

ANNEXURE-I

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B S R & Associates LLP

Chartered Accountants

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Limited Review Report on unaudited consolidated financial results of Rain Industries Limited for the Quarter ended 30 September 2022 and year-to-date results for the period from 1 January 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Rain Industries Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Rain Industries Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its associate for the quarter ended 30 September 2022 and year-to-date results for the period from 1 January 2022 to 30 September 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities which have been mentioned in Annexure I to this report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Registered Office:

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Associates LLP

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6. The Statement includes the financial results of 16 subsidiaries which have not been reviewed, whose financial results reflect total assets of Rs. 108,939.12 million as at 30 September 2022 and total revenues of Rs. 746.64 million and Rs. 2,367.96 million, total net profit after tax of Rs. 24.46 million and Rs. 6,012.39 million and total comprehensive income of Rs. 23.03 million and Rs. 5,973.20 million, for the quarter ended 30 September 2022 and for the period from 1 January 2022 to 30 September 2022 respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil, for the quarter ended 30 September 2022 and for the period from 1 January 2022 to 30 September 2022 respectively as considered in the unaudited consolidated financial results, in respect of 1 associate, based on its interim financial results which have not been reviewed. According to the information and explanations given to us by the Parent's management, these financial results on a consolidated basis are not material to the Group.

Our conclusion is not modified in respect of this matter.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Vikash Somani

Vikash Somani

Partner

Membership No.: 061272

UDIN:22061272BBWNOZ5624

Hyderabad

03 November 2022

Annexure I

| Holding Company: |
|---|
| 1. Rain Industries Limited |
| |
| Subsidiaries: |
| 1. Rain Cements Limited |
| 2. Renuka Cement Limited |
| 3. Rain CII Carbon (Vizag) Limited |
| 4. Rain Commodities (USA) Inc. |
| 5. Rain Carbon Inc. |
| 6. Rain Carbon Holdings, LLC |
| 7. Rain Global Services LLC |
| 8. Rain CII Carbon LLC |
| 9. CII Carbon Corp (Merged with Rain CII Carbon LLC with effect from 27 January 2022) |
| 10. Rain Carbon GmbH |
| 11. Rain Carbon Canada Inc. |
| 12. Rain Carbon BV |
| 13. Rain Carbon Germany GmbH |
| 14. Rain Carbon Wohnimmobilien GmbH & Co. KG |
| 15. Rain Carbon Gewerbeimmobilien GmbH & Co. KG |

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Annexure I (continued)

| Subsidiaries: (continued) |
|--|
| 16. OOO Rain Carbon |
| 17. VFT France S.A |
| 18. Rumba Invest BVBA & Co. KG |
| 19. Rain Carbon Poland Sp. z o.o |
| 20. Severtar Holding Ltd. |
| 21. RÜTGERS Resins BV |
| 22. OOO RÜTGERS Severtar |
| 23. Rain Carbon (Shanghai) Trading Co. Ltd |
| 24. Rain Verticals Limited |
| Associates: |
| 1. InfraTec Duisburg GmbH |

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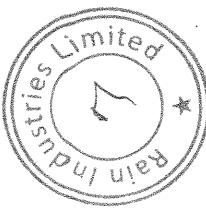
RAIN INDUSTRIES LIMITED

CIN: L26942TG1974PLC001693

Regd. Off: "Rain Center", 34, Srinagar Colony, Hyderabad - 500 073, Telangana State, India. Ph.No.040-40401234; Fax:040-40401214
 Email: secretaria@rain-industries.com / www.rain-industries.com

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months ended September 30, 2022

