine months ended
	31.12.2008	31.12.2009	31.12.2010	30.09.2011
	Audited	Audited	Audited	Un-Audited (Subjected to Limited Review by Statutory Auditors)
Net Sales	111101	84160	33248	20656
Other Income	405	672	3036	3955
Total Income	**111506**	**84832**	**36284**	**24611**
Profit before Interest, Depreciation & Tax	19232	20869	4560	3918
Depreciation	2249	3103	832	38
Interest	4854	2920	1816	1691
Profit before Tax	**12130**	**14845**	**1912**	**2188**
Extra-ordinary /Exceptional Items (before Tax)	--	5080	(19950)	--
Tax Provision	3625	4457	566	(7)
Profit after Tax	**8505**	**15467**	**(18604)**	**2195**
Prior Period Adjustments	--	--	--	--
PAT after prior period adjustments	8505	15467	(18604)	**2195**
Equity Share Capital	7083	7083	7083	7083
Reserves & Surplus #	37434	50644	28573	31167
Net worth	44518	57728	35657	38251
Equity Dividend (%)	37	37	46	NA
Earnings per share before extraordinary items(Rs.)	12.08	15.85	1.90	0.62@
Earnings per share after extraordinary items(Rs.)	12.08	21.83	(26.26)	0.62@
Book value per share (Rs.)	62.84	81.49	50.33	10.80*
Return on Net worth (%)	19.10	26.79	(52.17)	5.74
Debt-Equity Ratio	1.10	0.50	0.96	1.28
The Key ratios are computed as below:				
Book value per share	Net worth / Number of Equity shares issued & outstanding			
Earnings per share	Profit After Tax / Weighted average no. of equity shares			
Return on net worth	Profit After Tax / Net worth			
Debt to Equity ratio	Total Debt / (Equity Share Capital + Reserves)			

*Number of Equity Shares are after considering sub-division of the Equity Shares of face value of Rs. 10/- each into five Equity Shares of Rs. 2/- each effective June 16, 2011.

Only free reserves which are available to equity shareholders have been considered.

@ EPS is calculated considering the profit for the nine months ended September 30,2011.

12. ESCROW ACCOUNT: Not applicable

13. LISTING DETAILS AND STOCK MARKET DATA

13.1 The Equity Shares of the Company are listed on BSE, NSE and DSE.

13.2 The Company has made an application to DSE on July 15, 2009 to get its shares delisted. The shares are yet to be delisted from the DSE.

13.3 The high, low and average market prices for the last three years and the monthly high, low and average market prices for the six months preceding this Public Announcement and the corresponding volumes on BSE, NSE, and DSE where the Shares of the Company are listed are as follows:

The Bombay Stock Exchange Limited (BSE)

Period	High (Rs.)	Date of High and No. of shares traded on that date	Low (Rs.)	Date of Low and No. of shares traded on that date	Average Price# (Rs.)	Total Volume Traded in the period	Total Turnover (Rs.)
2008@	309.00	01.01.2008 (83716)	82.10	24.12.2008 (403810)	202.12	19245232	3889935033
2009	241.10	18.12.2009 (587191)	52. 25	05.03.2009 (34904)	170.81	22682561	3874442576
2010	255.70	13.01.2010 (112859)	131.80	09.06.2010 (21536)	179.98	18580057	3343946801
Apr 2011	187.00	28.04.2011 (552646)	150.00	01.04.2011 (9790)	168.92	2370052	400351442
May 2011	201.10	16.05.2011 (613579)	163.50	04.05.2011 (26250)	184.61	3131413	578098215
Jun 2011*	185.40	09.06.2011 (13710)	31.80	20.06.2011 (146768)	56.24	1243460	69929290
Jul 2011	39.25	15.07.2011 (444171)	32.65	05.07.2011 (18968) 06.07.2011 (10485)	37.15	3375387	125409148
Aug 2011	39.00	01.08.2011 (902605)	27.00	26.08.2011 (1326012)	32.43	3829624	124175923
Sept 2011	30.85	09.09.2011 (50503)	26.00	26.09.2011 (64123)	28.49	1116886	31822972

(Source: www.bseindia.com)

@ During the year 2008, the Company has (a) bought back 12,00,000 Equity Shares of Rs. 10 each (b) allotted 50,63,293 Equity Shares of Rs. 10 each on conversion of warrants and (c) allotted 3,48,61,286 Equity Shares of Rs.10 each to the shareholders of Rain Calcining Limited pursuant to merger.

* One Equity Share of Rs.10 each fully paid up was sub-divided into five Equity Shares of Rs.2 each fully paid up on 16th June, 2011.

Weighted average price (total turnover / total volume of shares traded) for all trading days during the said period.

