RAIN COMMODITIES LIMITED

RCOL/NSE/2012 February 21, 2012

The Manager,
Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, Floor 5,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051.

Dear Sir/Madam,

Sub: Audited Financial Results for the Financial Year ended on 31st December, 2011 – Reg.
Ref: Scrip code-RAINCOM

Further to our letter dated 21st February, 2012, wherein we have submitted the Audited Financial Results (Standalone, Consolidated and Segment) for the Financial Year ended on 31st December, 2011 along with the Auditors Report.

In this connection, please find enclosed Audited Financial Results (Standalone, Consolidated and Segment) for the Financial Year ended on 31st December, 2011 with the following modifications:

1) STANDALONE :

a) in the first column of heading i.e., Quarter ended 31st December, 2011, following note is included " *Audited as explained in Note 10 below*" ; and
b) Note No.10 is modified as "*Figures for the quarter ended December 31, 2011 are the balancing figures between the audited figures in respect of the full financial year ended December 31, 2011 and the published figures for the nine months ended September 30, 2011.*"

2) CONSOLIDATED:

a) in the first column of heading i.e., Quarter ended 31st December, 2011, following note is included " *Audited as explained in Note 13 below*" ;
b) Note No.13 is modified as "*Figures for the quarter ended December 31, 2011 are the balancing figures between the audited figures in respect of the full financial year ended December 31, 2011 and the published figures for the nine months ended September 30, 2011.*"

Please note that there are no modifications in the figures (numbers).

This is for your information and records.

Thanking you,

Yours faithfully,
for RAIN COMMODITIES LIMITED

S VENKAT RAMANA REDDY
COMPANY SECRETARY

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34, Srinagar Colony,
Hyderabad-500 073, A.P., India

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RAIN COMMODITIES LIMITED

Audited Financial Results (Standalone) for the Year ended December 31, 2011

(Rupees in lakhs)

Particulars		Quarter ended			Year ended	
		December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
		Audited as explained in Note 10 below	Unaudited		Audited	
1	(a) Gross Sales	3,298	5,444	5,785	23,954	38,497
	(b) Less: Excise duties and taxes on sales	-	-	-	-	5,249
	(c) Net Sales	**3,298**	**5,444**	**5,785**	**23,954**	**33,248**
	(d) Other Operating Income	-	-	-	-	53
	Total	**3,298**	**5,444**	**5,785**	**23,954**	**33,301**
2	Expenditure					
a.	Decrease in Stock in Trade and Work in Progress	-	5,318	-	-	136
b.	Consumption of Raw Materials	-	-	-	-	2,082
c.	Purchase of Traded Goods	3,276	93	5,735	23,803	14,071
d.	Employee Cost	33	31	23	119	904
e.	Depreciation	13	12	13	51	832
f.	(Gain)/Loss on Foreign Exchange Fluctuation	859	828	(3)	1,672	(94)
g.	Power and Fuel	-	-	-	-	6,279
h.	Selling and Distribution Expenses	-	-	-	-	5,155
i.	Other Expenditure	198	21	86	279	3,097
	Total	**4,379**	**6,303**	**5,854**	**25,924**	**32,462**
3	Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(1,081)	(859)	(69)	(1,970)	839
4	Other Income	2,543	684	392	6,498	2,983
5	Profit before Interest & Exceptional Items (3+4)	1,462	(175)	323	4,528	3,822
6	Interest and Finance Charges	307	284	503	1,185	1,910
7	Profit/(Loss) after Interest but before Exceptional Items (5-6)	1,155	(459)	(180)	3,343	1,912
8	Exceptional Items (See Note 5 below)	-	-	-	-	19,950
9	Profit/(Loss) before tax (7-8)	1,155	(459)	(180)	3,343	(18,038)
10	Tax Expense	403	2	-	396	565
11	Net Profit/(Loss) for the quarter/year (9-10)	752	(461)	(180)	2,947	(18,603)
12	Paid-up Equity Share Capital - Face Value Rs. 2/- each (Previous periods Rs. 10/- each) (See Notes 2 and 4 below)	6,990	7,083	7,083	6,990	7,083
13	Reserves excluding Revaluation Reserves	-	-	-	30,500	32,870
14	Earnings/(Loss) Per Share (EPS) - Basic & Diluted (Rs.) (See Notes 2 and 4 below)	0.21	(0.13)	(0.05)	0.83	(5.25)
15	Public shareholding (See Notes 2 and 4 below)					
	- Number of shares	199,993,125	203,716,800	40,743,360	199,993,125	40,743,360
	- Percentage of shareholding	57.07%	57.52%	57.52%	57.07%	57.52%
16	Promoters and Promoter Group Shareholding (See Notes 2 and 4 below)	150,456,095	150,456,095	30,091,219	150,456,095	30,091,219
a)	Pledged / Encumbered					
	- Number of shares	66,159,625	66,159,625	15,652,152	66,159,625	15,652,152
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	43.97%	43.97%	52.02%	43.97%	52.02%
	- Percentage of shares (as a % of the total share capital of the company)	18.88%	18.68%	22.10%	18.88%	22.10%
b)	Non - encumbered					
	- Number of shares	84,296,470	84,296,470	14,439,067	84,296,470	14,439,067
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	56.03%	56.03%	47.98%	56.03%	47.98%
	- Percentage of shares (as a % of the total share capital of the company)	24.05%	23.80%	20.38%	24.05%	20.38%

