RAIN INDUSTRIES LIMITED

Strengthening today. Shaping tomorrow.

INNOVATE

TRANSFORM

SUSTAIN

49th Annual Report

2023

About the report

Rain Industries Limited is pleased to present its 49th Annual Report for the year 2023. This Report outlines our goals, strategies and actions, reflecting our commitment to making a positive global impact. The Report provides a comprehensive overview of our performance and future opportunities, with a focus on creating value for all of our stakeholders in the short, medium and long term.

Reporting period

The information is for the period from 1st January 2023 to 31st December 2023. We aspire to disclose our performance and sustainability initiatives annually through our annual reporting practice.

Scope and boundary

The Report covers our business strategy, key risks, opportunities, challenges, overall performance, results and future outlook for the year under consideration. The Report predominantly covers the financial and non-financial information of Rain Industries Limited.

Our stakeholders

Within the entire Rain Industries Limited group (RAIN), we value stakeholder input in our decision-making process through continuous engagement and dialogue. This approach ensures a clear understanding of each stakeholder group's needs and critical issues, facilitating well-informed decisions.

Investors and shareholders

Government/ regulatory bodies

Vendors and suppliers

Customers

Communities

Employees

Read more on **Pg. 28**

Our capitals

We keep our stakeholders informed about our value creation journey through a comprehensive reporting approach to provide insights into our organisation's key targets, performance and focus areas across the six capitals.

Financial capital

We prioritise financial discipline, utilising various funding sources to sustain our business, reward shareholders and drive growth.

Read more on
Pg. 48

Manufactured capital

As a reliable global producer of industrial raw materials, we strive to enhance capacity utilisation and product quality and promote sustainable manufacturing through continuous investments in advanced technologies, process improvements and modern equipment to enhance efficiency and environmental responsibility.

Read more on
Pg. 52

Intellectual capital

To maintain our edge, we invest in ongoing Research and Development (R&D) and various initiatives for operational excellence and digitisation. Through our proprietary technologies and processes, we have established a distinct position in the industries in which we operate.

Read more on
Pg. 56

Human capital

To foster a resilient and adaptive workforce, we prioritise our people's safety, well-being and continuous learning, enabling them to achieve their full potential.

Read more on
Pg. 60

Social and relationship capital

In our commitment to business excellence, we recognise the significance of the relationships we build, partnerships we nurture and community engagement. These connections reinforce our presence as a responsible and trusted global entity while creating enduring value for our stakeholders.

Read more on
Pg. 64

Natural capital

Our operations utilise natural resources to upcycle industrial byproducts, predominantly from the petrochemical and steel sectors, into value-added products. Simultaneously, we champion environmental preservation through initiatives such as renewable energy, water conservation and efficient waste management, embodying our commitment to sustainability and resource optimisation.

Read more on
Pg. 68

Forward-looking statement

Certain statements in this report depict forward-looking information related to our business operations. These statements and the identified risks are based on projected results and industry trends. Hence, the statements could differ from the actual results. Other than historical facts, performance highlights, strategy and mitigation plans, and objectives, all other assertions fall under this category.

Feedback

We appreciate your feedback, which will help us disclose pertinent information most efficiently and transparently. We are pleased to answer any questions or concerns about our performance or this Report. You may contact us by e-mail at secretarial@rain-industries.com and at investorrelations@rain-industries.com, or by telephone at +91-40-4040-1234.

For the online version, click the link below:

https://www.rain-industries.com/investors/disclosure-under-regulation-46

Performance highlights 2023

Financial

Revenue

₹181,415 Mn

Operating profit*

₹20,137 Mn

Earnings per share (EPS)*

₹4.54

Profit after tax (PAT)*

₹1,526 Mn

*Adjusted with exceptional items.

Operational

Capacity utilisation

Advanced Materials

75%

Carbon

65%

Cement

80%

Sustainability

Students educated during the year under Pragnya Priya Foundation

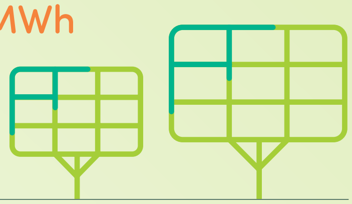
2,458

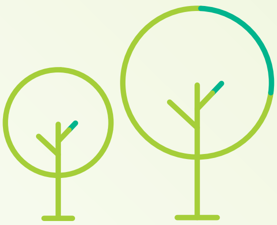
Cumulative hours of employee training

50,058

Solar power generated

0.03 Mn MWh



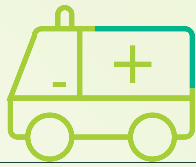


No. of trees planted

87,308

Patients treated at the hospital under Pragnya Priya Foundation

102,175



GHG emissions avoided in metric tonnes of CO_2 equivalent#

0.39 Mn

#Based on waste heat recovery processes in 11 sites globally. Avoided emissions calculated from generated megawatts, local grid emission factors, natural gas combustion and efficiency factors.

Total recordable injury rate (TRIR)#

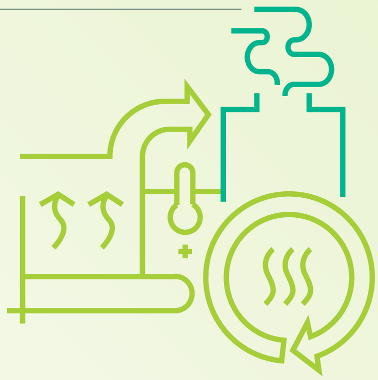
0.26

#As per OSHA guidelines for 2023 for our Carbon & Advanced Materials segments only, while our Cement segment is in the process of implementing OSHA guidelines.

Power generated from waste heat#

0.98 Mn MWh

#Based on electricity and steam generation from different waste heat-recovery systems in Chalmette, Lake Charles, Norco, Visakhapatnam, Atchutapuram, Castrop-Rauxel, Duisburg, Hamilton, Zelzate, Kurnool and Suryapet.



Contents

Strengthening today. Shaping tomorrow.

In response to the dynamic external environment characterised by fluctuations in commodity cycles, potential inflationary pressures and the risk of supply disruptions, we are fortifying our capabilities, guided by three key concepts:

INNOVATE

We are committed to building a future-ready product portfolio through continuous improvements and innovation. We have begun developing and marketing products that comply with the International Sustainability and Carbon Certification (ISCC) ISCC PLUS standard. Our products under this standard are marketed under our 'NOVARES® Eco' brand and demonstrate benefits such as reduced carbon emissions and minimised resource usage.

Read more on Pg. 32

TRANSFORM

Our data-driven decision-making and global standardisation efforts have enhanced our ability to transform business processes and operations, driving efficiency and reinforcing our commitment to sustainability and safety.

Read more on Pg. 34

SUSTAIN

With strategic investments in solar power and waste heat recovery systems, we are increasing our green energy utilisation, reducing carbon footprint and emissions, fostering environmental stewardship and operational efficiency.

Read more on Pg. 36

1 About RAIN

In this section

We are one of the world's largest producers of calcined petroleum coke (CPC), coal tar pitch (CTP), renewable energy and high-quality advanced materials operating across three business segments: Carbon, Advanced Materials and Cement.

Our business segments

We have established a robust market position across our three business segments through strategic investments and collaborations. Our large-scale integrated facilities with a diversified and flexible global supply chain ensures operational efficiency and adaptability.

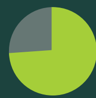
Leading market position

Largest
producer of coal tar pitch (CTP) in the world

2nd largest
producer of calcined petroleum coke (CPC) in the world

1 Carbon

This segment consists of calcined petroleum coke (CPC), coal tar pitch (CTP) and derivatives of coal tar distillation, including carbon black oil, creosote oil and naphthalene oil and other aromatic oils.



74%
Share of total revenue

2.4 MNTPA
Production capacity of calcined petroleum coke (CPC)

1.3 MNTPA
Production capacity of coal tar distillation plants

Pg. 09

2 Advanced Materials

We restructured our product portfolio and established this business segment to expand our range of high-value, environmentally friendly advanced materials for various global industries.

18%
Share of total revenue

0.6 MNTPA
Production capacity of advanced materials

Pg.10

3 Cement

Operating two state-of-the-art cement facilities in South India, we produce top-tier, high-performance cement to satisfy the growing need for robust and environmentally friendly construction materials.

8%
Share of total revenue

4.0 MNTPA
Production capacity of cement

Pg. 11

Carbon

Our Carbon segment transforms industrial byproducts from steel and oil refineries into high-value carbon-based products. We produce calcined petroleum coke (CPC), coal tar pitch (CTP) and various other carbon products.

Product portfolio

	Calcined petroleum coke (CPC)	Coal tar pitch (CTP)	Other carbon products
Raw materials	Green petroleum coke (GPC) is a byproduct of crude oil refining.	Coal tar is a byproduct of metallurgical coke used in the iron and steel industries.	Coal tar is a byproduct of metallurgical coke used in the iron and steel industries.
Manufacturing process	CPC is produced using rotary-kiln and vertical-shaft technologies in a high-temperature process called calcining, which removes moisture and volatile matter from GPC.	CTP is produced by distilling of coal tar, which separates the components based on different boiling points.	Other carbon products are produced through the distillation of coal tar, a process that separates the components based on different boiling points.
End-industry applications	CPC serves as a crucial raw material for anodes used in primary aluminium production as well as in the steel and titanium dioxide industries.	CTP is a critical raw material for anodes used by the aluminium industry, as well as in the graphite and refractory industries.	These products find applications in industries such as wood treatment, carbon black production, construction and others.
Production locations	United States and India	Belgium, Canada, Germany, Poland and Russia	Belgium, Canada and Germany

Our business segments

Advanced Materials

In this segment, we extend the value chain of our Carbon segment's business through downstream refining a portion of its output into high-value advanced material products. These products serve as critical raw materials for specialty chemicals, coatings, construction, petroleum, energy storage and other industries.

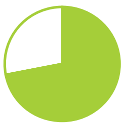
Product portfolio

	Engineered products	Chemical intermediates	Resins
Raw materials	Coal tar pitch and petroleum pitch	Naphthalene oil, crude benzene and cracker residues	Petro-based C9 feedstock (Vinyl toluene and indene)
Manufacturing process	Special purification and physical separation leading to a significant reduction of the concentration of Polycyclic Aromatic Hydrocarbons (PAHs) and increased softening point	Produced from our internal production process of naphthalene oil, further processed into downstream products including phthalic anhydride	Cationic polymerisation and hydrogenation
End-industry applications	CARBORES®, PETRORES®, LiONCOAT® and sealer coatings	Refined naphthalene, phthalic anhydride, modifiers, benzene, toluene, xylene, solvents and fuel additives	Carbon resins, pure resins, hydrogenated resins and phenolics
Production locations	Belgium, Canada, Germany and Poland	Belgium and Germany	Germany

Cement

The South Indian cement industry has been a thriving domain, and along with the industry, our Cement segment's sales volumes are growing. Under the brand name of Priya Cement, we have been consistently delivering high-quality ordinary portland cement (OPC) and portland pozzolana cement (PPC).

Product portfolio

	Ordinary portland cement (OPC)	Portland pozzolana cement (PPC)
Raw materials	Limestone, gypsum, and fly ash, a byproduct from thermal power plants	Limestone, gypsum and fly ash, a byproduct from thermal power plants
Share of total production	 28%	 72%
End-industry applications	Structural concrete in high-rises, commercial complexes and infrastructure projects	Reinforced cement concrete for residential construction, plastering and brickwork
Production locations	Andhra Pradesh and Telangana, India	Andhra Pradesh and Telangana, India

Introducing a new stock keeping unit (SKU)

Towards the end of 2023, we introduced unpackaged cement in select markets, specifically targeting the trade segment, including dealers and retailers. This strategic move has proven successful, yielding positive response from our dealer community. We aim to further increase the distribution of loose cement among our dealers, aligning with market demands and strengthening our presence in the trade segment. Additionally, this initiative aligns with our commitment to reducing the consumption of plastic.

1 About RAIN

Our global operations

Our strategically positioned plants and integrated supply chain ensure efficient raw material sourcing and prompt product delivery, enhancing our ability to serve a diverse global customer base and making us a reliable partner worldwide.

13

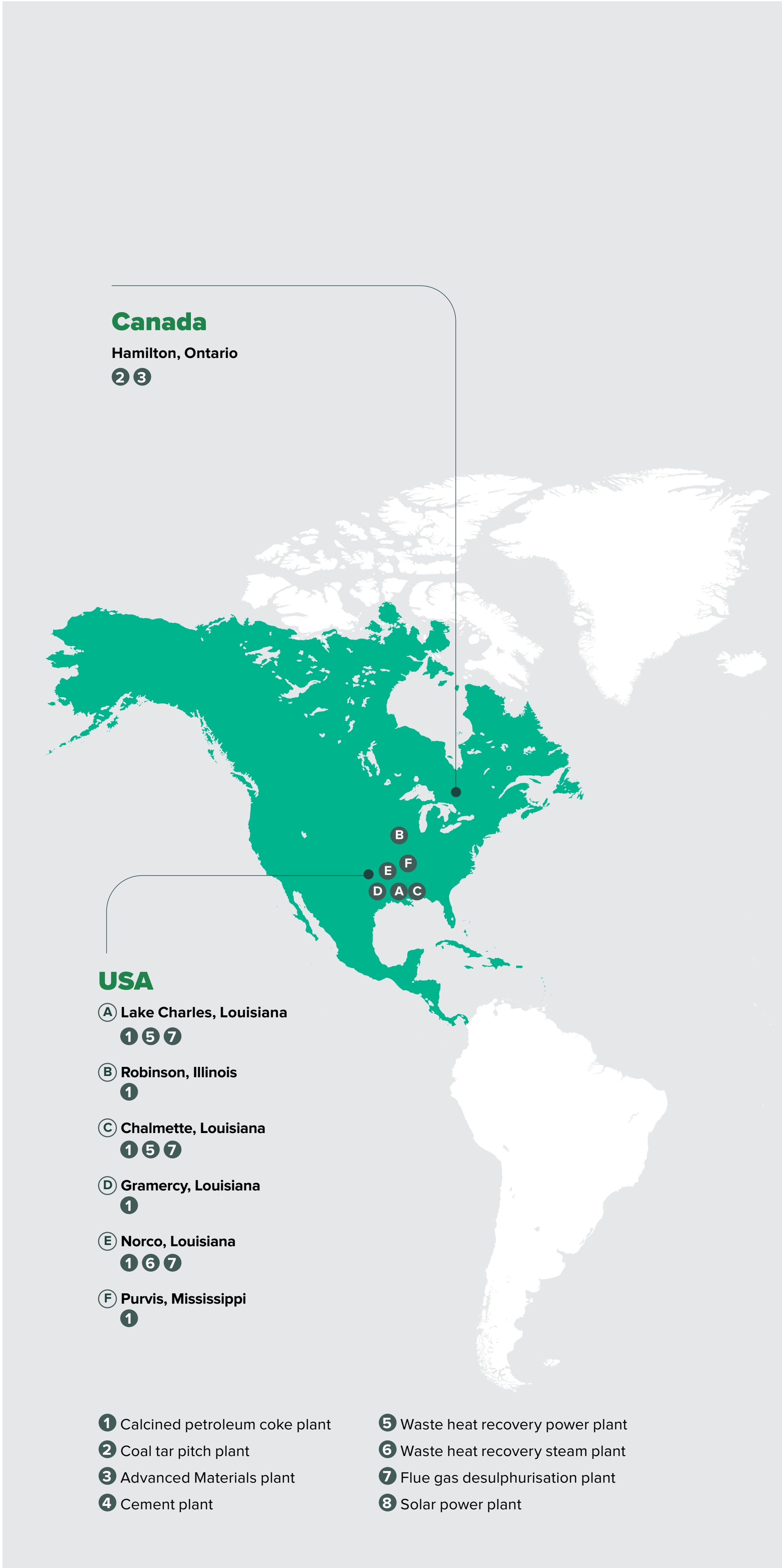
Carbon plants

5

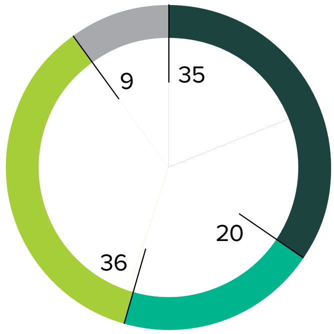
Advanced Materials plants

2

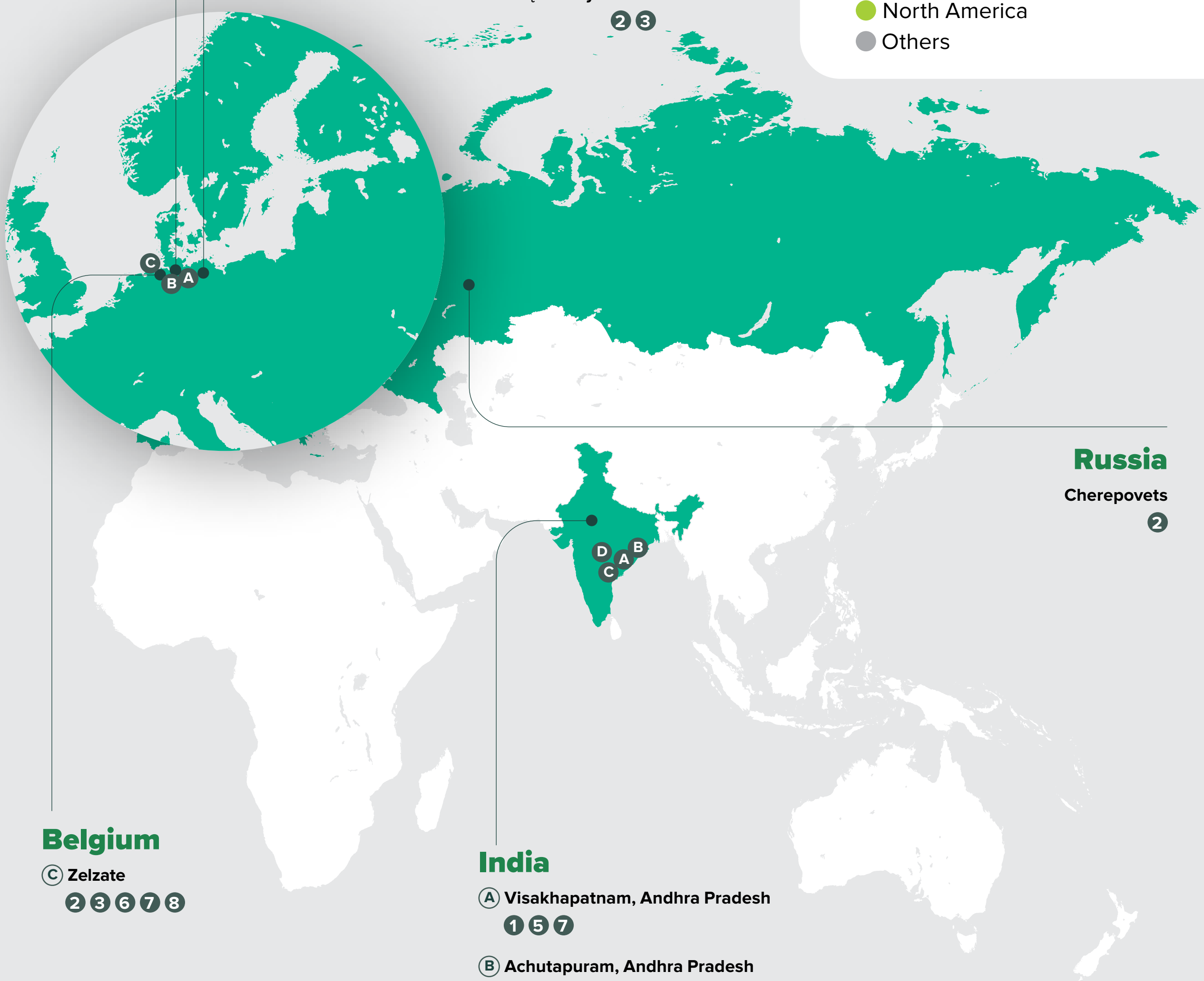
Cement plants



Region-wise revenue share (%)