| Particulars | Quarter ended | | | Nine Months ended | | | Year ended |
|---|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|------------|
| | September 30, 2022 | June 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 | September 30, 2021 | |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 Income | | | | | | | |
| (a) Revenue from operations | 55,770.99 | 55,405.48 | 38,490.05 | 155,541.86 | 105,007.28 | 145,267.82 | |
| (b) Other income (Refer note 11 below) | 186.43 | 225.58 | 586.87 | 581.39 | 1,384.92 | 1,931.16 | |
| Total income | 55,957.42 | 55,631.06 | 39,076.92 | 156,123.25 | 106,392.20 | 147,198.98 | |
| 2 Expenses | | | | | | | |
| (a) Cost of materials consumed | 24,248.86 | 21,942.56 | 18,314.50 | 66,602.85 | 45,421.89 | 66,175.52 | |
| (b) Purchases of stock-in-trade | 7,944.45 | 9,423.58 | 3,683.33 | 21,152.36 | 8,977.13 | 12,983.19 | |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (878.18) | (3,702.05) | (1,487.81) | (6,103.67) | (1,927.83) | (5,080.55) | |
| (d) Employee benefits expense | 3,459.84 | 3,334.78 | 3,123.94 | 9,971.84 | 9,424.34 | 12,372.36 | |
| (e) Finance costs | 1,311.40 | 1,223.90 | 1,177.92 | 3,738.44 | 3,596.93 | 4,789.14 | |
| (f) Depreciation and amortisation expenses | 2,028.26 | 2,008.67 | 1,990.31 | 6,019.02 | 5,982.93 | 7,981.53 | |
| (g) Impairment loss (Refer note 5 and 6 below) | 465.64 | - | 465.64 | - | - | - | 168.07 |
| (h) Loss / (gain) on foreign currency transactions and translations (net) | (505.51) | 767.42 | (115.69) | 340.84 | (199.18) | (212.25) | |
| (i) Other expenses | 11,885.95 | 11,615.49 | 8,644.13 | 34,018.12 | 24,586.35 | 35,247.32 | |
| Total expenses | 49,960.71 | 46,614.35 | 35,330.63 | 136,205.44 | 95,862.56 | 134,429.33 | |
| 3 Profit before share of loss of associates, exceptional items and tax (1-2) | 5,996.71 | 9,016.71 | 3,746.29 | 19,917.81 | 10,529.64 | 12,769.65 | |
| 4 Exceptional items | - | - | - | - | - | - | |
| 5 Profit before share of loss of associates and tax (3-4) | 5,996.71 | 9,016.71 | 3,746.29 | 19,917.81 | 10,529.64 | 12,769.65 | |
| 6 Share of loss of associates (net of income tax) | - | - | - | - | - | (5.45) | |
| 7 Profit before tax (5+6) | 5,996.71 | 9,016.71 | 3,746.29 | 19,917.81 | 10,529.64 | 12,764.20 | |
| 8 Tax expense / (benefit) (Refer note 10 below) | | | | | | | |
| - Current tax | 1,435.50 | 1,404.18 | 1,041.11 | 4,605.39 | 3,199.71 | 4,191.06 | |
| - Deferred tax | 266.74 | 536.99 | 16.03 | 803.30 | (328.54) | 1,637.73 | |
| Total tax expense | 1,702.24 | 1,941.17 | 1,057.14 | 5,408.69 | 2,871.17 | 5,828.79 | |
| 9 Net profit for the period/year (7-8) | 4,294.47 | 7,075.54 | 2,689.15 | 14,509.12 | 7,658.47 | 6,935.41 | |

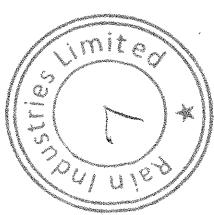


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|-----------|---|------------------|------------------|------------------|------------------|------------------|
| 10 | Other comprehensive income / (loss) (net of tax) for the period/year | | | | | |
| (a) | Items that will not be reclassified to profit or loss: | | | | | |
| | Remeasurements of defined benefit plans | - | - | - | - | 2,535.49 |
| | Income tax relating to items that will not be reclassified to profit or loss | - | - | - | - | (1,655.50) |
| (b) | Items that will be reclassified to profit or loss: | | | | | |
| | Foreign currency translation reserve | (577.95) | 4,509.59 | (643.51) | 4,449.28 | (67.56) |
| | Effective portion of cash flow hedge | - | - | 0.06 | - | (0.27) |
| | Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - |
| | Total other comprehensive income (net of tax) | (577.95) | 4,509.59 | (643.45) | 4,449.28 | (67.83) |
| 11 | Total comprehensive income for the period/year (9+10) | 3,716.52 | 11,585.13 | 2,045.70 | 18,958.40 | 7,590.64 |
| 12 | Profit attributable to: | | | | | |
| | Owners of the Company | 4,032.23 | 6,684.64 | 2,355.64 | 13,491.24 | 6,771.17 |
| | Non-controlling interests | 262.24 | 390.90 | 333.51 | 1,017.88 | 887.30 |
| | Net Profit for the period/year | 4,294.47 | 7,075.54 | 2,689.15 | 14,509.12 | 7,658.47 |
| 13 | Other comprehensive income / (loss) attributable to: | | | | | |
| | Owners of the Company | (353.30) | 3,170.97 | (643.30) | 3,400.35 | (128.42) |
| | Non-controlling interests | (224.65) | 1,338.62 | (0.15) | 1,048.93 | 60.59 |
| | Other comprehensive income for the period/year | (577.95) | 4,509.59 | (643.45) | 4,449.28 | (67.83) |
| 14 | Total comprehensive income attributable to: | | | | | |
| | Owners of the Company | 3,678.93 | 9,855.61 | 1,712.34 | 16,891.59 | 6,642.75 |
| | Non-controlling interests | 37.59 | 1,729.52 | 333.36 | 2,066.81 | 947.89 |
| | Total comprehensive income for the period/year | 3,716.52 | 11,585.13 | 2,045.70 | 18,958.40 | 7,590.64 |
| 15 | Paid-up equity share capital (Face value of INR 2/- per share) | | | | | |
| | Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year) | 672.69 | 672.69 | 672.69 | 672.69 | 672.69 |
| 16 | Earnings Per Share - Basic and Diluted (Face value of INR 2/- each) | 11.99 | 19.87 | 7.00 | 40.11 | 20.13 |
| 17 | (See accompanying notes to the Consolidated Unaudited Financial Results) | (not annualised) |