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

RAIN COMMODITIES LTD. HYD

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RAIN COMMODITIES LIMITED

Notes:

1 The Standalone Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 21, 2012.

2 Pursuant to the approval of the shareholders at the 36th Annual General Meeting held on May 12, 2011, the Equity Shares of the Company with face value of Rs. 10/- each were sub-divided into Five equity shares of Rs. 2 /- each , with effect from June 16, 2011, being record date for the said sub-division. Accordingly, the basic and diluted Earnings/(Loss) Per Share for the previous periods are restated to give effect of sub-division of shares as required by the Accounting Standard 20 - "Earnings Per Share".

3 The Board of Directors have recommended a Dividend of Rs. 1.10 per Equity Share i.e., 55% on a face value of Rs. 2/- per Equity Share fully paid up for the year ended December 31, 2011.

4 The Board of Directors of the Company approved the Buy-back of Equity Shares of Rs. 2/- each of the Company at a price not exceeding Rs. 41/- per share and up to an aggregate amount of Rs.3,500 Lakhs and up to a maximum number of 10,000,000 Equity Shares. Till December 31, 2011, the Company had bought back 4,689,914 equity shares, of which 3,723,675 Equity Shares have been extinguished as of December 31, 2011. The balance 966,239 Equity Shares bought back but not extinguished till the date of Balance Sheet have been included as part of public shareholding.

5 Exceptional items [Expenses/(Income)] for the year ended December 31, 2010 represents:

(Rupees in lakhs)

Loss on transfer of the Cement business pursuant to the Scheme of Arrangement amongst the Company, Rain Cements Limited and Rain CII Carbon (Vizag) Limited ('the Scheme') sanctioned by the Hon'ble High Court of Judicature, Andhra Pradesh at Hyderabad on December 29, 2010.	19,952
Profit on sale of investment of wholly owned subsidiary Rain CII Carbon (Vizag) Limited.	(2)
Total	**19,950**

6 Other income includes:

(Rupees in lakhs)

	Quarter ended			Year ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Dividends from Subsidiary Companies	1,880	-	-	4,264	1,937
Interest on deposits with banks and others	656	682	322	2,155	954

7 The Company received 114 investor complaints during the quarter ended December 31, 2011 and all of them were resolved. There were no complaints pending, both at the beginning and at the end of the quarter which had to be resolved.

8 The segment results are included and presented on consolidated basis in compliance with Accounting Standard - 17 "Segment Reporting".

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RAIN COMMODITIES LIMITED

9 The Statement of Assets and Liabilities as required under clause 41(V)(h) of the Listing Agreement is as under:

(Rupees in lakhs)

	As at December 31, 2011	As at December 31, 2010
Shareholders' Funds:		
(a) Capital	6,990	7,083
(b) Reserves and Surplus	30,500	32,870
Loan Funds	42,925	34,242
Deferred Tax Liability (Net)	93	134
Total	**80,508**	**74,329**
Fixed Assets (Net) includes CWIP	1,181	1,232
Investments	30,353	30,353
Current Assets, Loans and Advances		
(a) Sundry Debtors	10,414	9,300
(b) Cash and Bank balances	8,668	764
(c) Other current assets	233	225
(d) Loans and Advances	34,624	38,974
Less: Current Liabilities and Provisions		
(a) Current Liabilities	531	2,719
(b) Provisions	4,434	3,800
Net Current Assets	**48,974**	**42,744**
Total	**80,508**	**74,329**

10 Figures for the quarter ended December 31, 2011 are the balancing figures between the audited figures in respect of the full financial year ended December 31, 2011 and the published figures for the nine months ended September 30, 2011.