- Europe
- Asia excluding the Middle East (including India)
- North America
- Others



Germany

Castrop-Rauxel (A)

2 3 6

Duisburg (B)

3 6

Poland

Kędzierzyn-Koźle

2 3

Russia

Cherepovets

2

Belgium

(C) Zelzate

2 3 6 7 8

India

(A) Visakhapatnam, Andhra Pradesh

1 5 7

(B) Achutapuram, Andhra Pradesh (Special Economic Zone)

1 5 7

(C) Nandyal, Andhra Pradesh

4 5 8

(D) Suryapet, Telangana

4 5 8

Map not to scale and for representation purpose only

Vice Chairman's statement

Dear Shareholders,

As we reflect on 2023, we recall the significant strides RAIN made during its remarkable recovery in 2022, albeit with slowing momentum. Here, we present an overview of RAIN's performance in 2023 along with our outlook for the future. Despite the challenges posed to our business by the cyclical adverse global market conditions and financing environment over the past year, we believe those macro-economic issues are temporary and we look ahead with a sense of optimism.

> RAIN remains optimistic about the future and is taking proactive steps to improve the performance. While the current landscape continues to pose challenges, we continue to actively pursue strategies in all parts of our Company to ensure a brighter future for RAIN.

Our business model revolves around optimising margins by converting byproducts from various industries into finished goods which are essential raw materials for other major industries. The price levels for our raw materials and our finished products have historically moved in tandem, albeit with a time lag between them, where finished goods price movements generally lead the way and raw materials prices follow. This has allowed RAIN to realise higher margins in rising markets, with lower margins seen in falling markets, but keeping our margins within a general range as the markets move through cycles. Recently, the cyclical nature of these markets has become increasingly more volatile. The exceptionally long market rise experienced during the 18-month, post-COVID period from late 2021 through early 2023 led to market highs not seen earlier.

The strong financial performance in 2022 was a testament to RAIN's resilience and efficiency in maximising margins. However, we consistently emphasised during that period that such remarkable results were unlikely to be sustained. As anticipated, 2023 proved to be a challenging year for several reasons, as the subsequent decline during 2023 from such unprecedented highs has likewise been more acute and longer lasting than any past cycles. The continuous fall in finished product prices during 2023, combined with the slower declines in raw material prices, significantly impacted our margins. Regrettably, we see the stabilisation phase of this downturn also being drawn out over 12 months, a longer cycle period than usual for RAIN to experience a decline in operating margins. We are navigating the current, dynamic market landscape, capitalising on gains while facing these prolonged price adjustments.

We completed 2023 with a Revenue of ₹ 181,415 million; Operating profit of ₹ 20,137 million; Net profit of ₹ 1,526 million and EPS of ₹ 4.54. The profit for the year was not only impacted by reduced margins, but also due to one-off, non-cash impairment charges of ₹ 7,506 million caused by various factors such as increased interest rates, reduced product demand, geopolitical issues and higher energy rates in Europe. RAIN's historical performance patterns indicate that, after a robust year, subsequent periods may experience challenges. In the current cycle, the ongoing trend of vulnerability is anticipated to persist for another quarter or two, coinciding with the stabilisation of prices for both raw materials and finished products.

The softening of industry-wide demand for our finished products in 2023 can be attributed to various factors. Customers are proactively managing their production volumes in alignment with evolving demand outlooks and working capital management due to higher interest rates. The demand for our products also suffered from China's competitive exports to Western markets, and rising energy costs in Europe have exacerbated challenges within the industry.

Moreover, geopolitical, and climate-related obstacles in the Red Sea and Panama Canal emerged in 2023, leading to significant shifts in global supply chain routes and economics. These dynamic scenarios, influenced by macroeconomic factors, underscore the importance of prudent management and strategic planning. Please be assured that the entire RAIN team is diligently working to restore financial performance to normalised levels, and we are monitoring signs of eventual improvement.

Vice Chairman's statement

RAIN's proactive steps to improve performance

Despite these challenges, RAIN remains optimistic about the future and is taking proactive steps to improve the performance. While the current landscape continues to pose challenges, we continue to actively pursue strategies in all parts of our Company to ensure a brighter future for RAIN.

> Our vision is to transform RAIN into an entirely unique industrial company with strong intrinsic cash flow economics and solid growth outlook. Leveraging sustainable 'mega trends,' we aim to position ourselves as a leader in the industry.

The global rise in interest rates and tighter credit markets further impaired our 2023 financial performance. Despite these challenges, we completed the refinancing of our long-term loans during 2023 and pushed out debt maturities to 2028-2029. Although the refinancing was completed at higher interest rates than our previous ones, they were in-line with market rates prevailing at the time due to various unstable global, macro-economic factors. Moreover, we succeeded in reducing our total debt by about US$ 130 million compared to year-end 2022.

Despite increased interest costs, we have no major debt repayment obligations until 2028, except for the US$ 50 million payment of our old Senior Secured Notes which are due in April 2025. However, acknowledging the importance of reducing interest costs, our priority is to prepay debt. Following that strategy, we repaid approximately US$ 10 million of scheduled payments of Term Loan B for 2024 already in December 2023.

Anticipating price stabilisation for our finished products starting in the third quarter of 2024, we expect to see significant operational improvements in our segments. We would like to highlight some positive developments that will further strengthen our position.

a) **Optimising Carbon Segment Operations:** Our Carbon segment's calcination plants in India had been operating at lower capacity due to restrictions imposed on GPC imports into the country. However, with the recent relaxation in the imports of GPC and CPC by the Hon'ble Commission for Air Quality Management (CAQM), based on the directives of the Hon'ble Supreme Court of India Order, RAIN anticipates ramping up the operations to higher capacity, thereby significantly improving overall performance.

b) **Capitalising on Regional CPC Demand:** The increasing demand for CPC in and around India presents an opportunity for RAIN to strategically position our operations and leverage increased capacity to efficiently meet market needs.

c) **Focus on Cost Efficiency:** We cannot control the length or duration of market cycles, but we can control our costs. Throughout the down-cycle in 2023, we have remained proactive in enhancing our cost-efficiency. Our team has implemented significant and sustainable cost-saving measures, not only to safeguard our current earnings but also to fortify them for the future. We have undertaken initiatives including consolidating offices, optimising operations and streamlining our workforce.

d) **Focus on Next-Generation Raw Materials and Finished Products:** In addition to strengthening our existing business, we are focused on next-generation products to position the business for future growth, including the establishment of a new research and development facility to innovate and develop new, groundbreaking products.

Outlook and future prospects for RAIN's segments

Our Carbon segment, whose main customer base is the primary aluminium smelting sector, is looking up. Primary aluminium plays a crucial role in various sectors and has seen steady demand growth over the past few years, driven principally by emerging economies' infrastructure development and the increasing adoption of aluminium in lightweight vehicle manufacturing. Trends such as the shift towards electric vehicles, lightweighting in automotive and aerospace industries and the growth of renewable energy infrastructure are expected to drive demand for primary aluminium in the coming years. While the primary aluminium industry may encounter challenges, it is well-positioned to capitalise on growing demand and technological advancements, driving sustainable growth over the next several years.

Our Advanced Materials segment is similarly seeing economic recovery on the horizon in several end-user industries. Demand is growing steadily for our bio-based and environmentally friendly product lines in our resins, asphalt coating and rubber sectors. The medium and long-term markets for battery anode materials are similarly seeing promising future growth as consumers continue to demand cleaner, greener materials and ways of life.

Our Cement segment also has reason for a positive outlook. India's cement industry is the second largest globally, with an estimated production of about 370 million tonnes per annum (MNTPA). South India, in particular, plays a significant role, accounting for about 33% of the country's cement production capacity, and is poised for continued growth, fuelled by infrastructure development and government initiatives. Cement demand rebounded strongly in 2023, growing by 7 - 8% on a per annum basis due to the continued Indian government infrastructure spending that has been a driving force behind this growth. Over the next 5 years, it is expected that Indian cement demand will increase to about 525 MNTPA.

Our vision is to transform RAIN into an entirely unique industrial company with strong intrinsic cash flow economics and solid growth outlook. Leveraging sustainable 'mega trends,' we aim to position ourselves as a leader in the industry.

We anticipate a positive shift in demand for RAIN products starting in the latter half of 2024. With a robust R&D strategy, we are confident in our ability to adapt and thrive in a rapidly evolving market both in the near and long terms.

In closing, I would like to express my sincere gratitude to our dedicated employees for their outstanding work during these challenging times. Their commitment and resilience are instrumental in navigating the Company through troubled waters. While 2023 presented numerous challenges, we remain steadfast in our commitment to the long-term success of RAIN. We are confident that our strategic initiatives will pave the way for a stronger and more resilient organisation.

Thank you for your continued trust and support.

Sincerely,

Jagan Reddy Nellore

Vice Chairman

February 23, 2024

Investment value proposition

With a solid financial foundation, dynamic revenue growth and strategic investments in future-ready solutions, including Lithium-ion battery materials, Hydrogenated Hydrocarbon Resins (HHCR), Anhydrous Carbon Pellets (ACP) and ISCC PLUS-certified materials, Rain Industries Limited is poised for sustained profitability and attractive returns to shareholders.

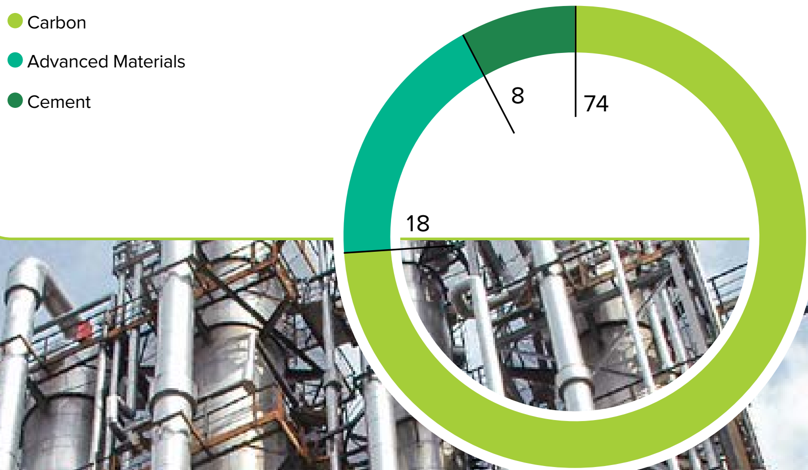
1

Diversified and strong business profile

Through continuous diversification initiatives, the adoption of new raw materials and the development of innovative new products, we have strengthened our foothold in the carbon, advanced materials and cement sectors. This well-diversified approach has bolstered our market position and ensured resilience against fluctuations, providing stability and longevity to our business operations.

Share of revenue

(%)



2

Business resilience and adaptability

At RAIN, we have always focused on long-term growth and business stability, recognising the cyclical nature of our industry. In 2022, we encountered a year marked by exceptional opportunities due to higher profit margins resulting from the steady increase in product prices compared to raw material costs. As we transitioned into 2023, the landscape shifted, presenting a significant downturn primarily triggered by external factors, including the resurgence of Chinese exports and the subsequent decline in prices. We remain focused on strategic decision-making and adaptability as we navigate these turbulent times, and we are confident in our ability to emerge stronger and more resilient.

3

Consistent shareholder returns

Our sustained commitment to financial discipline and strategic capital allocation has consistently created enduring value for shareholders over the years.

₹336.35 Mn

Total dividend paid in 2023

4

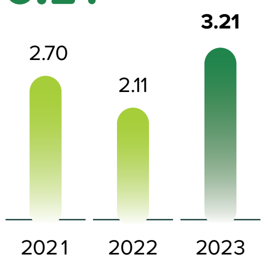
Optimal capital structure

Through a consistent focus on in financial leverage, we achieved a net adjusted leverage of approximately 3.21 in 2023, highlighting our commitment to financial stability and prudent management and positioning us favourably for future growth.

Net adjusted leverage

(x)

3.21



5

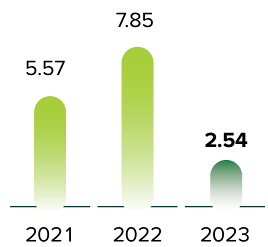
Effective liquidity management

RAIN values liquidity, with a robust financial position boasting US$ 268 million in cash and cash equivalents. In spite of lower operating profit during 2023, we maintained a Interest Coverage Ratio in excess of 2x for the year 2023.

Interest coverage ratio

(x)

2.54



2

Our value creation process

In this section

We take a holistic approach to creating value for our stakeholders by adapting to the dynamic operating environment, setting clear strategic priorities and engaging with stakeholders regularly. These components form the foundation of our purposeful and lasting value creation journey.

Business model

Resources utilised

Financial capital
- Equity: **₹ 73,425 Mn**
- Net debt: **US$ 778 Mn**
- Capex: **US$ 72 Mn**

Manufactured capital
- Carbon plants: **13**
- Advanced Materials plants: **5**
- Cement plants: **2**
- WHR steam plants: **4**
- WHR power plants: **6**
- Solar power plants: **3**

Intellectual capital
- R&D centres and laboratories: **5**

Human capital
- No. of employees: **2,508**
- No. of man-hours training: **50,058**

Social and relationship capital
- CSR expenditure: **₹ 148 Mn**

Natural capital
- Water withdrawal: **6.86 Mn m^3**
- Energy input: **3.8 Mn MWh**
- Energy consumption: **2.8 Mn MWh**

External environment

We track and monitor macroeconomic events and industry trends to identify opportunities and risks and respond proactively.