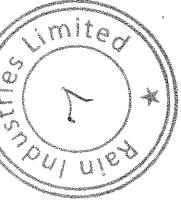
Notes:

- The Consolidated Unaudited Financial Results were reviewed by the Audit Committee on November 2, 2022 and approved by the Board of Directors at their meeting held on November 3, 2022.
- The Consolidated Unaudited Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("The Act") read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Consolidated Unaudited Financial Results for the Quarter and Nine months ended September 30, 2022 have been subjected to a "Limited Review" by the statutory auditors of the Company. An unmodified review report has been issued by them thereon.



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| 4 | As per the press release issued dated September 9, 2022, the Group has temporarily shut-down one of its operating unit in Europe. The management has evaluated the impact of the same on the impairment, if any, of assets at entity as well as at group level. With the information available as at the reporting date, the management believes there is no impairment at either of these levels for goodwill and/or property, plant and equipment. Further, there are no other impacts on the financial statements. Since the impact assessment of such situation is a continuous process given the uncertainties associated with its nature and duration, the Group will continue to monitor any material changes to future economic conditions. |
| 5 | During 2018, the Group initiated a "Dual-Solvent Process (DSP)" project towards replacement of the existing phenol distillation plant. However, due to technical problems faced during the test runs, the facility cannot be used as initially planned. Based on the current evaluation, an impairment loss of INR 465.64 has been recognised in the consolidated statement of profit and loss for the quarter and nine months ended September 30, 2022. |
| 6 | During 2020, the Group initiated a project to extract Pitch from a Pond at its Castrop-Rauxel site. The Group incurred capital expenditure towards certain equipment for extracting and melting the Pitch to avoid environmental issues and disposal costs to clean up the site. The Group received permission from the authorities for the clean-up for a specified period of time and also expected that the permissions would be renewed until the project was completed. During the year ended December 31, 2021, upon expiry of the permit, a request was made to the authorities to extend the permit for additional time. However, subsequent to September 30, 2021, the authorities denied the request for extension. Accordingly, the Group has evaluated the alternate usage of the asset for other purposes and has concluded that it cannot be used for any other purpose. Based on above evaluation, the Group had recognised an impairment loss of INR 168.07 in the consolidated statement of profit and loss for the year ended December 31, 2021. |
| 7 | Due to the global implications of the rapidly evolving conflict between Russia and Ukraine that started in February 2022, there is an increase in volatility in the commodity prices, stock and foreign exchange markets. Given this geopolitical uncertainty resulting from this war and the likelihood that changes may occur rapidly or unexpectedly, management has carefully evaluated information that became available in this regard to assess its potential impact on the Group's activities such as supply chain disruption, closure / abandonment of operations / manufacturing facilities, travel restrictions, market volatility, recoverability of inter-company loan within group entities, repatriation of dividends between group entities, etc. Currently, the management does not foresee any significant impact of the above events on its financial results as the operations of its Russian entities and the rest of the entities are largely independent of each other. However, since the impact assessment of such situation is a continuing process given the uncertainties associated with its nature and duration, the Group will continue to monitor any material changes to future economic conditions. |
| 8 | During the quarter ended September 30, 2022, one of the Group's subsidiary received a demand of INR 900.65 towards non-restriction of credit of Goods and Services Tax paid on common inputs used for exempt supply (Electricity, co-generated through waste-heat recovery). Based on the management's preliminary assessment, it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Accordingly, this is considered as a contingent liability. |
| 9 | During the year ended December 31, 2020, due to the COVID-19 pandemic, there was nationwide lockdown in India and supply disruptions in various other countries, which affected the operations across the Group. However, the situation started improving from the third quarter of 2020. Again with resurgence of COVID-19, the Group continues to evaluate the impact of this pandemic on its business operations, liquidity and financial position. Based on management's review of current indicators and economic conditions there is no material impact on its financial results as at September 30, 2022, and carrying value of its assets. However, the impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions. |
| 10 | Due to significant increase in operating costs driven by higher natural gas prices and tax losses, the Group's German subsidiary re-assessed the deferred tax assets amounting to INR 3,777.11 (of which INR 2,926.06 was recorded in consolidated statement of profit and loss and balance of INR 851.05 was recorded through Other Comprehensive Income) during the year ended December 31, 2021. |
| 11 | Further, the Group's US subsidiary generated Foreign Tax Credits ("FTC") in 2017. However, deferred tax assets amounting to INR 930.03 was not recognised as at December 31, 2020 on the basis of available evidence that it was more likely than not that deferred tax assets will not be realised. During the year ended December 31, 2021, Management reassessed the recoverability of this unrecognised deferred tax asset based on the scheduled reversal of deferred tax liabilities and projected future taxable income. Accordingly, the Group's US subsidiary recognised the deferred tax assets during the year ended December 31, 2021, amounting to INR 930.03 in consolidated statement of profit and loss. |
| 12 | Certain Standalone information of the Company in terms of the Regulation 47(1)(b) of the SEBI (listing obligation and disclosure requirements) Regulations, 2015: |