11 Pursuant to the Scheme as referred in Note 5 above, the Cement business of the Company was transferred to Rain Cements Limited, a wholly owned subsidiary, with effect from April 1, 2010. Consequently, the financial results for the current quarter, quarter ended September 30, 2011 and current year represents Trading in Petroleum Coke. The figures for the previous quarter ended December 31, 2010 have been recasted to give effect to the Scheme. The financial results for the previous year represents Cement and Trading of Petroleum Coke businesses upto March 31, 2010 and Trading in Petroleum Coke business there after. The figures of the previous year are hence not comparable with that of the current year.

12 The figures of the previous year/periods have been regrouped/reclassified, wherever considered necessary.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

RAIN COMMODITIES LTD. HYD.

By order of the Board
for Rain Commodities Limited

G. Jagan Mohan Reddy
Managing Director

Place: Hyderabad
Date: February 21, 2012

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RAIN COMMODITIES LIMITED

Audited Financial Results (Consolidated) for the Year ended December 31, 2011

(Rupees in lakhs)

Particulars		Quarter ended			Year ended	
		December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
		Audited as explained in Note 13 below	Unaudited		Audited	
1	(a) Gross Sales	168,486	137,944	123,884	595,217	404,138
	(b) Less: Excise duties and taxes on sales	7,727	8,416	6,988	33,207	27,641
	(c) Net Sales	**160,759**	**129,528**	**116,896**	**562,010**	**376,497**
	(d) Other Operating Income	1,019	77	831	1,155	1,017
	Total	**161,778**	**129,605**	**117,727**	**563,165**	**377,514**
2	Expenditure					
a.	(Increase) / Decrease in Stock in Trade and Work in Progress	437	(4,081)	(3,292)	(17,096)	(7,216)
b.	Consumption of Raw Materials	81,011	70,854	55,258	271,252	178,831
c.	Purchase of Traded Goods	6,853	6,184	9,731	48,721	22,454
d.	Employee Cost	5,874	4,582	4,571	19,390	16,172
e.	Depreciation	2,948	2,835	2,753	11,294	11,568
f.	(Gain)/Loss on Foreign Exchange Fluctuation	2,937	3,095	(137)	5,723	(2,268)
g.	Power and Fuel	7,967	5,614	6,184	24,642	22,049
h.	Selling and Distribution Expenses	8,929	5,652	6,387	26,135	22,578
i.	Other Expenditure	11,002	13,883	14,396	52,180	48,110
	Total	**127,958**	**108,618**	**95,851**	**442,241**	**312,278**
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	33,820	20,987	21,876	120,924	65,236
4	Other Income	1,632	523	841	2,968	2,265
5	Profit before Interest & Exceptional Items (3+4)	35,452	21,510	22,717	123,892	67,501
6	Interest and Finance Charges	6,692	5,647	5,285	23,167	21,231
7	Profit after Interest but before Exceptional Items (5-6)	28,760	15,863	17,432	100,725	46,270
8	Exceptional Items (See Note 7 below)	-	-	12,494	-	12,494
9	Profit before tax and Minority Interest (7-8)	28,760	15,863	4,938	100,725	33,776
10	Tax Expense	10,521	4,870	513	34,255	9,509
11	Net Profit after tax and before Minority Interest (9-10)	18,239	10,993	4,425	66,470	24,267
12	Minority Interest	(221)	765	(212)	(58)	(195)
13	Net Profit for the quarter/year (11+12)	18,018	11,758	4,213	66,412	24,072
14	Paid-up Equity Share Capital - Face Value Rs. 2/- each (Previous periods Rs. 10/- each) (See Notes 3 and 5 below)	6,990	7,083	7,083	6,990	7,083
15	Reserves excluding Revaluation Reserves	-	-	-	205,100	132,251
16	Earnings Per Share (EPS) - Basic & Diluted (Rs.) (See Notes 3 and 5 below)	5.10	3.32	1.19	18.76	6.80
17	Public shareholding (See Notes 3 and 5 below)					
	- Number of shares	199,993,125	203,716,800	40,743,360	199,993,125	40,743,360
	- Percentage of shareholding	57.07%	57.52%	57.52%	57.07%	57.52%
18	Promoters and Promoter Group Shareholding (See Notes 3 and 5 below)	150,456,095	150,456,095	30,091,219	150,456,095	30,091,219
a)	Pledged / Encumbered					
	- Number of shares	66,159,625	66,159,625	15,652,152	66,159,625	15,652,152
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	43.97%	43.97%	52.02%	43.97%	52.02%
	- Percentage of shares (as a % of the total share capital of the company)	18.88%	18.68%	22.10%	18.88%	22.10%
b)	Non - encumbered					
	- Number of shares	84,296,470	84,296,470	14,439,067	84,296,470	14,439,067
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	56.03%	56.03%	47.98%	56.03%	47.98%
	- Percentage of shares (as a % of the total share capital of the company)	24.05%	23.80%	20.38%	24.05%	20.38%