Pg. 24

Business segments

Business activities

Stakeholder engagement

We actively engage with our stakeholders in the following categories to understand their needs:

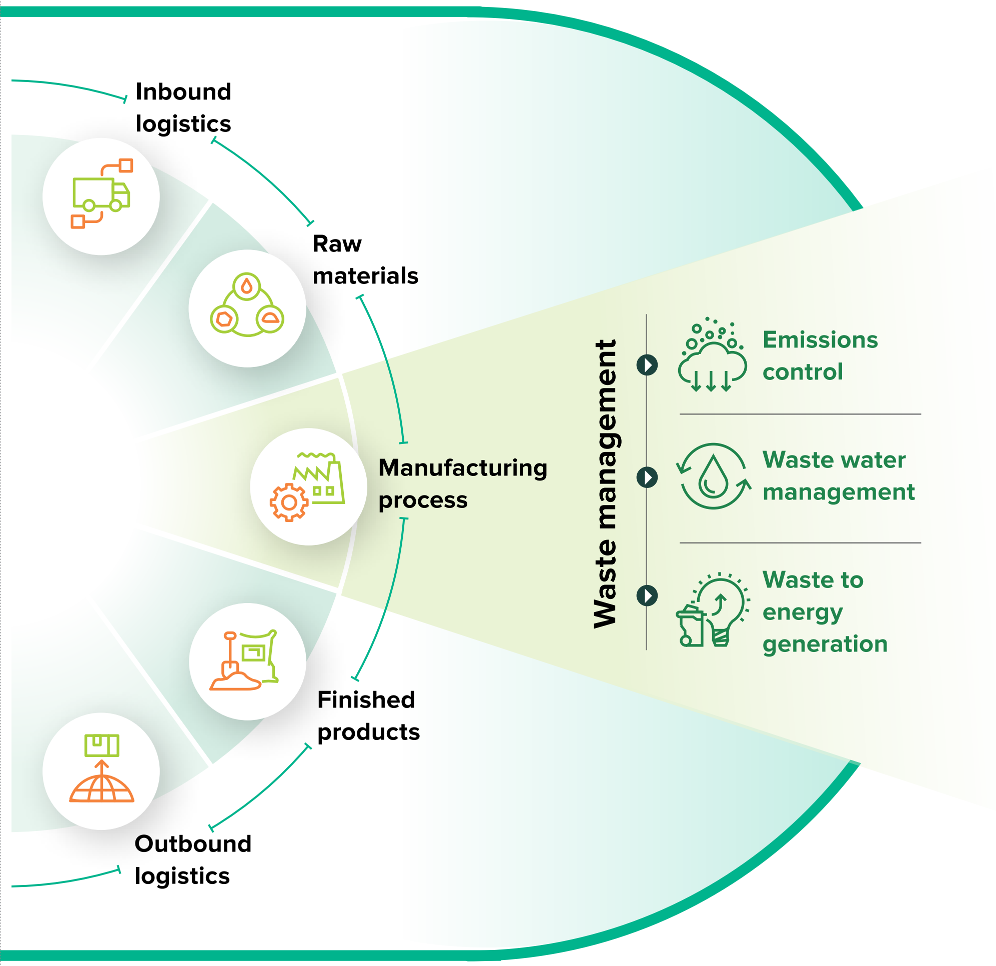
- Customers
- Employees
- Investors and shareholders
- Vendors and suppliers
- Government and regulatory bodies
- Communities

Pg. 28

Strategic priorities

Through our well-defined strategies, we prioritise driving growth across our three business segments while creating value for stakeholders.

Pg. 26



Risk management

Our robust risk management approach allows us to proactively identify, assess and mitigate potential risks, fostering resilience and sustainability in our business operations.

Pg. 82

Value created

Financial capital

- Revenue: **₹ 181,415 Mn**
- Operating profit: **₹ 20,137 Mn**

Manufactured capital

Capacity utilisation

- Carbon: **65%**
- Advanced Materials: **75%**
- Cement: **80%**

Intellectual capital

- New products launched: **13**

Human capital

- TRIR: **0.26**

(As per OSHA guidelines for 2023 for our Carbon & Advanced Materials segments only, while our Cement segment is in the process of implementing OSHA guidelines.)

Social and relationship capital

- No. of students benefitted: **2,458**
- No. of patients received healthcare services: **102,175**

Natural capital

- Self-generated steam from waste heat: **0.54 Mn MWh**
- Self-generated electricity from waste heat: **0.45 Mn MWh**
- Solar power generated: **0.03 Mn MWh**

External environment

We have been closely monitoring the evolving landscapes of the industries in which we operate: Carbon, Advanced Materials and Cement. Our proactive approach involves identifying key trends, crafting strategic responses to gain a competitive edge and effectively manage risks.

Shifting global demand in the carbon industry

The global carbon industry is experiencing changes in demand, influenced by factors such as environmental regulations, industry transitions and emerging technologies. Carbon products are used in various sectors, including aluminium, steel and automotive industries, and shifts in demand from these sectors can impact the carbon industry.

Key trends influencing the carbon industry

Environmental regulations

Increasing environmental regulations related to emissions and pollution control are significant drivers for the carbon industry. Compliance with strict environmental standards necessitates technological advancements and investments in cleaner production methods.

Raw material price volatility

The carbon industry relies on raw materials such as green petroleum coke (GPC) and coal tar. The volatility in the prices of these raw materials, often influenced by market dynamics, trade policies and geopolitical factors, poses a challenge to the industry's cost structure.

Sustainability and carbon footprint

Growing global concerns about climate change and sustainability have led to a focus on reducing the carbon footprint. The carbon industry faces pressure to develop environmentally friendly products and processes.

Market competition

Global competition in the carbon industry is intense. Companies are continually striving to improve efficiency and product quality to maintain a competitive edge.

Our response

With the recent positive regulatory developments in India, we believe that RAIN is well-positioned to optimally utilise its environmentally best-in-class Carbon segment's sites in India and the USA to drive cost efficiencies, while raising the industry bar into sustainable CPC production. We prioritise cost efficiency and operational excellence in our Carbon segment. We are constantly refining our processes to stay competitive, particularly in the aluminium sector. Additionally, our clean energy investments showcase our focus on integrating sustainability in our business operations.

Consistent innovation is driving growth in advanced materials

Technological advancements and product innovation are significant trends in the Advanced Materials segment. New materials with unique properties are continuously being developed, opening opportunities for applications across various sectors, such as aerospace, electronics and construction. Industries such as automotive and aerospace are emphasising lightweight materials to enhance fuel efficiency and reduce emissions. Advanced Materials, including composites and alloys, play a critical role in achieving weight reducing goals.

Key trends influencing the advanced materials industry

Sustainability and recycling

Sustainability concerns are driving a shift toward eco-friendly materials and increased recycling efforts. The industry must adapt to regulations and market demands related to recycling and circular economy principles.

Technological integration

Integrating advanced materials with technology, such as using smart materials and composites in electronics and infrastructure is a key driver. This integration requires expertise in material science and technological applications.

Our response

We are committed to developing eco-friendly products with a minimised environmental footprint to align with industry trends. For instance, we are actively working on cleaner raw materials for the Lithium-ion battery industry, demonstrating our focus on sustainability and innovation.

Growing cement industry in India

The Indian cement industry is undergoing significant expansion driven by several key trends. These trends include rapid urbanisation, environmental concerns, technological advancements, the use of alternative materials, market competition, government initiatives, rural and affordable housing schemes, export opportunities, supply chain management and economic fluctuations.

Key trends influencing the cement industry

Urbanisation and infrastructure boom

India is experiencing rapid urbanisation, driven by population growth and increasing urban migration. The government's focus on infrastructure development, including smart cities, highways and affordable housing, is boosting cement demand.

Environmental regulations and sustainability

India has stringent environmental regulations, and sustainability concerns are growing. Thus, cement companies must adapt to these regulations and embrace eco-friendly practices, including the use of alternative materials, to minimise their environmental footprint.

Government initiatives

Initiatives, including the Affordable Housing Scheme and Housing for All, aimed at promoting rural and affordable housing, will significantly boost cement demand in India. Focusing on this segment of the market can be advantageous for cement players.

Our response

We focus on ensuring consistent and timely distribution through effective logistics partnerships. We also enhance operational efficiency by analysing energy consumption and optimising our fuel mix while maximising capacity utilisation to seize market opportunities. We source over 40% of our energy from renewables (including self-generated solar and waste heat recovery). Furthermore, we are implementing water conservation and waste management initiatives to reduce environmental impact.

Strategic priorities

In pursuit of excellence, we have established five strategic priorities that underpin our journey towards sustainable growth. These objectives encompass ensuring supply security, optimising capacity, leading in sustainable innovation, reducing costs and integrating sustainability into our core business operations.

Focus Areas Progress

Enhance supply chain security

Ensuring a flexible, reliable and secure supply chain in a dynamic global environment is crucial. This approach focuses on fortifying our ability to meet customer demands, diversify our raw material supply base and navigating unforeseen disruptions.

Reliable supply chain

2.89%

Inventory turnover rate

Capacity optimisation

Maximising the efficiency and productivity of our production facilities is critical to meeting growing demand while managing costs effectively. With recent, positive regulatory developments in India, we expect to greatly enhance our capacity utilisation going forward.

Utilisation of production facilities

65%	75%	80%
Carbon	Advanced Materials	Cement

Innovation leadership

To thrive in a dynamic market, we prioritise process and raw material innovation with a strong focus on sustainability, ensuring our continued leadership in the industry over the years.

New product development

13

Total number of new products launched in 2023

Cost optimisation

Cost efficiency is vital to sustaining profitability, allowing us to invest in growth while offering competitive pricing to our customers.

Effective cost management

In 2023, cost optimisation was a key priority and will remain so in the future. Achievements such as office consolidation, plant operation optimisation and workforce streamlining will continue to yield benefits in the coming year.

Strengthen ESG commitment

Integrating sustainability into our business operations is a responsible and increasingly important expectation of our customers, shareholders and the broader community.

Enhanced ESG performance

- EcoVadis gold medal: Three subsidiaries (Germany, Belgium and Canada)
- EcoVadis silver medal: USA subsidiary
- UN Global Compact: Member since 2023

Stakeholder engagement

At RAIN, we understand the importance of engaging with our diverse stakeholders, enabling us to build strong relationships, gain valuable insights and ensure our actions align with their needs. Our engagement activities with various stakeholder groups demonstrate our commitment to transparency, accountability and shared growth.

Investors and shareholders

Capitals linked

Why we engage

Ensure vital access to capital and progress on strategies

Modes of engagement

- Conduct informative analyst meetings
- Share investor presentations, management commentary and financial results
- Hold annual general meeting of shareholders
- File essential statutory and informative reports regularly
- Issue informative press releases

Vendors and suppliers

Capitals linked

Why we engage

Maintain enduring relationships with vendors and suppliers

Mode of engagement

- Conduct regular, in-person and virtual meetings with vendors
- Implement key procurement policies and undertake vendor selection
- Effectively communicate with vendors to drive efficiencies
- Utilise our vendor-grievance redressal process
- Conduct supplier visits and review meetings

Employees

Capitals linked

Why we engage

Empower employees to drive our Company's trajectory forward

Mode of engagement

- Offer important global and regional leadership development programmes
- Conduct annual performance evaluations for employee development
- Implement a modern global learning management system
- Conduct employee-satisfaction surveys to ensure a positive workplace
- Institute pivotal global Human Resources (HR) policies for recruitment and onboarding
- Provide competitive compensation and benefits

Customers

Capitals linked

Why we engage

Focus on meeting critical consumer needs and expanding the customer base

Mode of engagement

- Provide industry-leading, technical service partnerships with customers
- Propose and request mutually beneficial customer proposals
- Conduct in-person and virtual client visits and meetings
- Make initial strategic contacts and pitches
- Address and act on relevant client feedback
- Build strong relationships in sales
- Identify emerging client needs

Communities

Capitals linked

Why we engage

Contribute to the enhancement and growth of surrounding communities

Mode of engagement

- Contribute to essential local welfare activities
- Support schools and hospitals in specific regions
- Conduct site visits and vital community meetings
- Issue informative press releases for public awareness
- Provide crucial financial support for community infrastructure

Government/ regulatory bodies

Capitals linked

Why we engage

Foster cooperative relationships with government and regulatory bodies

Mode of engagement

- Interact with crucial regulatory bodies and government departments
- Work proactively with regulators, alliances of industry groups and experts to understand and stay ahead of ever-changing regulatory environments
- Ensure timely payment of all applicable taxes and duties in respective countries, contributing to their Gross Domestic Product

Our stories of progress in 2023

With the vision of becoming a more sustainable organisation in terms of continuous business growth, operational excellence, and environmental and social responsibility, RAIN has made significant progress in 2023. Through our commitment to innovation, transformation and sustainability, we have driven positive change and fostered a brighter future for our Company, product lines and the stakeholders we serve.

INNOVATE

In 2023, our Advanced Materials segment proactively developed finished product variants using lower-carbon footprint, bio-based and sustainable raw materials, staying ahead of customer demands for more sustainable products. Our Duisburg site received ISCC PLUS certification, marking a milestone in our journey towards transparent and sustainable supply chains.

TRANSFORM

In a transformative move, we invested in technology upgrades and data analysis systems across RAIN's Carbon and Advanced Materials segments to improve operational efficiency and reduce emissions. From electricity consumption monitoring to expanded continuous emissions monitoring systems, these initiatives provide valuable insights and pave the way for future improvements.

SUSTAIN

To further strengthen our commitment to sustainability, we utilised over 40% green power (including power from solar and waste heat recovery) in RAIN's Cement segment's operations, significantly reducing our carbon footprint. By investing in renewable energy sources and maximising resource utilisation through waste heat recovery systems, we aim to mitigate climate change impacts and contribute to a greener future for all.

INNOVATE

Driving innovation for sustainable solutions

At RAIN, we are committed to driving innovation towards sustainable transformation. From pioneering sustainable products to advancing emissions reduction efforts, our dual focus on product innovation and operational excellence is shapes a more sustainable future. This approach includes product innovation for the mobility sector (Lithium-ion batteries, formulation for tyres for reduced energy consumption), the food packaging industry and the construction sector.

RAIN manufactures ISCC PLUS compliant products

Objective

RAIN's Carbon and Advanced Materials segments innovated sustainably in 2023 to develop and market finished product lines crafted from lower-carbon footprint, bio-based and sustainable raw materials, satisfying the needs of our customers. This objective aligns with RAIN's vision of providing essential carbon products for a sustainable transition.

Initiatives

To achieve this, we conducted pioneering research and development, screening and testing various alternative feedstocks and processes. This approach led to successful development, marketing and sale of products made with bio-based feedstocks. Our Advanced Materials segment supports the circular economy by investing in ISCC PLUS-certified materials, a sustainability certification for industrial applications outside the European Union. In 2023, our resins business in Germany obtained ISCC PLUS certification, enhancing transparency in the supply chain.

Outcome

These initiatives yielded transformative results. RAIN introduced the 'NOVARES® Eco' product line, offering customers environmentally-friendly alternatives under a trusted certification. This achievement solidified RAIN's position as a sustainability leader and empowered customers to make responsible choices for a greener future.

Globally upgrading RAIN's emissions control systems

Objective

In 2023, RAIN's Carbon segment prioritised environmental stewardship by investing in technology upgrades to reduce emissions across global operations, aligning with our Company's commitment to sustainability and workplace safety.

Initiatives

We implemented innovative solutions to achieve this objective. At the Castrop-Rauxel, Germany plant, we installed new low-NOx emissions distillation column ovens, significantly lowering emissions and improving energy efficiency. Additionally, we deployed dust-free bag-filling systems to create safer workplaces and reduce product emissions.

Outcome

The outcomes of these initiatives were substantial. We significantly reduced emissions and improved workplace safety, demonstrating RAIN's dedication to environmental responsibility and employee well-being. These investments minimised ecological impact and positioned RAIN as a leader in innovative emissions control technologies.

TRANSFORM

Driving change for operational excellence and global standards

Transformation at RAIN entails a comprehensive shift towards data-driven decision-making and global standardisation. Through increased monitoring and adherence to international guidelines, we aim to optimise operations, enhance efficiency and elevate our commitment to sustainability and safety across all segments.

Advanced monitoring systems for operational excellence

Objective

To transform business operations through data analysis, RAIN's Carbon segment invested in the installation and expansion of key monitoring systems at calcination sites, aiming to enhance operational efficiency and reduce environmental impact.

Initiatives

Electricity consumption monitoring: We implemented a new monitoring system that provides real-time data on electricity consumption, enabling informed decisions about efficiency improvements and cost reductions.

Continuous Emissions Monitoring Systems (CEMS): We upgraded and expanded CO_2 sensors on CEMS at calcination plants, enabling a better understanding of emissions and operational performance for global efficiency improvements.

Outcome

The implementation of these monitoring systems provided deep insights, empowering informed decision-making for efficiency gains and emission reduction. Knowledge transfer across sites ensures global operational improvements and strengthens RAIN's commitment to sustainability.

Global implementation of OSHA guidelines and GRI standards

Objective

To strengthen RAIN's footing in ESG, safety and health, a transformative process was initiated in 2023 to implement OSHA guidelines and GRI standards across all global sites, enhancing transparency and fostering continuous improvement.

Initiatives

Adoption of GRI standards: All three of RAIN's business segments have implemented GRI standards for sustainability reporting, ensuring consistency and comparability of environmental, economic and social impacts.

Adherence to OSHA guidelines: RAIN's Carbon and Advanced Materials segments' implementation of OSHA standards for safety and health reporting have fostered a culture of transparency and drive continuous improvements in safety practices. Our Cement segment is in the process of implementing these next.

Outcome

The global implementation of OSHA guidelines and GRI standards enhances transparency, enables accurate reporting and drives continuous improvement in safety, health and sustainability practices across all of our Company's segments. Employee cross-training further facilitates integration and standardisation of best practices.

SUSTAIN

Advancing sustainability commitments for a better tomorrow

In pursuing a greener future, RAIN is committed to sustainable practices. Through renewable energy investments and global engagement, we are reducing carbon footprints and aligning with United Nations (UN) Global Compact principles, fostering a resilient, eco-conscious world for generations ahead.

RAIN's Carbon and Advanced Materials segments join UN Global Compact

Objective

RAIN set a clear objective to formalise our commitment to sustainability and ethical business practices by becoming a signatory of the UN Global Compact, aligning with global sustainability goals and principles.

Initiatives

Become a signatory of the UN Global Compact: Recognising the importance of corporate responsibility and sustainability, RAIN's Carbon and Advanced Materials segments joined the UN Global Compact, affirming its support for the 'Ten Principles' on environment, human rights, labour, and anti-corruption. By becoming signatories, we pledged to uphold these principles and integrate them into our business strategy, corporate culture and day-to-day operations.

Integration of principles: Building upon its commitment to the UN Global Compact, RAIN embarked on an initiative to integrate its principles into the fabric of the organisation. This involved aligning business practices and decision-making processes with the core values of sustainability, human rights and ethical conduct. Through employee training, stakeholder engagement and policy development, RAIN ensured that sustainability considerations were woven into the Company's DNA at every level.

Outcome

Alignment with the UN Sustainable Development Goals (SDGs): By becoming a signatory of the UN Global Compact and integrating its principles into business operations, we reaffirmed our commitment to the UN SDGs and principles. This alignment with the UN Global Compact's mission and values positioned us as a responsible corporate citizen and a leader in sustainable business practices.