The National Stock Exchange of India Limited (NSE)

Period	High (Rs.)	Date of High and No. of shares traded on that date	Low (Rs.)	Date of Low and No. of shares traded on that date	Average Price # (Rs.)	Total Volume Traded in the period	Total Turn Over (Rs.)
2008@	270.25	21.04.2008 (438704)	82.25	03.12.2008 (7129)	191.34	15238731	2915724000
2009	241.30	18.12.2009 (966656)	52.50	06.03.2009 (16890)	171.44	24427722	4187921000
2010	257.00	13.01.2010 (259725)	131.00	09.06.2010 (30620)	181.96	38355324	6979265000
Apr 2011	186.80	28.04.2011 (1046319)	150.00	01.04.2011 (12831)	170.05	3810267	647918000
May 2011	200.90	16.05.2011 (1153956)	163.80	04.05.2011 (44862)	184.41	6066363	1118688000
Jun 2011*	185.85	08.06.2011 (159540)	31.80	20.06.2011 (319844)	70.66	3138474	221767000
Jul 2011	42.40	11.07.2011 (124020)	32.55	06.07.2011 (53552)	36.89	6851223	252715000
Aug 2011	38.95	01.08.2011 (1306726)	27.70	26.08.2011 (1363795)	33.08	5953390	196959000
Sept 2011	30.85	09.09.2011 (109303)	25.85	26.09.2011 (64221)	28.63	2754096	78846000

(Source: www.nseindia.com)

@ During the year 2008, the Company has (a) bought 12,00,000 Equity Shares of Rs. 10 each (b) allotted 50,63,293 Equity Shares of Rs. 10 each on conversion of warrants and (c) allotted 3,48,61,286 Equity Shares of Rs.10 each to the shareholders of Rain Calcining Limited pursuant to merger.

*One equity share of Rs.10 each fully paid up was sub-divided into five Equity Shares of Rs.2 each fully paid up on 16th June, 2011.

Weighted average price (total turnover / total volume of shares traded) for all trading days during the said period.

Delhi Stock Exchange Limited (DSE)

The Equity Shares of the Company were under suspension on DSE and the suspension was revoked vide letter no. DSE/LIST/5019/NR/596 dated April 21, 2009. The securities of the Company were re-admitted to dealings with effect from April 25, 2009. DSE vide letter No. DSE/LIST/5019/PT/16774/4220, dated 22.10.2011 has informed that there was no trading in the securities of the Company since July, 1997.

13.4 Other than those mentioned above, there has been no change in the equity capital of the Company including by way of Bonus issue, Rights issue or consolidation of equity shares.

13.5 The Board of Directors of the Company at its meeting held on 25th October, 2011 approved the proposal for the Buy-back. The closing market price of the Shares of the Company on 26.10.2011 i.e. working day immediately after the date of the resolution of the Board of Directors approving the Buy-back was Rs.30.35 per share on BSE and Rs.30.40 per share on NSE. There was no trading on DSE on 28.10.2011 i.e. working day immediately after the date of the resolution of the Board of Directors approving the Buy-back. (Source: Official quotations from BSE and NSE and email confirmation received from DSE on 29th October, 2011).

14. PRESENT EQUITY CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

14.1 The share capital of the Company as on September 30, 2011 is as follows:

(Rs. in Lakhs)

Authorised Capital:·	
✣ 59,00,00,000 Equity Shares of Rs. 2/- each·	11800.00
✣ 49,00,000 Redeemable Preference Shares of Rs.100/- each	4900.00
Total	**16700.00**
Issued, Subscribed and Paid-up Capital: (35,41,72,895 Equity Shares of Rs. 2/- each fully paid)	7083.46

14.2 The shareholding pattern of the Company as on September 30, 2011 is as follows:

Particulars	No. of shares held	% of existing equity capital	No of shares postbuyback*	% holding postbuyback
Promoters and/or persons who are in the control and/or acting in concert	15,04,56,095	42.48	15,04,56,095	43.72
Foreign Investors (including Non Resident Indians / FIIs and Foreign Mutual Funds)	5,79,11,237	16.35	19,37,16,800	56.28
Financial Institutions / Banks & Mutual Funds promoted by Banks / Institutions	6,36,31,205	17.97		
Others (Public, Bodies Corporate, Employees, etc.)	8,21,74,358	23.20		
TOTAL	**35,41,72,895**	**100.00**	**34,41,72,895**	**100.00**

* On the presumption of Buy-back of 1,00,00,000 equity shares.

The shareholding post Buy-back, may differ depending upon the actual number of shares bought back.

14.3 The aggregate shareholding of the Promoter Group as on 30th September 2011 is 15,04,56,095 Equity Shares constituting 42.48% of the Paid-up Equity Share Capital of the Company.

14.4 The Promoter Group have not purchased any shares of the Company during last twelve months preceding this Public Announcement.

14.5 The Promoters of the Company and persons who are in control of the Company do not intend to participate in the Buy-back program of the Company as they are prohibited from doing so by virtue of Regulation 15(b) of the Buy-Back Regulations.

15. MANAGEMENT DISCUSSIONS AND ANALYSIS ON THE LIKELY IMPACT OF BUY-BACK ON THE COMPANY

15.1 The Buy-back is not likely to cause any material impact on the profitability of the Company, except the loss of income, if any, on the amount of cash to be utilized for the Buy-back.