13 Consolidated Segment wise revenue and results:

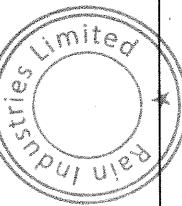
| | Particulars | Quarter ended | | Nine Months ended | | Year ended December 31, 2021 Audited |
|--|------------------|---------------------------------|----------------------------|---------------------------------|---------------------------------|--|
| | | September 30, 2022 Unaudited | June 30, 2022 Unaudited | September 30, 2021 Unaudited | September 30, 2022 Unaudited | |
| 1) Segment revenue | | | | | | |
| (a) Carbon | 43,902.71 | 42,126.08 | 27,477.95 | 119,590.70 | 74,079.73 | 104,989.63 |
| (b) Advanced Materials | 11,295.92 | 13,123.28 | 10,712.00 | 34,785.54 | 27,937.46 | 37,118.49 |
| (c) Cement | 3,653.74 | 3,749.39 | 3,435.21 | 11,253.61 | 10,648.71 | 13,860.96 |
| Total | 58,852.37 | 58,998.75 | 41,625.16 | 165,629.85 | 112,665.90 | 155,969.08 |
| Less: Inter segment revenue | | | | | | |
| Revenue from operations | 3,081.38 | 3,593.27 | 3,135.11 | 10,087.99 | 7,658.62 | 10,701.26 |
| | | | | | | |
| 55,770.99 | 55,405.48 | 38,490.05 | 155,541.86 | 105,007.28 | 145,267.82 | |
| 2) Segment results | | | | | | |
| (a) Carbon | 9,118.22 | 11,110.86 | 4,729.00 | 26,796.14 | 14,309.48 | 19,990.16 |
| (b) Advanced Materials | (68.18) | 1,410.32 | 836.37 | 2,197.01 | 2,073.95 | 888.54 |
| (c) Cement | | | | | | |
| Total | 9,109.66 | 12,806.38 | 6,211.96 | 29,915.21 | 18,525.40 | 23,564.98 |
| Less: | | | | | | |
| i) Depreciation and amortisation expense | | | | | | |
| ii) Impairment loss | | | | | | |
| iii) Finance costs | | | | | | |
| iv) Loss / (gain) on foreign currency transactions and translations (net) | | | | | | |
| v) Loss / (profit) on sale of property, plant and equipment (net) | | | | | | |
| vi) Other income (excluding profit/loss on sale of property, plant and equipment, net) | | | | | | |
| vii) Share of loss of associates (net of income tax) | | | | | | |
| Profit before tax | 5,996.71 | 9,016.71 | 3,746.29 | 19,917.81 | 10,529.64 | 12,764.20 |

Segmental assets and liabilities:

As certain assets of the Company are often deployed interchangeably between segments, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for segment assets and liabilities have not been disclosed in the above table.

14 The Investors can view Standalone Unaudited Financial Results of the Company on the Company's website www.rain-industries.com or on the National Stock Exchange of India Limited's website www.nseindia.com.

For and on behalf of the Board of Directors
RAIN INDUSTRIES LIMITED



N Radha Krishna Reddy
Managing Director
DIN: 00021052

Place: Hyderabad
Date: November 3, 2022

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