RAIN utilises over 40% green power in Cement segment operations

Objective

RAIN's Cement segment set another clear corporate objective to reduce our carbon footprint and contribute to a greener future by significantly increasing the utilisation of clean and renewable energy sources in our Cement segment operations.

Initiatives

Solar power expansion: Recognising the environmental impact of traditional grid-supplied power in cement production, we embarked on an ambitious initiative to expand solar electricity generating capacity across our integrated cement manufacturing plants. Through strategic investments in solar infrastructure, we aimed to harness the sun's abundant energy to power our operations, reducing reliance on fossil fuel-based electricity and minimising our carbon footprint.

Waste Heat Recovery (WHR) systems: In addition to solar power investments, we implemented waste heat recovery systems at our cement plants to enhance energy efficiency and sustainability. These innovative systems capture and utilise the excess thermal energy generated during cement production, converting it into usable electricity. By maximising resource utilisation and minimising waste, our waste heat recovery systems reduce environmental impact and contribute to cost savings and operational efficiency.

Outcome

Significant increase in green power utilisation: We achieved a significant milestone by successfully implementing solar power expansion and waste heat recovery initiatives. In 2023, over 40% of the energy consumed at our integrated cement manufacturing plants was derived from green energy sources. This substantial increase in green power demonstrates our commitment to sustainable energy practices and environmental stewardship.

Decreased Scope 2 emissions: As a direct result of the increased utilisation of clean and renewable energy sources, we experienced a tangible decrease in Scope 2 emissions—the indirect emissions from purchased electricity. By reducing reliance on grid-supplied power generated from fossil fuels, we effectively lowered our carbon footprint and contributed to global efforts to mitigate climate change.

Solar Power Capacity Increases at our Plants	2020	2021	2022	2023	Total Capacity
Unit 1 – Suryapet, Telangana	+1 MW	+1 MW	+3.6 MW	-	5.6 MW
Unit 2 – Nandyal, Andhra Pradesh	+1 MW	-	+10 MW	+2.2 MW	13.2 MW
Total	**+2 MW**	**+1 MW**	**+13.6 MW**	**+2.2 MW**	**18.8 MW**

3 Business performance and outlook

In this section

Through our three business segments, we create value across diverse industries by implementing innovative strategies, including upcycling industrial byproducts to contribute to a sustainable future.

Business segment review

Carbon

RAIN's Carbon segment produces calcined petroleum coke, coal tar pitch, carbon black oil, and other carbon products. These are critical raw materials for the production of aluminium, steel, rubber and many additional products.

2.32 Mn MT
Sales volume

₹132,968 Mn
Revenue from operations

74%
Contribution to consolidated revenue

Market dynamics

Challenging economic conditions

During the year under review, challenging economic conditions have significantly influenced the demand for calcined petroleum coke (CPC) and coal tar pitch (CTP). A slow recovery in China, coupled with persistent high inflation in the USA and Europe, has led to a slowdown in manufacturing activity, resulting in a decrease in CPC and CTP demand during 2023.

Competitive market landscape

Amidst these challenging economic conditions, markets have become increasingly competitive, with companies vying to maintain profitability amidst cost pressures. Intensified CPC and CTP production in regions such as the Middle East and South Asia have exacerbated competition, driving down prices and impacting margins.

Long-term aluminium demand

Despite short-term challenges, the long-term outlook for aluminium, a primary driver of CPC and CTP sales, remains optimistic. Growing demand for aluminium in sectors including automotive and infrastructure, supported by government investments worldwide, is expected to fuel sustained growth. However, economic uncertainties in the near-term may introduce volatility in the market, necessitating prudent cost management strategies to navigate fluctuations effectively.

End-industry applications

Primary aluminium smelting remains the key driver of the world's CPC and CTP sales. Smelter production reached record levels in 2023 despite a challenging economic environment. Additionally, our CPC products serve the titanium dioxide (TiO_2) industry, primarily used in paints. Although TiO_2-related CPC volumes faced challenges due to slowing construction activity, growth is likely as economic outlooks improve.

85%

CPC sales comes from primary aluminium smelters

Our response

We remain focused on managing costs and maximising efficiency in response to the dynamic market conditions. With recent positive regulatory developments in India, we see a strong potential to significantly enhance capacity utilisation at our sites in India and the USA. As we expand our output, we will continue leveraging our best-in-class technical expertise and commitment to helping our customers optimise product usage to extract maximum value.

Our industry-leading research on the performance of carbon products, combined with our unique position as a supplier of both CPC and CTP enable us to help aluminium customers maximise productivity. This distinctive capability will allow us to differentiate our products effectively in a competitive market.

Key developments of 2023

In 2023, we achieved a significant milestone in our Carbon segment by completing industrial-scale aluminium smelter trials of our proprietary Anhydrous Carbon Pellets (ACP). These trials involved a shipment comprising 70% CPC and 30% ACP, with the resulting anodes successfully utilised in electrolysis. We are awaiting final feedback from the trial, including detailed anode quality testing results. Additionally, we devoted significant effort towards investigating ACP production flowsheet changes to increase production rates. While the upgrade project is currently on hold due to market challenges, we remain optimistic that the identified optimisations will enable a three-fold increase in ACP production rates in the future.

Future prospects

We will continue optimising processes in the Carbon segment to ensure efficient conversion of raw materials into finished products. Expanding sources of raw materials through R&D efforts and logistical innovations is a key focus. We remain committed to providing materials required by emerging applications in the battery industry and new energy storage industry.

Business segment review

Advanced Materials

Leveraging innovative technology, we convert part of our carbon value chain into high-value products for various industries. With strategically located facilities in Europe and North America, we serve sectors including energy storage, specialty chemicals, coatings, construction, petroleum and more.

0.25 Mn MT
Sales volume

₹32,317 Mn
Revenue from operations

18%
Contribution to consolidated revenue

Market dynamics

In 2023, the Advanced Materials segment faced challenges stemming from a slowdown in customer confidence, impacting demand and pricing dynamics. The Advanced Materials segment saw increased competition from Asian products and was further impacted by various internal and governmental initiatives.

Additionally, recent developments in the USA and global trade tensions emphasised the importance of regional manufacturing presence.

End-industry applications

The Advanced Materials segment plays a pivotal role in sustainability by transforming materials that could also serve as fossil fuels into value-added raw materials which facilitate the development of next-generation technologies, including:

- Energy storage solutions
- Electric vehicles
- High performance chemicals for insulation industry
- Construction materials
- Lubricants in wind turbines
- Tyre additives for enhancing rolling resistance
- Coatings to reduce drag on vessels and minimise fuel consumption
- Next-generation tackifiers for essential hygiene products and high-performance adhesives

Our Advanced Materials segment targets high-growth, sustainable industries aligned with societal trends. These sectors exhibit substantial growth rates exceeding GDP averages.

Our response

With established facilities in Europe and North America, we are well-positioned to capitalise on the opportunities in these regions. To address market challenges, we prioritise cost management and operational efficiency.

We leverage our technical expertise to optimise customer product utilisation, ensuring maximum value extraction. Our ongoing research focuses on developing next-generation products and strategic partnerships to sustain long-term competitiveness.

Key developments of 2023

- Implemented advanced technologies including high-efficiency burners and dust-free bagging, reducing emissions and enhancing safety.
- Established a new facility for producing superior coating materials for battery anode materials, improving product quality.
- Implemented various technologies to improve yield and reduce raw material consumption, enhancing operational efficiency across our facilities. Additionally, expanded capacity in specialty pitches and coatings to meet growing market demand
- Introduced flexible technology solutions to enable the utilisation of eco-friendly raw materials, fostering a next-generation product portfolio with reduced environmental impact.
- Undertook improvements at the Hydrogenated Hydrocarbon Resins (HHCR) plant to increase efficiency and reduce operating costs, ensuring competitiveness in the market while maintaining high-quality standards.

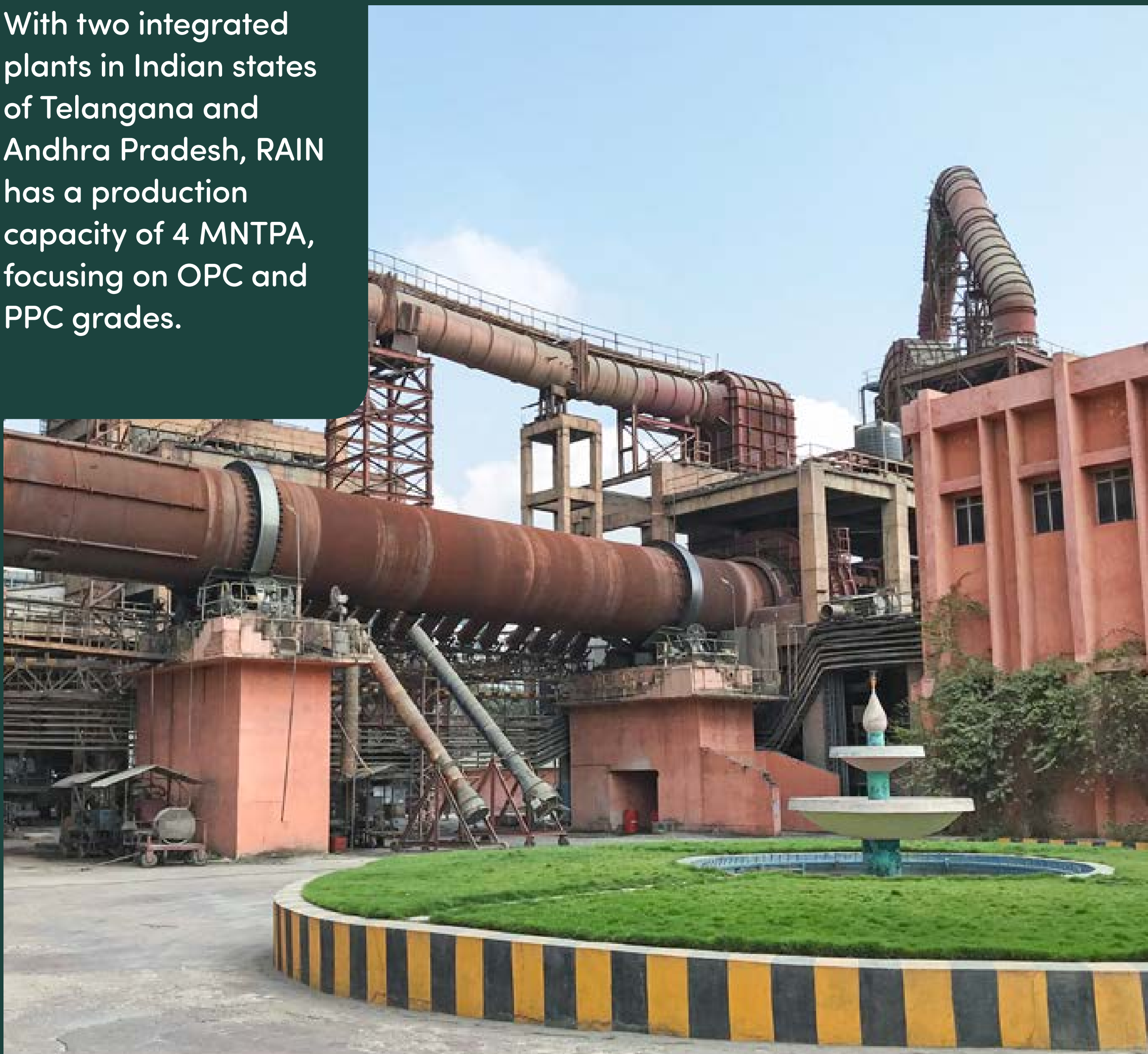
Future prospects

In alignment with the growing demand for eco-friendly materials and practices, we aim to expand our presence in high-growth advanced materials markets through logistical hubs and regional assets. Furthermore, we seek to leverage our proprietary technologies through strategic partnerships, focusing on green infrastructure, environmental sustainability, waste reduction and circularity. By continuing to innovate and adapt, we aim to solidify our position as a leading provider of advanced materials in the global market.

Business segment review

Cement

With two integrated plants in Indian states of Telangana and Andhra Pradesh, RAIN has a production capacity of 4 MNTPA, focusing on OPC and PPC grades.



3.24 Mn MT
Sales volume

₹15,233 Mn
Revenue from operations

8%
Contribution to consolidated revenue

Market dynamics

Market growth potential

With its significant market size, India's cement industry offers increasing growth potential. Rapid urbanisation, government-led infrastructure projects and growing real estate and construction sector investments are fuelling this demand. Moreover, the cement sector has attracted substantial investments from domestic and foreign sources, indicating confidence in the industry's growth prospects.

Government support and policy initiatives

India has stringent environmental regulations, and sustainability concerns are growing. Thus, cement companies must adapt to these regulations and embrace eco-friendly practices, including alternative materials, to minimise their environmental footprint.

Greater emphasis on sustainability

The cement industry is increasingly prioritising sustainability efforts to mitigate the environmental impact and meet evolving regulatory requirements. These initiatives include the adoption of renewable energy sources, reducing carbon emissions, optimising resource utilisation and implementing waste management strategies. By embracing sustainability practices, the industry aims to enhance its environmental stewardship, improve operational efficiency and maintain long-term viability.

Our response

- **Advertising campaigns:** RAIN plans to carry out promotional activities through advertising campaigns to boost brand awareness, build trust and attract new customers.
- **Dealer network expansion:** We will roll out our plans to strategically expand our dealer network in untapped markets to increase sales and enhance market presence in these areas.
- **Focus on consistent high-quality cement production:** We will implement product performance enhancement measures which will further strengthen the trusted image of our Company and its cement products.

Key developments of 2023

- Introduced loose (unpackaged) cement in select markets, receiving an encouraging response from the dealer community and implementing a strategic initiative to reduce plastic packaging.
- Achieved nearly 40% renewable energy usage, including waste heat recovery and solar power.
- Initiated water positivity improvements through rainwater harvesting.
- Launched multi-channel advertising campaigns to enhance brand awareness and attract new customers, aiming to capitalise on the successes of 2023.
- Initiated plans to expand the dealer network into untapped markets to increase sales volume, ensuring a wider reach for us and enhanced accessibility for our customers.
- Focused on producing high-quality cement to ensure consistency in product performance and maintain our Company's image as a trusted cement manufacturer.

Future prospects

In 2024, RAIN's Cement segment's primary focus revolves around three core objectives:

- **Achieve higher capacity utilisation:** Undertaking dedicated efforts to increase operational capacity.
- **Enhance energy efficiency:** Prioritising initiatives for improving energy efficiency and implementing measures to streamline consumption and reduce environmental impact.
- **Bolster cost-effectiveness:** Implementing proactive maintenance strategies for optimal plant performance.
- **Scale output:** Additionally, to address the surging demand for cement, we plan to augment the capacity of our first integrated manufacturing unit (Suryapet) by adding a new production line unit.

4 Capital-wise value creation

In this section

We take a multifaceted approach to creating value for our stakeholders by leveraging six capitals focusing on sustainability, community engagement and environmental stewardship. We view each capital relative to its impact on the UN Sustainable Development Goals (SDGs).

Financial capital

Through prudent financial management, RAIN has consistently sustained growth and ensured financial stability over an extended period, even when facing uncertainties such as inflation, energy shortages and supply disruptions.

Focus areas

- Growth
- Margins and efficiency
- Financial stability
- Capex

Stakeholders impacted

- Investors and shareholders
- Governments and regulatory bodies
- Employees
- Vendors and suppliers

UN SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

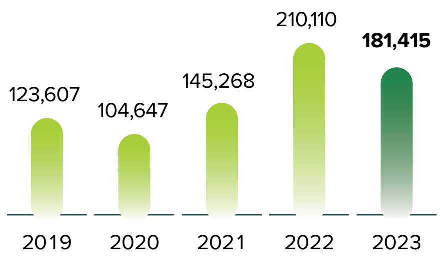
Growth

Our growth strategy centres around efficient inventory management and maximising plant capacity utilisation. We carefully manage inventories to minimise tied-up working capital while ensuring timely product delivery. Additionally, we focus on enhancing plant efficiency to improve overall financial performance.

Revenue

(₹ in Mn)

181,415



Margins and efficiency

In response to ongoing challenges, including high energy prices, global instability and elevated inflation rates, we implement targeted cost-saving measures and operational efficiency improvements.

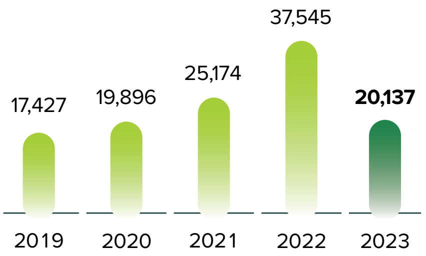
We adopt strategies to maintain profitability, particularly within our Carbon and Advanced Materials segments, where margins may face pressure due to industry cyclicality. These measures span procurement, production and distribution to navigate market fluctuations effectively.