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

RAIN COMMODITIES LTD. HYD

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RAIN COMMODITIES LIMITED

Notes:

1 The Consolidated Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 21, 2012.

2 The Consolidated Audited Financial Results have been prepared in accordance with Accounting Standard 21 - Consolidated Financial Statements, notified under the Companies (Accounting Standards) Rules 2006, including the Audited Financial Results of all its subsidiaries.

3 Pursuant to the approval of the shareholders at the 36th Annual General Meeting held on May 12, 2011, the Equity Shares of the Company with face value of Rs. 10/- each were sub-divided into Five equity shares of Rs. 2 /- each , with effect from June 16, 2011, being record date for the said sub-division. Accordingly, the basic and diluted Earnings Per Share for the previous periods are restated to give effect of sub-division of shares as required by the Accounting Standard 20 - "Earnings Per Share".

4 The Board of Directors have recommended a Dividend of Rs. 1.10 per Equity Share i.e., 55% on a face value of Rs. 2/- per Equity Share fully paid up for the year ended December 31, 2011.

5 The Board of Directors of the Company approved the Buy-back of Equity Shares of Rs. 2/- each of the Company at a price not exceeding Rs. 41/- per share and up to an aggregate amount of Rs.3,500 Lakhs and up to a maximum number of 10,000,000 Equity Shares. Till December 31, 2011, the Company had bought back 4,689,914 equity shares, of which 3,723,675 Equity Shares have been extinguished as of December 31, 2011. The balance 966,239 Equity Shares bought back but not extinguished till the date of Balance Sheet have been included as part of public shareholding.

6 The Group has designated foreign currency loans availed as a hedging instrument to hedge its net investment in non-integral foreign operations, with effect from January 1, 2009. Accordingly, the translation Gain/(Loss) on such foreign currency loans, determined as an effective net investment hedge is recognized in Reserves and Surplus and would be transferred to Profit and Loss account upon sale or disposal of the investment in non-integral foreign operations.

Foreign exchange Gain/(Loss) transferred to Reserves and Surplus:

(Rupees in lakhs)

	Quarter ended			Year ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Gain/(Loss) on foreign exchange fluctuation	(3,989)	(3,879)	(124)	(7,850)	1,401

7 Exceptional items [Expenses/(Income)] for the year ended December 31, 2010 represents:

(Rupees in lakhs)

Professional charges incurred in connection with corporate restructuring	54
Duties and taxes incurred in connection with corporate restructuring	170
Consent fee paid / payable to lenders	372
Premium on redemption of Senior Unsecured Notes and expenses incurred in connection with the issue of Senior Notes by a Subsidiary of the Company, Rain CII Carbon LLC, USA	15,828
Amounts received / receivable on settlement of disputes with regard to sale of investments in earlier years	(3,930)
Total	**12,494**

8 Pursuant to Share Purchase Agreement with the Shareholders of Birla Cement and Industries Limited (BCIL), the entire Equity Shares of the said company were transferred to Rain Cements Limited (wholly owned subsidiary of the Company) with effect from January 14, 2011. Subsequently, the name of BCIL was changed to Renuka Cement Limited (RenCL). RenCL is yet to commence production.