15.2 The Buy-back program is expected to contribute to the overall enhancement of shareholder value.

15.3 The Promoters/Promoter group cannot offer shares held by them under the Buy-back. Consequent to the Buy-back and depending upon the response to the Buy-back Offer, the holding of promoters would increase from the pre Buy-back holding of 42.48% to 43.72%, (assuming that 1,00,00,000 Equity Shares are bought back in the Buy-back Offer). The shareholding, post Buy-back, may differ depending upon the actual number of shares bought back. This Buy-back will not result in any change in the control of the Company.

15.4 Consequent to offer for Buy-back and based on the number of shares offered by / bought back from FIIs, NRIs, Indian Financial Institutions/ Banks / Mutual Funds and Public including Bodies Corporate shareholding would undergo a consequential change.

15.5 As required under the Act, the ratio of the debt owed by the Company would not be more than twice the share capital and free reserves after the Buy-back.

16. Subject to the provisions of the Act, the Company will not issue fresh Equity shares during the period from the date of this Public Announcement up to six months after completion of the Buy-back.

16.1 The Promoters/Promoter Group shall not deal in the Equity Shares of the Company during the period the Buy-back is open.

16.2 The Company shall not issue bonus shares during the period the buyback is open.

16.3 The Company shall not withdraw the Buy-back Offer after the Public Announcement is made.

17 STATUTORY APPROVALS

17.1 The Board of Directors has passed a resolution at its meeting held on 25th October, 2011 authorising the Buy-back.

17.2 The Company shall obtain such approvals as may be prescribed and required from time to time.

18. COLLECTION AND BIDDING CENTRES – Not Applicable

19. METHOD OF SETTLEMENT

19.1 The Company will pay the consideration to the appointed Broker on or before pay-in date for each settlement, as applicable to the respective Stock Exchange(s).

19.2 The Beneficial Owners holding Shares in the demat form would be required to transfer the number of Shares sold by tendering the delivery instruction to their respective depository participant (**"DP"**) for debiting their beneficiary account maintained with the DP and crediting the same to the pool account of the broker through whom the trade is executed. The shareholders holding Shares in physical form may present the share certificates along with valid transfer deeds to their respective brokers through whom the trade was executed.

19.3 The Company has opened a Depository Account styled **"RAIN COMMODITIES LIMITED-BUY BACK OFFER"** with Karvy Stock Broking Limited. The shares bought back in the demat form would be transferred into the aforesaid account by the appointed Broker on receipt of the shares from the clearing and settlement mechanism of BSE and NSE.

19.4 The Company shall complete the verification of acceptances within fifteen (15) days of the pay-out. The Company shall extinguish and physically destroy the security certificates so bought back in the presence of the Registrar to the Issue or the Merchant Banker and the Statutory Auditor within fifteen days (15) of the date of acceptance of the equity shares. In case the shares bought back are in dematerialized form the same will be extinguished and destroyed in the manner specified in Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and the byelaws framed there-under. The Company will extinguish all the shares bought back within seven (7) days of the last date of completion of Buy-back.

19.5 The details of Equity Shares extinguished shall be notified to SEBI and the Stock Exchanges in accordance with the Buy-Back Regulations.

20. COMPLIANCE OFFICER

Mr. S. Venkat Ramana Reddy, Company Secretary, **Rain Commodities Limited,** Regd. Off: "Rain Center", 34, Srinagar Colony, Hyderabad – 500 073. Tel: 91 40 4040 1234; Fax: 91 40 4040 1214; Email: **venkat.s@priyacement.com; Website: raincommodities.com**

21. INVESTOR SERVICE CENTRE

In case of any queries, the shareholders may contact the Registrar & Share Transfer Agent of the Company, on all days (except Saturdays, Sundays & Public Holidays) between 10 AM to 5 PM, at the following address:

Karvy Computershare Private Ltd., Unit: **Rain Commodities Limited,** 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Phone: 91 40 4465 5000; Fax: 91 40 2342 0814. **Contact Person:Mr. K Sridhar Murthy,** Email: **einward.ris@karvy.com**

22. MANAGER TO THE BUY-BACK

The Company has appointed Karvy Investor Services Limited as the Merchant Banker to the Buy-back:

KARVY INVESTMENT BANKING

KARVY INVESTOR SERVICES LIMITED
" Karvy House ", 46, Avenue 4, Street No.1,
Banjara Hills, Hyderabad - 500 034.
Tel. No. 91 40 2342 8774 / 2331 2454,
Fax No. 91 40 2337 4714 / 2331 1968
Contact Person: Mr. M.P. Naidu
Email: **cmg@karvy.com**
Investor Grievance Email Id: **igmbd@karvy.com**

23. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buyback Regulations, the Directors of the Company accepts responsibility for the information contained in this public Announcement.

For and on behalf of Board of Directors of Rain Commodities Limited

N. Jagan Mohan Reddy
Managing Director

N. Radhakrishna Reddy
Chairman

Date: 29th October, 2011
Place: Hyderabad

S. Venkat Ramana Reddy
Company Secretary