Financial capital

Operating profit

(₹ in Mn)

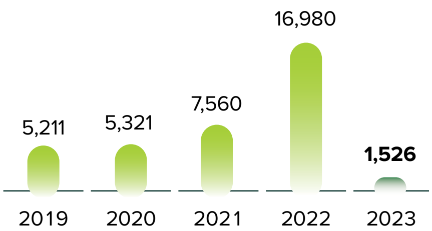
20,137



Profit after tax

(₹ in Mn)

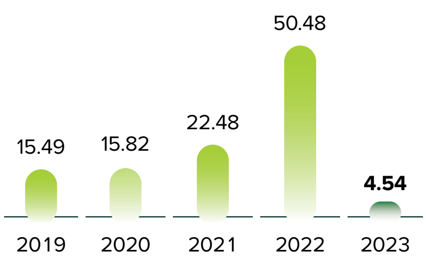
1,526



Earnings per share

(₹)

4.54



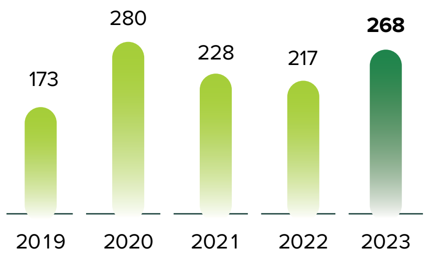
Financial stability

Effective cash flow management is central to maintaining financial stability at RAIN. We prioritise inventory optimisation to prevent excess working capital usage, ensuring liquidity for essential operations. Additionally, we manage receivables and payables diligently, ensuring timely payments while managing supplier relationships. This approach strengthens our financial foundation regardless of market fluctuations.

Cash and cash equivalents

(US$ in Mn)

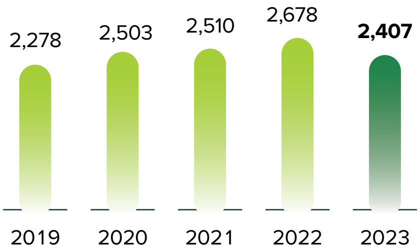
268



Total assets

(US$ in Mn)

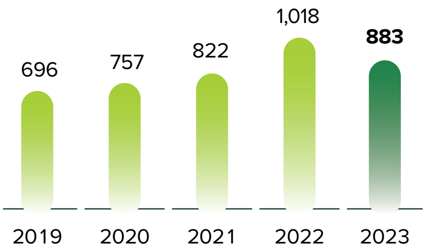
2,407



Net worth

(US$ in Mn)

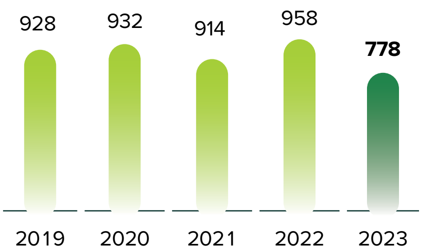
883



Net debt

(US$ in Mn)

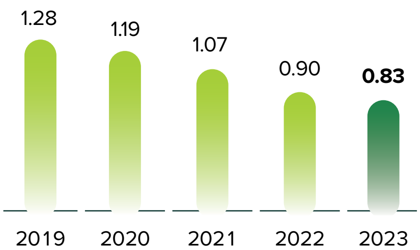
778



Net debt to net worth

(in multiples)

0.83



Capex

We take a prudent approach to capital expenditure, seeking to maximise returns on existing investments while allocating resources strategically for future growth. While optimising current assets remains a priority, our research and development teams continue driving innovation to enhance product offerings and production efficiencies. This balanced approach ensures sustained value creation while mitigating risks associated with new large-scale projects.

Manufactured capital

With a focus on operational excellence, our efforts have significantly improved operational efficiency, ensured a stable supply of raw materials and enhanced product quality across our facilities, driving growth and innovation.

Focus areas

- Improving yield and efficiency
- Capacity utilisation and enhancement
- Supply chain security
- Enhancing product quality

Stakeholders impacted

- Customers
- Employees
- Investors and shareholders

UN SDGs impacted

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Improving yield and efficiency

We see tangible results from adopting new technologies to optimise our Carbon segment's calcination kilns, which significantly enhances operational efficiency. This initiative is our prime opportunity for efficiency improvement, focusing on maximising the conversion of GPC into CPC. Our primary goal is to increase the yield of CPC production from GPC conversion, driving operational efficiency and profitability. By optimising this process, we are reducing production costs and minimising carbon emissions, transforming a more significant portion of our solid-carbon raw material into a finished product.

Concurrently, efforts are underway to enhance capacity, lower costs and maximise the reliability of our Carbon segment's calcination, ensuring seamless operations and consistent output.

Capacity utilisation and enhancement

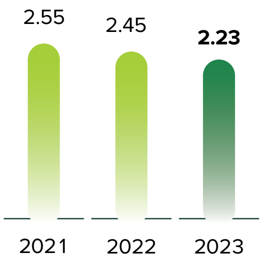
In 2023, we improved capacity utilisation at our Carbon segment's newest shaft calciner plant in India. While we have no planned major capex projects for 2024, recent changes in import restrictions in India should enable higher capacity utilisation rates for our new shaft calciner and existing calcination plants in India and the USA. Despite operating at partial capacity in 2023, our new shaft calciner became a qualified CPC supplier at multiple world-class aluminium smelters. Thus, we anticipate increased CPC production from this new calciner to meet global market demand.

Manufactured capital

Carbon

Production volume (in Mn MT)

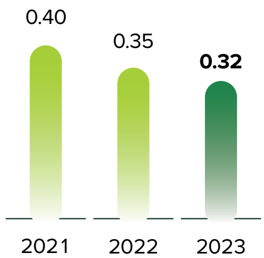
2.23



Advanced Materials

Production volume (in Mn MT)

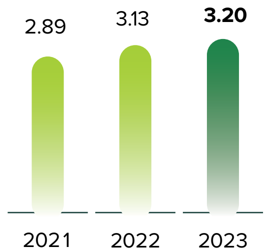
0.32



Cement

Production volume (in Mn MT)

3.20



Supply chain security

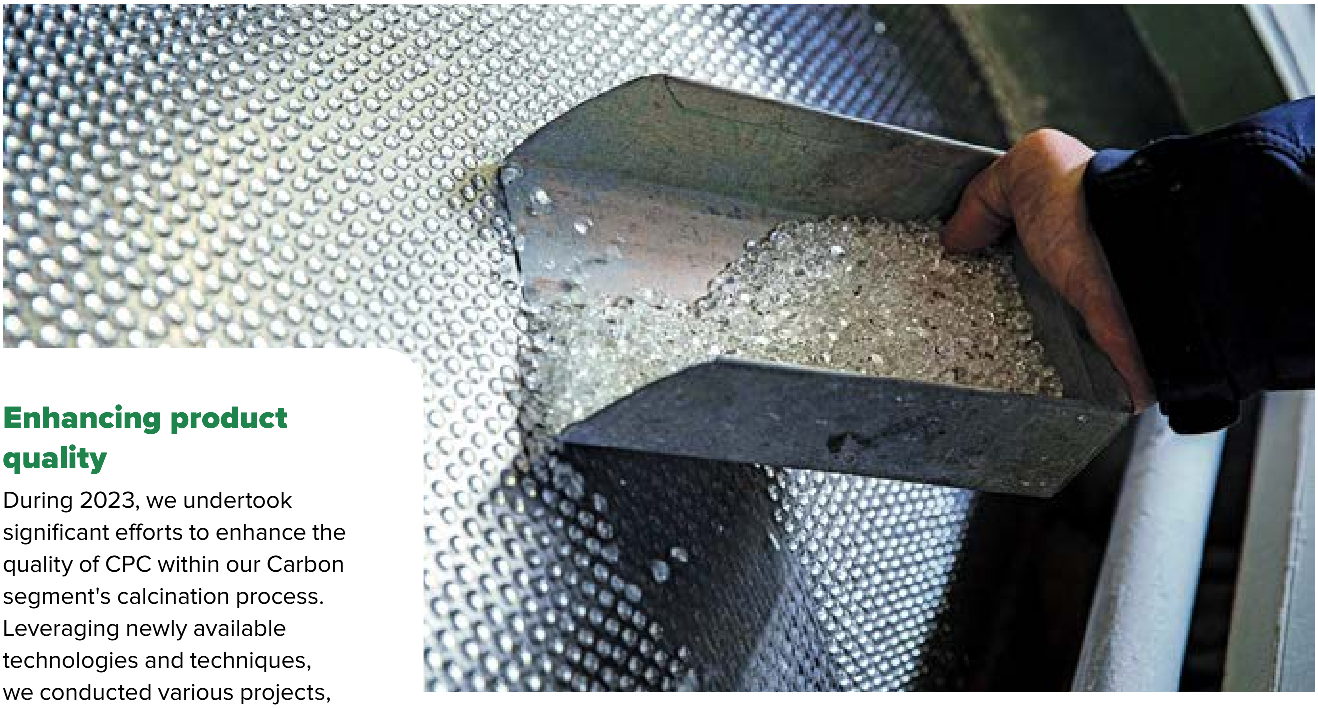
Refinery capacity worldwide has rebounded from the operational downturn during the COVID-19 pandemic, leading to an improvement in the GPC supply balance.

Supplier relationships and dynamics

We maintain robust relationships with GPC suppliers globally, enabling our Carbon segment to access a diverse range of GPC qualities that are economically and logistically efficient for our global calcination locations. Our Carbon segment's facilities in the USA primarily rely on domestically sourced GPC, while its Indian facilities predominantly utilise imported GPC.

Supply strategy and diversification

A blend of term GPC supply agreements and enduring partnerships with suppliers ensures consistent access to essential raw materials, fostering reliability in our operations. Integrating marginal-quality and lower-cost GPC into our raw material supply portfolio enhances cost efficiency and expands our global basket of GPC sources, bolstering sustainability and resilience.



Enhancing product quality

During 2023, we undertook significant efforts to enhance the quality of CPC within our Carbon segment's calcination process. Leveraging newly available technologies and techniques, we conducted various projects, trials, and studies to ensure optimal performance.

Monitoring process stability

A notable development was the successful creation of online CO_2 emissions analysers, providing real-time emissions data. This tool not only aids in monitoring process stability but also allows us to correlate CO_2 emissions with the yields of our Carbon segment's calcination kilns.

Raw material quality and process efficiency

Understanding the impact of various aspects of GPC raw material quality on process efficiency is vital. These insights significantly influence our plant maintenance needs, ensuring smooth operations and consistent output.

Unique combination of capabilities

Our globally unique combination of Carbon segment's combination of calcination (CPC production) and distillation (CTP production) capabilities have allowed us to carve a niche in this segment. This unique synergy enables RAIN to offer comprehensive CPC and CPC solutions to our customers producing aluminium anodes for these essential raw materials.

Research and development insights

Our in-house expertise, complemented by world-class laboratory and pilot facilities, provides our R&D team unparalleled technical insights. In 2023, we conducted in-house pilot anode studies on both shaft-calcined CPC and our proprietary ACP product, quantifying their beneficial impacts on anode densities.

Customer satisfaction and knowledge sharing

We shared the results and knowledge gained from these studies with our customers, who have expressed satisfaction with the improvements in anode density and performance, particularly those utilising our shaft CPC.

Intellectual capital

RAIN continues to harness its knowledge, expertise, innovation capabilities, and proprietary technologies and processes to maintain its distinctive standing in the industries it serves. Throughout the year, we have diligently utilised these strengths to spearhead innovative initiatives aimed at fostering a cleaner and more sustainable future.

Focus areas

- Product development
- Digital transformation

Stakeholders impacted

- Customers
- Employees

UN SDGs impacted

Product development

In 2023, we achieved significant milestones in product development, marking exciting progress across our diverse portfolio. Notably, two leading global aluminium groups began industrial-scale tests of our proprietary calcined anhydrous carbon pellets (ACP), showcasing the growing recognition of our innovative solutions. The following are some key developments made in 2023 across the three segment:

Carbon segment

The introduction of new high-density shaft CPC products gained widespread market acceptance throughout the year, serving as a strong indicator of positive prospects. We also enhanced our operational effectiveness through investment in digitalisation and energy efficiency initiatives.

Advanced Materials segment

We made significant strides by introducing multiple new products characterised by cleaner and greener attributes. These innovations featured higher purity, lower carbon footprints and incorporated bio-based raw materials, aligning with our commitment to environmentally conscious practices.

Cement segment

We surpassed previous records for clinker production levels at our cement plants. A record-breaking amount of green electricity was generated from our waste heat and solar power production sites, demonstrating a robust commitment to sustainability.

Intellectual capital

Digital transformation in operations: Energy monitoring systems

Four USA Carbon segment calcination sites completed the installation of online energy monitoring systems, providing real-time data on energy usage and breakdowns. This digitalisation initiative enables us to quantify the impact of energy reduction projects, with an anticipated total energy use reduction of over 10% in the next three years.

Process digitalisation

Our production data-mining software, Trendminer, underwent upgrades to enhance user-friendliness. This improvement, combined with the upgrading of our iHistorian database, facilitated real-time monitoring of kiln CPC yields, CO_2 emissions concentrations and flow rates.

Additionally, we initiated a project to explore the use of artificial intelligence (AI) to enhance performance parameters at one USA Carbon segment plant as part of an AI pilot programme.

Operational efficiency enhancements

Digitalisation efforts extended to some of our Carbon segment's production operation and maintenance areas. An online continuous monitoring system at the Lake Charles plant replaced manual quarterly visits to monitor turbine generator unit conditions, enabling 24/7 remote monitoring.

Similar advancements were made at Gramercy and Norco plants, transitioning from bi-monthly physical monitoring to online monitoring using cloud-based technology.

Digital transformation in Human Resources (HR): SAP-SuccessFactors implementation

We launched the SAP-SuccessFactors Performance Evaluation module and expanded the Learning Management System module, facilitating global employee performance insights and enhancing talent development strategies.

In 2024, we plan to implement SAP-SuccessFactors systems further to enhance efficiency and decision-making capabilities. These initiatives align with our commitment to innovation and sustainability, driving continuous improvement across all facets of our operations.

Digital transformation in safety: EHS Insights implementation

We implemented EHS Insights, a digital hazard tracking and document retention system, starting at US sites in 2023. This system facilitates hazard identification, review and scheduling of corrective actions, enhancing safety protocols. We will roll out EHS Insights globally in 2024, enabling real-time tracking of hazard metrics and progress on corrective actions.

Human capital

In our relentless pursuit of excellence, we continue to prioritise developing and empowering our human capital. We have carefully designed our strategic focus areas to enhance employee growth and contribute to our overarching business goals.

Focus areas

- Unified culture
- Health and safety
- Training and development
- Employee engagement and satisfaction
- Diversity and inclusion

Stakeholders impacted

- Employees

UN SDGs impacted

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

Unified culture

In pursuing a performance-oriented 'One RAIN' culture globally, we invested in leadership development programmes, upgraded HR technology platforms and conducted a global review of our HR capabilities. Our leadership development programmes aim to enhance competencies, align culture and build networks among leaders. HR technology investments enable effective automation, employee access to information and global process alignment. Additionally, our HR department conducted a global review in 2023, improving employee onboarding and engagement.

Health and safety

Our safety culture emphasises a top-down decision-making approach. Employee feedback and involvement remain crucial, complemented by increased management engagement through proactive inspections, improved communication pre- and post-incidents/injuries, enhanced tracking of Safety, Health and Environmental (SHE) statistics, heightened preventative maintenance and a commitment to avoiding situations where employees perform non-routine or unfamiliar tasks.

We put a strong emphasis on employee health and safety. In 2023, we strengthened our safety practices by implementing the SAP-SuccessFactors Learning Management System. This initiative facilitated a global launch of robust safety programmes, ensuring a secure working environment and agile business operations.

Human capital

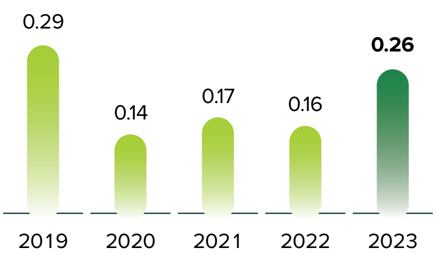
Quest for Zero

In our pursuit of safety excellence, our Carbon and Advanced Materials segments remained committed to our 'Quest for Zero' SHE initiative in 2023, aiming for incident-free operations. We are proud to report that these segments achieved a remarkable Total Recordable Incident Rate (TRIR) of 0.26 globally, adhering to the United States Occupational Safety and Health Administration (OSHA) guidelines.

This consistent achievement, marking five consecutive years with a TRIR under 0.3 reflects the steadfast dedication of our employees. Embracing safety programmes like our Life-Saving Rules, 'See it, find it, report it', and Safety First 2.0, we have positioned ourselves as leaders in safety performance within the industry. Notably, this sustained improvement has prevented around 100 recordable injuries since 2018.

Total recordable incident rate (TRIR)*

0.26



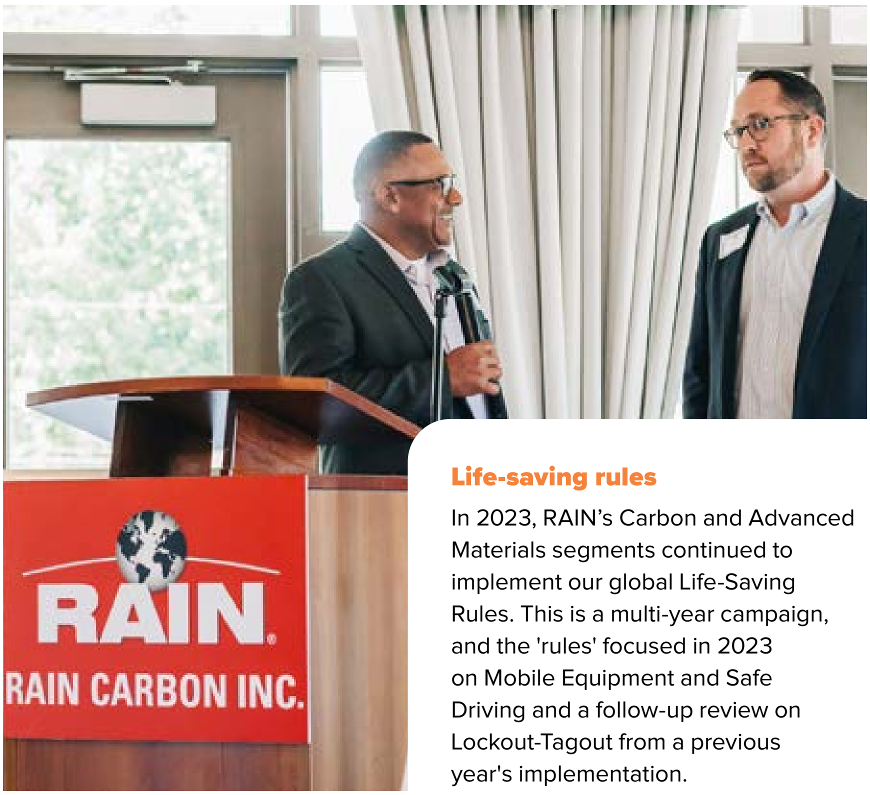
*All values in this chart are for RAIN's Carbon and Advanced Materials segments only. In 2023, RAIN's Cement segment also finalised preparations to track safety performance according to OSHA.

