

**RAJAPALAYAM MILLS LTD.,**

Regd. Off : Rajapalayam Mills Premises,

P.A.C. Ramasamy Raja Salai,

Post Box No.1, RAJAPALAIYAM - 626 117

**UNAUDITED FINANCIAL RESULTS FOR THE 2nd QUARTER / 1st HALF YEAR ENDED 30th SEPTEMBER 2007**

(Rs. in Lakhs)

SI No	Particulars	3 Months Ended		6 Months Ended		Year Ended 31-03-07 (Audited)
		(UNAUDITED)		(UNAUDITED)		
		30-09-07	30-09-06	30-09-07	30-09-06	
1	Net Sales	5,179	4,547	9,963	8,808	18,181
2	Other Income	931	710	1,605	1,185	3,061
3	Total Income (1+2)	6,110	5,257	11,568	9,993	21,242
4	Expenditure					
	a. (Increase)/Decrease in Stock	(10)	14	(246)	(139)	(751)
	b. Raw Material Consumption	2,605	1,941	5,015	3,906	8,418
	c. Trade Purchase	-	-	93	-	64
	d. Employees Cost	464	398	913	793	1,571
	e. Power & Fuel	825	778	1,679	1,489	3,057
	f. Depreciation	679	651	1,303	1,263	2,324
	g. Other expenditure	862	638	1,632	1,193	3,184
	h. Total Expenditure	5,425	4,420	10,389	8,505	17,867
5	Interest	312	342	578	697	1,085
6	Exceptional Items	359	-	359	-	58
7	Profit from ordinary activities before Tax (3-4-5+6)	732	495	960	791	2,348
8	Provision for taxation					
	- Current Tax	83	48	109	90	220
	- Deferred Tax	166	95	217	180	450
	- Fringe Benefit Tax	4	3	7	5	15
9	Profit from ordinary activities after tax (7-8)	479	349	627	516	1,663
10	Extraordinary items (Net of tax expenses)	-	-	-	-	-
11	Net Profit (9-10)	479	349	627	516	1,663
12	Paid-up Equity Share Capital (Face value of shares Rs.10/-)	351	351	351	351	351
13	Reserves excluding Revaluation Reserves					10,381
14	Basic & Diluted earnings per shares (Rs.) -Before & After Extraordinary Items	14	10	18	15	47
15	Aggregate of non-promotor shareholding					
	- Number of shares	1,616,433	1,632,470	1,616,433	1,632,470	1,614,319
	- Percentage of Shareholding	46.02%	46.47%	46.02%	46.47%	45.96%

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED (UNAUDITED)  
FOR THE 2nd QUARTER / 1st HALF YEAR ENDED 30th SEPTEMBER,2007.**

(Rs. in Lakhs)

Particulars	3 Months Ended		6 Months Ended		Year Ended 31-03-07 (Audited)
	(UNAUDITED)		(UNAUDITED)		
	30-09-07	30-09-06	30-09-07	30-09-06	
<b>1. Segement Revenue (Net Sales / Income)</b>					
Tissue Culture Plants	104	59	175	117	296
Textiles	6006	5198	11393	9876	20946
<b>Net Sales / Income from Operation</b>	<b>6110</b>	<b>5257</b>	<b>11568</b>	<b>9993</b>	<b>21242</b>
<b>2. Segment Results Profit/(Loss) Before Interest &amp;Tax</b>					
Tissue Culture Plants	19	-64	2	-81	-153
Textiles	1,025	901	1,536	1569	3586
	1044	837	1538	1488	3433
Less: Interest - Unallocable Expenditure	312	342	578	697	1085
<b>Total Profit Before Tax</b>	<b>732</b>	<b>495</b>	<b>960</b>	<b>791</b>	<b>2348</b>
<b>3. Capital Employed (Segment Assets-Segment Liabilities)</b>					
Tissue Culture Plants	772	789	772	789	739
Textiles	40191	34567	40191	34567	35763
<b>Total Capital Employed</b>	<b>40963</b>	<b>35356</b>	<b>40963</b>	<b>35356</b>	<b>36502</b>

**Notes:-**

- 1) The above unaudited results were reviewed at the Audit Committee and were taken on record at the Meeting of the Board of Directors held on 24.10.2007
- 2) The Statutory Auditors have carried out a Limited review of the financial results for the Half year ended 30th September,2007 as per clause 41 of the Listing Agreement.
- 3) During the quarter, no investor compalint was received. There was no complaint pending both at the beginning and end of the quarter.
- 4) The Board has approved payment of Interim Dividend of Rs.3 per share for the year 2007-08. The record date for the payment is 31-10-2007.
- 5) Previous year figures have been regrouped / restated wherever necessary.

RAJAPALAYAM,  
24-10-2007

FOR RAJAPALAYAM MILLS LTD.,  
P.R.RAMASUBRAHMANEYA RAJHA  
CHAIRMAN