9 The Company received 114 investor complaints during the quarter ended December 31, 2011 and all of them were resolved. There were no complaints pending, both at the beginning and at the end of the quarter which had to be resolved.

10 Certain Standalone information of the Company:

(Rupees in lakhs)

	Quarter ended			Year ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Turnover (Net Sales)	3,298	5,444	5,785	23,954	33,248
Profit/(Loss) Before Tax	1,155	(459)	(180)	3,343	(18,038)
Profit/(Loss) After Tax	752	(461)	(180)	2,947	(18,603)

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

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RAIN COMMODITIES LIMITED

11 The Statement of Assets and Liabilities as required under clause 41(V)(h) of the Listing Agreement is as under:

(Rupees in lakhs)

	As at December 31, 2011	As at December 31, 2010
Shareholders' Funds:		
(a) Capital	6,990	7,083
(b) Reserves and Surplus	205,100	132,251
Minority Interest	665	587
Loan Funds	377,871	317,815
Deferred Tax Liability (Net)	25,400	21,734
Total	**616,026**	**479,470**
Fixed Assets (Net) includes CWIP and Goodwill	381,818	329,442
Investments	161	161
Current Assets, Loans and Advances		
(a) Inventories	109,699	74,524
(b) Sundry Debtors	72,470	54,230
(c) Cash and Bank Balances	82,988	36,386
(d) Other Current Assets	426	103
(e) Loans and Advances	33,971	27,750
Less: Current Liabilities and Provisions		
(a) Current Liabilities	55,403	34,665
(b) Provisions	10,104	8,461
Net Current Assets	**234,047**	**149,867**
Total	**616,026**	**479,470**

12 **Segment wise Revenue, Results and Capital Employed:**

(Rupees in lakhs)

	Quarter ended			Year ended	
	December 31, 2011	September 30, 2011	December 31, 2010	December 31, 2011	December 31, 2010
1) Segment Revenue					
(a) Carbon Products	142,682	109,043	100,555	482,919	308,944
(b) Cement	20,806	21,103	17,321	86,851	71,655
Total	**163,488**	**130,146**	**117,876**	**569,770**	**380,599**
Less: Inter Segment Revenue	2,729	618	980	7,760	4,102
Net sales/Income From Operations	**160,759**	**129,528**	**116,896**	**562,010**	**376,497**
2) Segment Results					
Profit before tax and interest from each segment					
(a) Carbon Products	31,322	17,348	19,331	104,534	60,067
(b) Cement	2,498	3,639	2,545	16,390	5,169
Total	**33,820**	**20,987**	**21,876**	**120,924**	**65,236**
Less: i) Interest and Finance Charges	6,692	5,647	5,285	23,167	21,231
ii) Un-allocable income	(1,632)	(523)	(841)	(2,968)	(2,265)
iii) Exceptional item	-	-	12,494	-	12,494
Total Profit Before Tax	**28,760**	**15,863**	**4,938**	**100,725**	**33,776**
3) Capital Employed					
(Segment assets – Segment Liabilities)					
(a) Carbon Products	519,085	480,966	418,519	519,085	418,519
(b) Cement	49,246	52,944	48,546	49,246	48,546
(c) Unallocated	(22,887)	(24,181)	(26,707)	(22,887)	(26,707)
Total	**545,444**	**509,729**	**440,358**	**545,444**	**440,358**

The Company has considered business segment as the primary segment for reporting. The products considered for business segment are :
(a) Carbon Products
(b) Cement

13 Figures for the quarter ended December 31, 2011 are the balancing figures between the audited figures in respect of the full financial year ended December 31, 2011 and the published figures for the nine months ended September 30, 2011.

14 The figures of the previous year/periods have been regrouped/reclassified, wherever considered necessary.

15 The Investors can view standalone financial results of the company on the company's website www.raincommodities.com or on the BSE website www.bseindia.com or NSE website www.nseindia.com.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

RAIN COMMODITIES LTD. HYD

By order of the Board
for Rain Commodities Limited

N. Jagan Mohan Reddy
Managing Director

Place: Hyderabad
Date: February 21, 2012

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