President's Award for Excellence in Safety 2023

In acknowledgement of outstanding safety performance, eight Carbon and Advanced Materials facilities received the prestigious President's Award for Excellence in Safety in 2023. Facilities achieving recordable-free status for varying durations were honoured with Platinum, Gold, Silver and Bronze Medals.

Also, because of this highly successful safety campaign, RAIN's Cement segment has in 2023 begun an in-house OSHA adoption programme with colleagues from the Global SHE teams of our Carbon and Advanced Materials segments. The resulting, full adoption of OSHA practices across all RAIN segments will allow for even greater information sharing and employee safety.

No. of consecutive years without a recordable incident	Award	Facility that received the award
10+ years	Platinum medal	Purvis, USA
5-10 years	Gold medal	Vizag, India I Atchutapuram, India I Gramercy, USA I Robinson, USA
3-5 years	Silver medal	Hamilton, Canada I Kędzierzyn-Koźle, Poland
1-3 years	Bronze medal	Chalmette, USA



Life-saving rules

In 2023, RAIN's Carbon and Advanced Materials segments continued to implement our global Life-Saving Rules. This is a multi-year campaign, and the 'rules' focused in 2023 on Mobile Equipment and Safe Driving and a follow-up review on Lockout-Tagout from a previous year's implementation.

Safety First 2.0

In 2023, we expanded our Safety First 2.0 campaign, originally launched in 2022. To our 'Quest for Zero' initiative to become an incident-free Company. This methodology includes:

- Mandatory safety walks at production facilities by managers and employees to identify processes and procedures where things could go wrong or mistakes could be made.
- In-person semi-annual meetings with all in-house contractors that must result in the identification of at least five safety improvements.
- Improving the Management of Change (MOC) system.
- Mandatory refresher training following any high-level incidents or injuries will automatically trigger a refresher training.
- Roll out of hazard-identification training with annual refresher courses.
- Development of a monthly key performance indicator (KPI) to track issuance and execution of preventative-maintenance items.

Progress in 2023

Each year, we remain dedicated to enhancing our programme by introducing new initiatives and refining existing ones. In 2023, we launched the global implementation of our innovative 'EHS Insights' digitalisation platform in the USA as part of our Safety First 2.0 initiative. This platform aimed to enhance reporting, safety form retention and metric tracking. The pilot phase in the USA has already yielded promising results, with the EHS Insights programme streamlining paperwork and software requirements, thereby enhancing efficiency and communication within our Company.

Training and development

At RAIN, our commitment to employee growth extends beyond the basics. Our training initiatives aim to cultivate a well-rounded workforce, focusing on safety and essential skills such as communication, team building, presentation and negotiation. We believe in providing a holistic development experience that equips our employees for success in every aspect of their professional journey. In today's digital landscape, we understand the critical importance of cybersecurity. Leveraging the global 'KnowBe4' platform, we offer in-depth training to all employees, ensuring they are well-prepared to handle the ever-evolving cybersecurity challenges.

Our commitment does not stop at training; it extends to maintaining open communication channels. Through regular webinars, bulletins, threat alerts and the sharing of security metrics, we keep our team engaged and informed, actively addressing cybersecurity threats.

Leadership and technical skill enhancement

We invest in honing our employees' leadership and technical skills through customised programmes, mentorship and training. This approach equips our employees to drive innovation and contribute to our ongoing success.

Employee engagement and satisfaction

We are dedicated to fostering a work environment that values and supports our team, ensuring they feel appreciated, motivated and fulfilled. Our initiatives enhance employee engagement and satisfaction, creating a positive and productive workplace.

Diversity and inclusion

RAIN is committed to fostering a diverse and inclusive workplace where all individuals, regardless of their background, are valued, respected and provided with equal opportunities. We believe that diversity and inclusion enrich our organisation, driving innovation, collaboration and sustainable growth.

13.8%

Women employees

Social and relationship capital

Social and relationship capital is a pillar of our commitment to building sustainable bonds with our stakeholders. This fundamental aspect of our corporate philosophy encompasses a wide array of initiatives to foster strong relationships, promote social well-being and contribute to the greater good of the communities in which we operate.

Focus areas

- Customer engagement and satisfaction
- Community development
- Vendor and supplier management

Stakeholders impacted

- Customers
- Suppliers and partners
- Communities

UN SDGs impacted

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES

Customer engagement and satisfaction

Customer satisfaction and a firm commitment to social responsibility have driven our Company's progress. We understand that our customers' needs and satisfaction are integral to our success. Moreover, our deep-rooted belief in social responsibility motivates us to extend our support to the communities in which we operate.

Carbon: Forging trusted partnerships

In the Carbon segment, our enduring relationships with global leaders in aluminium and TiO_2 production attest to our reputation as a reliable CPC supplier. We have proudly maintained an ISO 9001-certified quality-management system since 1991, further solidifying our commitment to excellence.

Advanced Materials: Nurturing client relationships

Our Advanced Materials segment constantly nurtures customer relationships through personalised interactions, training seminars, collaborative projects and a robust presence on social media. We also conduct regular customer satisfaction surveys, ensuring our offerings meet their evolving needs.

Cement: Strengthening accessibility

As a prominent cement supplier across various Indian states, we continue expanding our construction industry footprint. We have rolled out new services to enhance product accessibility, aiding small-scale distributors and dealers. The 'Garuda' and 'Free Door-Delivery Service (FDDS)' initiatives ensure that our products reach the hands of those who need them, even in areas with limited storage capacity.

Social and relationship capital

Community development: A commitment to social welfare

RAIN's commitment to corporate social responsibility extends to community welfare. We have initiated a range of programmes that focus on healthcare, education and rural development in the communities surrounding our operations. Our CSR efforts cater to the specific needs of each region, with dedicated CSR organisations in India and Europe, and partnerships with non-profit organisations in North America.

CSR activities in India

Facilitating primary healthcare access

Our CSR wing, Pragnya Priya Foundation, operates vital outpatient clinics in remote Andhra Pradesh and Telangana regions. Some of these clinics serve areas with no other medical facilities within a 20-mile radius. Equipped with advanced laboratories and medical equipment, our clinics offer essential treatments and consultations to ensure improved healthcare access in these regions.

These clinics hold accreditation from the National Accreditation Board for Hospitals & Healthcare Providers (NABH), ensuring high-quality care and contributing to improved healthcare access in underserved communities.

102,175

Patients treated in 2023 at Pragnya Priya Foundation clinics

Transforming lives through quality education

Moreover, through the Pragnya Priya Foundation, we are dedicated to advancing education in rural India by operating three schools. These institutions serve as vital hubs, offering quality education to empower students in communities with limited learning resources. Our focus is on fostering an environment that cultivates growth and unlocks the full potential of every individual.

2,458

Students enrolled in Pragnya Priya Foundation schools

CSR activities in North America

Empowering local communities through 'Habitat for Humanity' project

In North America, our commitment to corporate social responsibility extends beyond financial contributions. Our employees actively engage in hands-on initiatives, including stocking local food bank shelves, participating in Habitat for Humanity projects and supporting local schools with various events.

Whether building homes for low-income families or assisting with holiday events, our employees catalyse positive change in their communities. Furthermore, their generous financial contributions to local United Way chapters support diverse initiatives benefiting those in need.

CSR activities in Europe

Promoting education and innovation

The RÜTGERS Foundation in Germany is committed to making a positive impact on education, science and social issues. Through targeted financial support, the foundation fosters educational initiatives and research projects, particularly benefiting disadvantaged groups.

In 2023, the foundation funded thirty school projects with a €75,000, contributing to sustainable educational opportunities. Additionally, two students at Bochum University of Applied Sciences were awarded scholarships in the subject of sustainable development.

The Foundation's strategic focus and collaborative partnerships, including the 'Deutschlandstipendium' scholarship, further enhance the quality of studies and promote science and education.

30

School projects funded in Germany with €75,000 in 2023

Vendor and supplier management: Streamlining the supply chain

The strength of our supply chain lies in the coordination of in-house teams of specialists across India, Europe and North America. Our robust supply chain, bolstered by data analytics, offers insights to improve efficiency, reduce logistics costs and enhance sustainability. With flexible facilities and diverse modes of transportation, including pipelines, trains, trucks, barges and ships, we prioritise sustainability by reducing our carbon footprint through fully loaded vehicles and strategic partnerships with key vehicle suppliers. In this journey, we aim to create a sustainable supply chain that benefits our business and the environment.

Initiatives undertaken in 2023

In pursuit of a more standardised approach, our organisation is committed to aligning supplier assessments with national and global regulations. This approach ensures a consistent evaluation process that addresses environmental impact, safety considerations and regulatory compliance across all legal entities.

USA

In 2023, we established a supplier code of conduct for our USA business. This code serves as a guideline for ethical and sustainable business practices.

Germany

We conduct an annual performance assessment of selected suppliers in Germany. This assessment evaluates various aspects, including the implementation of environmental or energy management systems.

Terms and conditions are clearly defined to include specific requirements for suppliers, such as the payment of minimum wages, compliance with other applicable regulations, among others. This mechanism contributes to ethical business practices and social sustainability within the supply chain.

Natural capital

As we confront global challenges such as climate change, resource scarcity, pollution and waste, our dedication to conducting business in an environmentally and socially responsible manner remains steadfast. Our natural capital's strategic focus areas highlight our efforts to use natural resources efficiently and reduce our environmental impact.

Focus areas

- Energy management
- Emissions control
- Water management
- Waste management

Stakeholders impacted

- Employees
- Communities
- Vendors and suppliers
- Government and regulatory authorities

UN SDGs impacted

3 GOOD HEALTH AND WELL-BEING
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

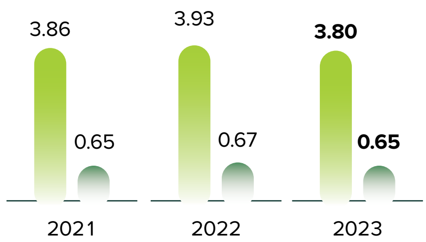
Energy management

In 2023, we continued our efforts to systematically identify energy efficiency opportunities and implement improvement measures systematically. We emphasised optimising steam production and consumption, expanding solar power capacities and deploying LED lighting solutions, among other initiatives.

Optimising steam generation and consumption

- **Castrop-Rauxel, Germany:** Conducted comprehensive steam pipeline overhaul, including reducing pressure, removing unnecessary pipes and installing Venturi steam traps, resulting in a 21.0 GWh reduction in natural gas consumption.
- **Hamilton, Canada:** Upgraded condensate return manifolds and steam tracing lines to improve condensate recycle rates, reducing steam and natural gas consumption and GHG emissions.
- **Zelzate, Belgium:** Implemented steam-related measures such as installing an economiser for a steam boiler and enhancing condensate recuperation systems.

Energy input

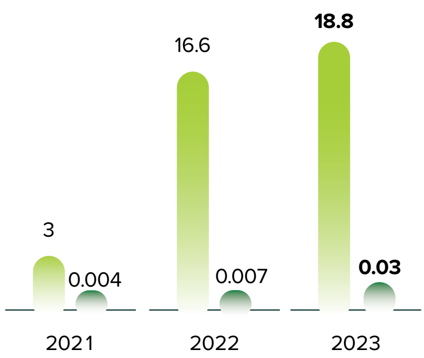


Natural capital

Expanding solar capacity

In 2023, we expanded our solar capacities at key sites in our commitment to sustainability. At our Belgium site, 40 kW of photovoltaic panels were added, while in India, solar farm capacities at cement plants increased by 2.2 MW, totalling 18.8 MW.

Solar capacity



■ Total solar power capacity (MW)
■ Power generated during the year (Mn MWh)

Waste heat recovery systems

Over the years, we have prioritised emissions reduction through waste heat recovery systems, maximising energy efficiency and minimising reliance on external sources. Our Carbon and Advanced Materials segments generated 0.91 Mn MWh of energy from waste heat recovery, resulting in the avoidance of 0.31 Mn MT CO_2e of CO_2 emissions across both business segments.

Our cement segment generated 0.07 Mn MWh energy from waste heat recovery (WHR) and avoided 0.082 Mn MT CO_2e.

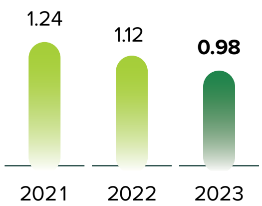
In 2023, our Canadian site implemented an advanced pitch cooler system, replacing natural gas-based heating with a new heat recovery method. This upgrade offers savings potential of 3,000 MWh per annum, equivalent to 510 tonnes of CO_2 emissions.

This investment showcases our commitment to reducing our carbon footprint and enhancing energy efficiency across operations.

Energy generated from waste heat recovery*

(Mn MWh)

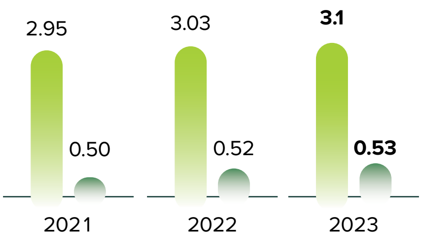
0.98



*Based on electricity and steam generation at waste heat recovery processes in 11 sites globally, we calculated the extent of emissions avoided from generated megawatts, emission factors of local electricity grids, combustion of natural gas and respective efficiency factors.

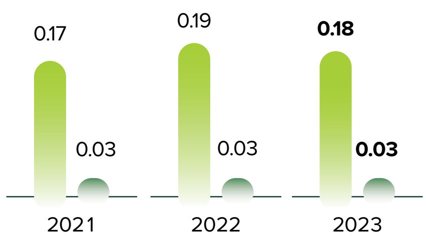
GHG emissions

Scope 1



■ Absolute (Mn MT CO_2e)

Scope 2



■ Specific MT CO_2e/MT product

Additional energy efficiency measures

We implemented various efficiency enhancements across sites, including replacing outdated equipment with modern, energy-efficient alternatives such as air compressors, pumps and energy monitoring systems.

- **Global:** Continued the transition to LED lighting across all sites, contributing to energy efficiency and reduced emissions.
- **India Carbon segment calcination facility:** Reduced plant air header pressure, resulting in a daily power reduction of 600 kWh. Additionally, adjustments to cooling fans of main power transformer and unit auxiliary transformer during low load periods led to a further reduction of 18,000 kWh in 2023.

Emissions control

In line with our ongoing efforts to control emissions, several of our sites focused on further reducing our nitrogen oxides (NO_x) footprint in 2023.

Castrop-Rauxel site

Our Castrop-Rauxel site further progressed with upgrading heating technology for the continuous coal tar distillation plant. We have substantially reduced NO_x emissions by replacing the existing gas burner with a more efficient model.

Zelzate site

In 2023, our Zelzate site installed a cutting-edge de-NO_x unit on the BTX incinerator, designed to remove NO_x from the exhaust gas stream.

This installation has led to a remarkable reduction of NO_x emissions by over 90% at the BTX plant. Additionally, low NO_x furnaces were installed in two other plants to enhance emission control measures.

Hamilton site

In 2023, the Hamilton site finalised the planning for its installation of state-of-the-art natural gas burners. This initiative is poised to significantly lower NO_x emissions, reinforcing our commitment to environmental sustainability.

Carbon footprint studies of products and sites

In 2023, we continued our commitment to systematic Product Carbon Footprint (PCF) assessments, focusing on products within the Carbon and Advanced Materials segments.

Key achievements in 2023

Significant milestones in 2023 included the PCF calculations for Phthalic Anhydride, reassessment of carbon calcination processes and a analysis of the NOVARES® portfolio.

Natural capital

Water management

In 2023, our Carbon and Advanced Materials segment sites in Europe and Canada increased their efforts to reduce net water consumption and wastewater volumes.

While water recycling has long been practiced at our Indian sites, our facilities in Europe and Canada implemented various water-related initiatives to enhance sustainability.

Canada facility modernisation

At our Hamilton facility, we commenced the modernisation of the reverse osmosis unit following the stormwater treatment unit. By recycling rainwater, we aim to decrease wastewater discharged to the city sewers. Additionally, enhancing the recycling rates of boiler feed water will reduce blowdown and lower steam consumption.

Testing reverse osmosis technology

Our site in Zelzate, Belgium initiated testing of reverse osmosis technology for wastewater treatment. This initiative aims to convert municipal wastewater from the Zelzate city wastewater treatment centre into reverse osmosis water.

9,000 m^3

Potential freshwater savings following the implementation of reverse osmosis technology at Zelzate site

Waste management

In 2023, we implemented several initiatives to enhance resource efficiency and reduce waste generation across our sites.

Castrop-Rauxel, Germany

The Castrop-Rauxel site achieved significant wastewater reduction by implementing a pre-filtration process, among other measures. This proactive approach contributes to minimising environmental impact and optimising resource utilisation.

Zelzate, Belgium

In 2023, the Zelzate site completed pre-tests with a tar centrifuge, a crucial step towards installing the centrifuge for removing tar sediments from storage tanks without emissions. This advancement underscores our commitment to responsible waste management practices.

Hamilton, Canada

At the Hamilton site, we implemented stringent product waste management for truck unloading, focusing on reducing tar disposed of as hazardous waste. In 2023, waste from this source decreased by 27.75 tonnes compared to the 2022 amount of 111 tonnes, achieving a 25% reduction.

This approach emphasises waste avoidance and recycling back to tar whenever possible. Going forward, we aim to install a new recycling system in 2024 to enhance waste reduction efforts.

27.75 tonnes

Reduction of hazardous waste from truck unloading processes

Norco, USA

Our Norco site obtained approval for a new beneficial use plan for scrubbed spent lime material. The identified beneficial use sites will receive this material, aligning with our commitment to sustainable waste management practices.

Furthermore, plans are in place to apply for 'Best Management Practices' approval from the Louisiana Department of Agriculture and Forestry in 2024, facilitating the utilisation of spent lime on agricultural land.

5 Governance

In this section

Through a robust governance framework and ethical business practices, we ensure sound decision-making, safeguard stakeholder interests and foster a culture of integrity and effective risk management.

Corporate culture and ethics

Effective leadership and governance are the cornerstones of our business and strategy to drive sustained growth. Rain Industries Limited's Board of Directors ensures effective organisational governance, upholding the highest standards of corporate governance.

In addition, we ensure complete adherence to appropriate and relevant industry norms, organisational policies, codes of conduct and internal control systems.

Our governance philosophy

At our core, we are committed to meeting the aspirations of all our stakeholders, and we believe that operating our business on the principles of transparency, integrity and accountability are critical drivers of business growth while creating sustained value for stakeholders. While structured as a group of entities, we function as a single unit aligned with our collective purpose.

Ethics and compliance

Our Board oversees the administration of RAIN's Code of Business Conduct and Ethics (the ‘Code of Conduct’), which applies to all Directors, officers and employees of Rain Industries Limited and its subsidiaries (collectively, 'RAIN') The Code of Conduct reflects the RAIN's commitment to doing business with integrity and provides a general roadmap for the directors, officers and employees to follow as they perform their day-to-day responsibilities.

We comply with applicable laws, regulations, codes, policies and the highest ethical standards. As our industry evolves, our values continue to serve as the pillar through which we express who we are and what we believe in.

A culture of integrity is critical to achieving sustainable growth. High levels of trust and a strong business reputation, make it easier to attract and retain talented people, customers and suppliers, forge productive relationships in our local communities, and pave the way for confidently entering new markets. Compliance is an essential element of our culture of integrity, requiring responsible conduct by all employees, directors and third-party business partners in accordance with all applicable laws, internal codes and policies.

Code of conduct

The fundamental standards that staff members must adhere to are outlined in the Company's Code of Conduct. Additionally, we have a strong integrity and compliance programme that involves educating and training employees on the Code of Conduct. The programme helps employees to be familiar with the leadership expectations on behaviours and compliance, legal requirements, how to avoid conflicts of interest, how to provide a safe and healthy workplace, how to protect our property and information, how to make the best use of information technology resources, and how to report any suspected unethical or illegal behaviour without fear of retaliation.

To ensure that our people understand and abide by the Code of Conduct, we take confirmation from all our employees on an annual basis. Furthermore, we undertake assessments on the implementation and effectiveness of the code.

Whistle-blower policy

Our Company has established a whistle-blower policy, which is approved by the Board for Rain Industries Limited and its subsidiaries. Through the whistle-blower policy, we have established a formal vigil mechanism for the Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

The whistle-blower policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All employees of our Company are covered under the whistle-blower policy.

Greater focus on ESG issues

ESG issues, aligned with our stakeholders' needs, are a crucial priority for the Board of Directors. Our Board has been increasingly emphasising the need to adopt best-in-class ESG practices across the organisation. We are continuously mapping our performance against our peers and have a host of initiatives planned over the short and medium terms.

Governance framework

Governance structure

Our corporate governance framework includes rules and guidelines that support accountability, competence, and transparency. The structures are established in the best interests of our Company and our stakeholders, supporting effective and ethical leadership, responsible business practices, and sustainability. The governance structures enable the Board to exercise effective control while allowing for the delegation of authority. We evaluate these aspects frequently.

At the apex are the Board of Directors and various committees. The Board plays a vital role in the oversight and management of the RAIN and exercises independent judgment in overseeing management performance on behalf of shareholders and other stakeholders. It is chaired by an Independent Director, and the Board is responsible for overall strategy development, alliances, leadership development, international opportunities, strengthening governance practices and enhancing brand value, along with our global image and reputation. Our governance structure helps in clearly determining the responsibilities of each business entity and entrusts them with powers that help fulfil those responsibilities most effectively. It also allows us to retain our organisational DNA while facilitating effective delegation of authority and empowerment at all levels.

A well-balanced Board

The Board comprises a mix of Executive and Independent Directors with experience in construction, manufacturing, finance and capital markets, among other industries. These Directors bring valuable insights to drive business growth.

Independence

57%

Of the Board comprises Independent Directors

Diversity

29%

Of the Board comprises Directors from diverse nationalities outside India

Dynamic and competent

Our Board comprises a skilled and diverse team proficient in leadership, strategy, finance, manufacturing, energy production among others

Board and Board Committees

The Board of Directors is responsible for overseeing our Company's strategic plans, monitoring and evaluating its economic, financial and non-financial performances, electing and evaluating the members of the Executive Board, and deliberating on corporate policies, among others. The committees formed by the Board play an important role in enhancing standards of governance and effectiveness within the Group.

Committee	Responsibilities	Chairperson
Audit	Regularly reviews financial statements, internal audit reports, audit plans, significant findings, adequacy of internal controls, compliance with accounting standards and more.	Mr. Varun Batra
Nomination and Remuneration	Reviews the remuneration of Directors and individuals, who may be appointed to senior management and key managerial positions.	Ms. B. Shanti Sree
Corporate Social Responsibility	Engaged in determining and reviewing CSR expenditure, social projects and their implementation and impact.	Mr. Jagan Mohan Reddy Nellore
Risk Management	Periodically reviews risk assessment and minimisation procedures to ensure that the Executive Management controls risks through a properly defined framework, in addition to reviewing major risks and proposed action plans.	Mr. Jagan Mohan Reddy Nellore
Stakeholder Relationship	Responsible for resolving shareholder grievances.	Mr. N. Sujith Kumar Reddy
Share Transfer	Approves the transmission, splitting and consolidation of shares, as well as the issuance of duplicate share certificates.	Mr. N. Sujith Kumar Reddy

Board of Directors

Mr. Brian Jude McNamara

Chairman of the Board

Mr. Brian Jude McNamara holds a bachelor's degree in economics and philosophy from Bristol University in England and a master's in finance and banking from University College Dublin in Ireland. With 35 years of extensive experience in project finance, corporate finance and investment management, Mr. McNamara has held senior positions at reputable institutions such as the International Finance Corporation (IFC) and Citibank N.A. His expertise spans investment strategy, business development, and financial structuring across various sectors and markets. As an Independent Director on the Board of our Company, Mr. McNamara brings a wealth of knowledge and expertise. His strategic insights and guidance contribute significantly to our Company's long-term growth and sustainability.

Mr. N. Radhakrishna Reddy

Managing Director

With over 54 years of hands-on experience in the construction and cement industries, Mr. N. Radhakrishna Reddy has been a Director of the Company since 1984. Mr. Reddy's extensive tenure has given him with invaluable insights into industry dynamics, market trends and operational strategies. Mr. Reddy plays a pivotal role in shaping the organisation's strategic direction, leveraging his wealth of experience. His visionary leadership and astute decision-making have been instrumental in driving our Company's growth and success over the years.

Mr. Jagan Mohan Reddy Nellore

Vice Chairman &
Non-Executive Director

C C

Mr. Jagan Mohan Reddy Nellore is the visionary founder of Rain CII Carbon (Vizag) Limited. Under his leadership, our Company has successfully integrated acquired entities and emerged as a global leader in industrial carbon production. Serving as CEO of Rain Carbon Inc., Mr. Nellore provides strategic direction and oversees RAIN's global operations. His innovative approach and commitment to excellence have driven our Company's expansion and success.

Mr. N. Sujith Kumar Reddy

Non-Executive Director

C C

With over 32 years of experience in manufacturing and the construction industry, Mr. N. Sujith Kumar Reddy brings a wealth of expertise to his role as the Managing Director of Rain Cements Limited. His deep understanding of industry dynamics and market trends has been instrumental in guiding our Company's growth and development. Mr. Reddy's strategic vision and leadership have played a crucial role in positioning RAIN's Cement segment as a leading player in the industry. Under his stewardship, our Company has achieved significant milestones and expanded its presence in the market.

Committee

Audit

Nomination and Remuneration

Corporate Social Responsibility

Risk Management

Stakeholder Relationship

Share Transfer

© Chairperson

Mr. Varun Batra

Independent Director

C

Mr. Varun Batra is a highly qualified professional with a graduate degree in mathematics from St. Xavier's College, Mumbai, and a post-graduate degree in management from the Indian Institute of Management (IIM), Ahmedabad. With over 33 years of experience in finance, Mr. Batra has held senior positions at renowned institutions such as Baring Private Equity Partners Advisors LLP and Citibank N.A. His expertise spans Private Equity, Corporate Finance & Capital Markets, and Credit & Relationship management. As a Senior Partner at Baring Private Equity Partners Advisors LLP, Mr. Batra plays a key role in driving investment strategies and fostering growth opportunities. His strategic insights and financial acumen are invaluable assets to the Board of Rain Industries Limited.

Ms. B. Shanti Sree

Independent Director

C

Ms. B. Shanti Sree, a seasoned finance professional and fellow member of the Institute of Chartered Accountants of India, serves as a Designated Partner at M/s. Tukaram & Co LLP., Chartered Accountants, Hyderabad. She brings extensive experience, having served as a nominee director on the Board of State Bank of Hyderabad and as a Governing council member of "The AP Tax Bar Association".

Ms. Shanti Sree contributes to the community as a Trustee on the Board of M/s. Pullela Gopichand Badminton Foundation. As an Independent Director, she serves on the boards of Nava Limited, Nava Bharat Energy India Limited, B.N. Rathi Securities Limited, Rain Industries Limited, Rain Cements Limited, and Rain CII Carbon (Vizag) Limited. At Rain Industries Limited, she plays a key role as a Member of the Audit Committee and Chairperson of the Nomination and Remuneration Committee, contributing to governance and strategic decisions.

Mr. Robert Thomas Tonti

Independent Director

Mr. Robert Thomas Tonti has over 41 years of experience, primarily centred on the calcining of petroleum coke and energy production, with experience in oil refining and aluminium smelting. He holds a bachelor of science degree in chemical engineering from Rensselaer Polytechnic Institute, Troy, New York, US and an MBA from the International Institute for Management Development, Lausanne, Switzerland.

Early engineering experience in aluminium smelting and petrochemicals led to Mr. Tonti becoming start-up manager of the then Calciner Industries Inc. for the 1988 acquisition of their calcining plants by private investors. His technical experience in production includes optimising supply chains, logistics and freight movements, raw material quality control, customer service and the design of control systems for calciners. His executive procurement experience includes the purchase and transport of bulk materials (petroleum coke) worldwide, while his executive operations experience includes environmental affairs, negotiation and administration of union labour contracts, and the management of the predecessor company's salaried and hourly personnel at five USA facilities. His executive business development experience includes the creation of steam and power-generation projects, their commercial contracts and governmental and investor-owned utility relations. His executive M&A experience includes acquisition, staffing and restarting of facilities.

Risk management

Our business is exposed to various risks since we operate globally and in a dynamic external environment. To proactively identify and manage key risks while achieving our strategic goals, we have a multi-layered risk management system, as well as a governance and internal control frameworks in place.

Holistic risk assessment

We have a robust methodology to identify risks at the individual business level, both for existing operations and ongoing projects. Each week, we conduct business-level meetings to review the risks identified, their impact and the mitigation measures. Each business division of the RAIN has developed its own risk management procedure, which is reviewed by the Risk Management Committee.

Risk management framework

Our risk management framework ensures a clear and consistent approach to identifying and reporting risks across operational, regulatory, business, financial and personnel domains. We also identify opportunities within identified risks and allocate resources effectively to achieve our strategic objectives and maintain a competitive edge.

Board-level risk management

The Board, supported by the Risk Management Committee and Audit Committee, devises a focused risk strategy and mitigation plan that considers potential risk sources. These committees identify and evaluate shifts in risk exposure, review risk controls and authorise corrective actions.

Audit committee

The Audit Committee comprises diverse Directors who oversee risk management and internal controls. It reviews risk management during quarterly financial evaluations, aligning it with our Company's strategic objectives.

Risk management committee

The Risk Management Committee developed a Risk Management Policy to address daily operational risks. Business segment CEOs meet weekly to discuss risk identification and mitigation. The Committee updates risks as needed and reviews risk communication and policy in line with industry changes.

Management and operation-level team

The department heads manage risks within their departments, identifying key risks to the Group and developing response strategies reported to the Risk Management Committee. Senior managers establish clear roles and responsibilities from the beginning. Weekly meetings engage all ground-level workers to identify and discuss mitigation strategies for internal and external risks. The Risk Management Committee regularly reviews the Risk Management Policy to adapt to industry changes and assess the roles of risk officers and risk champions.

Internal control systems and their adequacy

Efficient internal controls ensure rapid risk communication to relevant teams. The framework aims for a comprehensive risk assessment and management approach. It integrates financial controls within our SAP system. Internal auditors continuously assess internal controls and risk communication. The Audit Committee conducts quarterly reviews, ensuring compliance with laws, regulations and policies. This foundation optimises asset use and facilitates accurate financial reporting.

Key risks and our responses

	Risk type	Our response	Stakeholders impacted
Strategic risks	**Inability to sell higher volumes**	‣ Expand market share and ensure customer retention ‣ Leverage channel financing to provide additional liquidity ‣ Consistent focus on cost optimisation across cycles ‣ Ensure access to critical facilities to secure market penetration ‣ Shift and adapt with customer requirements	
Strategic risks	**Fluctuation in exchange and interest rates**	‣ Board-approved foreign exchange policy ‣ Monitor and, from time to time cover, any foreign exchange open exposure ‣ Ensure borrowings are naturally hedged	
Operational risks	**Environmental protection**	‣ Comply with all applicable norms using the best-in-class technology ‣ Enhance readiness to comply with future norms ‣ Embed the concept of a circular economy in operations ‣ Develop products that are safe and have better environmental performance throughout their life cycles	
Operational risks	**Contamination of GPC and CPC during stevedoring, transit and storage**	‣ Visit refineries, study logistic chains and storage locations ‣ Collaborate with refineries and stevedores to minimise contamination at load port/rake loading ‣ Standardise operating procedures and pre-inspection prior to transit and storage ‣ Monitor load ports ‣ Appoint independent surveyors and train them to take preventive measures, especially for GPC ‣ Change CPC-loading mechanism from coir-mat sling to bin-and-grab ‣ Ensure that the workforce is trained and supervised by surveyors	

Investors and shareholders | Government/regulatory bodies | Vendors and suppliers | Customers | Communities | Employees

Risk management

	Risk type	Our response	Stakeholders impacted
Operational risks	**Decarbonisation policies/threats**	‣ Continue business diversification into areas, such as electric vehicles and upcycling or recycling ‣ Continue to monitor carbon capture, usage and storage development and partnership opportunities ‣ Continue to digitalise carbon emissions monitoring systems and methods, while evaluating and developing greenhouse gas emission reduction strategies	
	Talent management	‣ Deploy people-friendly policies to become a preferred employer ‣ Provide better and more flexible compensation for deserving candidates ‣ Offer opportunities for skill enhancement and career development at all levels ‣ Enhance gender diversity ‣ Deliver platforms for greater interaction between employees and senior leaders ‣ Develop multiple recruitment methods for identifying and selecting the right candidates ‣ Focus on long-term succession planning ‣ Create a positive working environment	
	Information technology	‣ Secure SAP cloud application with a disaster recovery site with high-speed recovery point and recovery time objectives ‣ Follow a stringent change management procedure to make configuration changes for hardware and software ‣ Ensure that authorisations to perform transactions and view reports are governed by the principle of 'Need to Know' and 'Segregation of Duty' ‣ Equip the network infrastructure at all locations with redundancies in case of local failure(s) ‣ Conduct half-yearly review of authorisations by the business team to ensure that sanctity of authorisations is maintained ‣ Utilise the implemented security tools of multi-factor authentication, mandatory employee cyber training and centralised security software updates ‣ Reduce access points to avoid hacking attacks and enhance global cyber-insurance coverage ‣ Use the change management policy to govern creating and changing authorisations	

Investors and shareholders | Government/regulatory bodies | Vendors and suppliers | Customers | Communities | Employees

	Risk type	Our response	Stakeholders impacted
Compliance risks	**Occupational health and safety**	▸ Achieve incident-free safety performance based on detailed action plan initiated under the STOP™ programme of DuPont Sustainable Solutions (DSS) and our new Life-Saving Rules initiative ▸ Train employees by DSS-approved trainers ▸ Provide medical facilities and health insurance for all employees ▸ Ensure compliance with all legal and regulatory requirements	
	Process safety	▸ Ensure that all process-related risks are well described and mitigation activities are implemented and continued ▸ Emphasise proper maintenance to ensure facilities are compliant with the right-to-operate requirements	
	Regulatory compliance	▸ Communicate critical statutory and regulatory developments and key judicial rulings affecting interpretation of important laws to the Board on an ongoing basis ▸ Ensure periodic monitoring of segment-wise compliance ▸ Circulate a compliance calendar ▸ Align corporate performance objectives with regulatory compliance requirements	

Awards and recognitions

Our commitment to excellence has helped us gain various recognitions in innovation, safety and sustainability. By prioritising these areas, we maintain a strong foothold in our industry, with a strong focus on environmental sustainability and social responsibility.

Industry awards

In India, our Nandyal cement plant secured the prestigious 1st prize in the Mines Safety Week conducted by the Mines Safety Association Karnataka (MSAK), Zone II, under the Directorate General of Mines Safety (DGMS).

For our Suryapet plant, we received overall 1st prize at the Mines Environment & Mineral Conservation Week held in March 2023 by Mines Environment & Mineral Conservation Council (MEMC Council) under the aegis of India Bureau of Mines (IBM) – Hyderabad Region. We also received 1st prize in several categories at the Mines Safety Week in December 2023, in safety for sustainability, crusher and conveyor belts, environment, health and skill management and overall performance categories.

Also, in India, our Visakhapatnam Carbon segment's calcination plant was awarded the prestigious award of 'Best Safety Performer for the year 2023' as part of the Industrial Safety Excellence Awards 2023, conducted by CII Andhra Pradesh.

Sustainability awards

In Europe, our sites in Belgium and Germany, serving both Carbon and Advanced Materials segments, have again earned gold medals in the EcoVadis sustainability rating.

In North America, our Carbon segment sites in the USA were awarded a silver medal in EcoVadis' sustainability assessment, while our Carbon and Advanced Materials site in Canada received a gold medal.

Aluminerie Alouette, one of our valued customers for both calcined petroleum coke (CPC) and coal tar pitch (CTP), honoured us with commendation in their 'Partners in Excellence' awards.

Our Carbon and Advanced Materials segments in Germany participated in the Carbon Disclosure Project (CDP), reaching the 'Awareness (C)' level, demonstrating our commitment to environmental impact assessment and improvement.

Rain Industries Limited

Registered Office: Rain Center, 34, Srinagar Colony, Hyderabad- 500073, Telangana State, India
CIN: L26942TG1974PLC001693, Phone No: 040-40401234, Email: secretarial@rain-industries.com
Website: www.rain-industries.com

Notice

Notice is hereby given that the 49th Annual General Meeting (AGM) of the Members of Rain Industries Limited (the Company) will be held on Friday, the May 3, 2024 at 11.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 2/2022, 10/2022 and 09/2023 issued by Ministry of Corporate Affairs (MCA Circulars), to transact the businesses mentioned below.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

Ordinary Business:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended December 31, 2023 and reports of Board and Auditors thereon.

2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the Financial Year ended December 31, 2023 and Report of Auditors thereon.

3. To approve and ratify the interim dividend of ₹ 1 per equity share for the financial year ended December 31, 2023.

4. To appoint a Director in place of Mr. Jagan Mohan Reddy Nellore (DIN: 00017633) who retires by rotation and being eligible offers himself for re-appointment.

Special Business:

5. To grant authorization to the Board of Directors to borrow up to ₹ 2,500 Crores.

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and in modification of all earlier Resolutions passed in this regard, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for borrowing Rupee Loans, Foreign Currency Loans, Working Capital Facility and such other Financial Assistance from time to time, which together with the monies already borrowed by the Company (apart from temporary Loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors shall not at any time exceed the limit of ₹ 2,500 Crores (Rupees Two Thousand Five Hundred Crores Only).

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to take such steps as may be necessary to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution."

6. To grant authorization to the Board of Directors to create Mortgage / Charge / Pledge / Hypothecation / Lien on the assets of the Company:

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and in modification of all earlier Resolutions passed in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages, pledge, hypothecations and lien in addition to the existing charges, mortgages, pledge, hypothecations and lien created by the Company, on such movable and immovable properties, both present and future and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of the Banks, Financial Institutions and other Parties to secure Rupee Loans, Foreign Currency Loans and Working Capital Facilities availed and also proposed to be availed and also to secure other Obligations of the Company, provided that the total amount of loans and other obligations of the Company together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans and other obligations, shall not, at any time exceed the limit of ₹ 2,500 Crores (Rupees Two Thousand Five Hundred Crores Only).

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to finalise the terms and conditions for creating the aforesaid Mortgage, Charge, Pledge, Hypothecation and Lien and to execute the documents and such other agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution."

7. To grant authorization to the Board to make any loan, investment or give guarantee or provide any security

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board):

i) to invest/acquire from time to time by way of subscription, purchase or otherwise, the securities of anybody corporate(s) whether in India or outside India, which may or may not be subsidiary of the Company; and/or

ii) to make/give from time to time any loan to any person or body corporate, whether in India or outside, which may or may not be subsidiary of the Company or to any persons; and/or

iii) to give from time to time any guarantee and/or provide any security to any person, body Corporate, Bank, Financial Institutions or any other Institution in India or outside India to secure any financial assistance of any nature availed or to be availed by any person or body Corporate whether in India or outside India which may or may not be subsidiary of the Company or any other Institution;

up to an aggregated amount of which should not exceed at any given time ₹ 2,500 Crores notwithstanding that the aggregate loans, guarantees and securities to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits specified under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorised to negotiate and decide, from time to time, terms and conditions, execute necessary documents, papers, agreements etc. for investments to be made, loans/guarantees to be given and securities to be provided to any person and / or anybody corporate, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable, settle any question, difficulty or doubt that it may arise in this regard and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or officer of the Company or any other person".

8. To grant approval for making Contributions or Donations for Charitable purposes

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 181 and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 2013 & rules made thereunder (the Act), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to contribute, donate, subscribe or otherwise provide assistance from time to time to any Charitable funds, Charitable Institutions, Society, Association, Non-Profit Organisation, Non-Profit Companies (i.e., Companies formed under Section 25 of the Companies Act, 1956 / Section 8 of the Companies Act, 2013), Trusts and such other Funds for taking up of any programme, activities of social, cultural, educational, sports, economic, rural development of people at large and / or incur any expenditure on their behalf, upto an amount not exceeding to ₹ 10,00,00,000 (Rupees Ten Crore only) in any financial year, notwithstanding the fact that said amount may exceed 5% of the Company's average net profit as determined in accordance with the provisions of the Companies Act, 2013 during the three years immediately preceding the current Financial Year.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution and accept any alteration(s) or amendment(s) or corrections as they may deem fit and appropriate and give such directions/instructions as may be necessary to settle any questions or doubts that may arise in this regard on behalf of the Company."

By order of the Board
for **Rain Industries Limited**

S. Venkat Ramana Reddy
Company Secretary
M. No. A14143

Place: Hyderabad
Date: February 23, 2024

NOTES:

1. The Ministry of Corporate Affairs ("MCA") vide its Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 and SEBI/HO/DDHS/P/CIR/2023/0164 dated October 06, 2023 has permitted the holding of the Annual General Meeting ("AGM") through Video Conference/Other Audio Visual Means, without the physical presence of the Members at a common venue.

   Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, the 49th AGM of the Company being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) herein after called as "e-AGM".

   e-AGM: The Company has appointed KFin Technologies Limited (KFintech), Registrars and Transfer Agents, to provide Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.

2. Pursuant to the provisions of the circulars on the VC/OAVM (e-AGM):

   a. Members can attend the meeting through login credentials provided to them to connect to Video Conference (VC) / Other Audio-Visual Means (OAVM). Physical attendance of the Members at the Meeting venue is not required.

   b. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. A proxy is allowed to be appointed under Section 105 of the Companies Act, 2013 to attend and vote at the general meeting on behalf of a member who is not able to attend personally. Since the AGM will be conducted through VC/OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

5. The attendance of the Members (member's logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. In line with the Ministry of Corporate Affairs ("MCA") vide its Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 and SEBI/HO/DDHS/P/CIR/2023/0164 dated October 06, 2023, the Notice calling the e-AGM and Annual Report has been uploaded on the website of the Company at https://www.rain-industries.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at https://www.bseindia.com and https://www.nseindia.com respectively. The Notice and Annual Report is also available on the website of e-voting agency KFin Technologies Limited at the website address https://evoting.kfintech.com.

   The Annual Report for the Financial year ended December 31, 2023 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's Report or other documents required to be attached therewith (together referred to as Annual Report).

7. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited at einward.ris@kfintech.com. Members are requested to submit a request letter mentioning the Folio No. and Name of Shareholder along with scan copy of the Share Certificate (front and back) and self-attested copy of PAN card for updating of email addresses. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.

8. Profile of Mr. Jagan Mohan Reddy Nellore who is being re-appointed as Director is annexed to Notice and Report on Corporate Governance.

9. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, unclaimed dividend amount of ₹ 47,93,959 (Rupees Forty Seven Lakhs Ninety Three Thousand Nine Hundred Fifty Nine Only) of the Company for the Financial Year ended December 31, 2016 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

10. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed Dividend amounts lying with the Company as on 2nd May, 2023 (date of last Annual General Meeting) on the website of the Company (www.rain-industries.com) and also on the website of Ministry of Corporate Affairs.

11. Information in respect of such unclaimed dividend when due for transfer to the Investor Education and Protection Fund (IEPF) are given below:

Sl. No.	For the Financial year ended	Percentage of Dividend	Date of Declaration	Due date for transfer to the Investor Education and Protection Fund
1	December 31, 2017 (Interim dividend)	50%	August 11, 2017	September 10, 2024
2	December 31, 2017 (Final dividend)	50%	May 11, 2018	June 10, 2025
3	December 31, 2018 (Interim dividend)	50%	November 14, 2018	December 13, 2025
4	December 31, 2019 (Interim dividend)	50%	November 13, 2019	December 12, 2026

Sl. No.	For the Financial year ended	Percentage of Dividend	Date of Declaration	Due date for transfer to the Investor Education and Protection Fund
5	December 31, 2020 (Interim dividend)	50%	October 30, 2020	December 5, 2027
6	December 31, 2021 (Interim dividend)	50%	October 30, 2021	December 3, 2028
7	December 31, 2022 (Interim dividend)	50%	July 29, 2022	September 1, 2029
8	December 31, 2023 (Interim dividend)	50%	May 09, 2023	June 13, 2030

The Shareholders who have not en-cashed the aforesaid dividends are requested to make their claim to the Secretarial Department, Rain Industries Limited, Rain Center, 34, Srinagar Colony, Hyderabad – 500073, Telangana State, India, e-mail: secretarial@rain-industries.com.

12. A. Rain Industries Limited Unclaimed Suspense Account:

Unclaimed Equity shares of the Company are held in the suspense account maintained with Stock Holding Corporation of India Limited, G6-G10, East Block, Swarna Jayanthi Commercial Complex, Ameerpet, Hyderabad – 500002, Telangana State, India, vide Client ID: IN301330 and DP ID: 40195702.

B. Rain Industries Limited Unclaimed Securities Suspense Escrow Account:

As per the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8, dated January 25, 2022, the Company has opened a demat account with DP ID: IN301330 and Client ID: 41288027 in the name of “RAIN INDUSTRIES LIMITED UNCLAIMED SECURITIES SUSPENSE ESCROW ACCOUNT” with Stock Holding Corporation of India Ltd, Hyderabad - 500034, Telangana State, India.

The Company has issued “Letter of Confirmations” to the shareholders, to enable them to dematerialize the same. There are no cases where the Letter of Confirmations are pending for dematerialization for more than 120 days. Hence, no shares were transferred to Rain Industries Limited Unclaimed Securities Suspense Escrow Account.

13. Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“Rules”), all shares on which dividend has not been claimed for seven consecutive years or more shall be transferred to IEPF Authority.

The Company has transferred 1,84,138 equity shares to Investor Education and Protection Fund during the financial Year ended December 31, 2023.

To Claim the equity shares and dividend which were transferred to the Investor Education and Protection Fund, the shareholders are requested to visit the website of the Company i.e., www.rain-industries.com to know the procedure for claiming the Shares and Dividend transferred to the Investor Education and Protection Fund Authority.

The Shareholders who have not en-cashed the dividends are requested to make their claim to the Secretarial Department, Rain Industries Limited, Rain Center, 34, Srinagar Colony, Hyderabad – 500073, Telangana State, India, e-mail: secretarial@rain-industries.com.

14. The Securities and Exchange Board of India (“SEBI”) and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Service (“ECS”), NEFT, RTGS facilities for payment of dividend, wherever applicable. This facility offers various benefits like timely credit of dividend to the shareholders account, elimination of loss of instruments in transit or fraudulent encashment, etc. The Shareholders holding shares in Physical form are requested to update their Bank Account details by submitting the Electronic Clearing Service (“ECS”) form available on the website of the Company at https://www.rain-industries.com/

15. Investor Grievance Portal maintained by Registrar and Transfer Agent (RTA).

Members are hereby notified that our RTA, KFin Technologies Limited, based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated

June 08, 2023, have created an online application which can be accessed at https://ris.kfintech.com/default.aspx# > Investor Services > Investor Support.

Members are required to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, eMeeting and eVoting Details.

Quick link to access the signup page: https://kprism.kfintech.com/signup

16. INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE e-AGM THROUGH VIDEO CONFERENCE / OTHER AUDIO-VISUAL MODE:

i. **Attending the e-AGM:** Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM at https://emeetings.kfintech.com/ by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

ii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

iii. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Facility of joining the AGM through VC/OAVM shall be open 15 minutes before the time scheduled for the AGM.

vi. Those Members who register themselves as speaker will only be allowed to express views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

vii. Submission of Questions/queries prior to e-AGM:

Members desiring any additional information with regard to Accounts / Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e., secretarial@rain-industries.com at least 2 days before the date of the e-AGM, so as to enable the Management to keep the information ready. Please note that member's questions will be answered only if they continue to hold the shares as of cut-off date.

Alternatively, shareholders holding shares as on cut-off date may also visit https://evoting.kfintech.com/ and click on the tab "Post Your Queries Here" to post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e-AGM.

viii. Speaker Registration before e-AGM: Shareholders who wish to register as speakers at the AGM are requested to visit https://emeetings.kfintech.com register themselves between April 28, 2024 (10.00 Hours IST) and April 29, 2024 (17.00 Hours IST).

ix. Facility of joining the AGM through VC/ OAVM shall be available for 2,000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

x. Members who need technical assistance before or during the AGM, can contact KFintech at https://evoting.kfintech.com/

xi. Corporate members intending to send their authorised representatives to attend the Annual General Meeting through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to the provisions of Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution to the Company.

INSTRUCTIONS FOR E-VOTING:

PROCEDURE FOR REMOTE E-VOTING

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act"), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The remote e-Voting period commences from 10.00 Hours (IST) on April 30, 2024 to 17.00 Hours (IST) on May 2, 2024.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on April 26, 2024, the cut-off date.

vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1

Type of shareholders	Login Method
	3. Alternatively by directly accessing the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e., KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e-Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e., User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Rain Industries Limited 49th - AGM" and click on "Submit."

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id dvm@dvmgopalandassociates.in with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Rain Industries Limited"

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Unit	Rain Industries Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032.

c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx#

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/ OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVENT of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number and email id.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be open from April 28, 2024 (10.00 Hours IST) to April 29, 2024 (17.00 Hours IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be open from April 28, 2024 (10.00 Hours IST) to April 29, 2024 (17.00 Hours IST).

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Mr. P S R Ch Murthy, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on April 26, 2024 (End of Day), being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID, Client ID and PAN to generate a password.

i. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

VI. The results of the electronic voting shall be submitted to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

GENERAL INFORMATION:

1. The Company's equity shares are Listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001, Maharashtra, India; and (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai – 400051, Maharashtra, India and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2023 – 2024.

2. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at KFIN Technologies Limited (Unit: Rain Industries Limited), Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, Telangana State, India.

3. Register of Directors and Key Managerial Personnel (KMP) and their shareholding under Section 170 of the Companies Act, 2013 and the rules made thereunder, and Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the rules made thereunder are available for inspection at the registered office of the Company.

4. As required under Listing Regulations and Secretarial Standard-2 on General Meetings, details in respect of Directors seeking appointment/re-appointment at the Annual General Meeting is separately annexed hereto. Directors seeking appointment/re-appointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.

GENERAL INSTRUCTIONS

(i) Members holding shares either in demat or physical mode who are in receipt of Notice, may cast their votes through e-voting.

(ii) Members opting for e-voting, for which the USER ID and initial password are provided in a separate sheet. Please follow steps under the heading 'INSTRUCTIONS FOR E-VOTING' above to vote through e-voting platform.

(iii) The e-voting period commences from 10.00 Hours (IST) on April 30, 2024 to 17.00 Hours (IST) on May 2, 2024. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date of April 26, 2024 may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(iv) The Company has appointed Mr. DVM Gopal, Practicing Company Secretary (Membership No. 6280 and CP No. 6798) in his absence Ms. Ansu Thomas, Practicing Company Secretary (Membership No. 8994 and CP No. 16696) having address at 6/3/154-159, Flat No. 303, 3rd Floor, Royal Majestic, Prem Nagar Colony, Near Banjara Hills Care Hospital, Khairtabad, Hyderabad - 500004, Telangana, India as the Scrutiniser to conduct the voting process (e-voting and poll) in a fair and transparent manner.

(v) The Scrutinizer shall, within a period not exceeding 2 working days from the conclusion of the Annual General Meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/abstained, shall submit the Report to the Chairman of the Company.

(vi) Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 49th Annual General Meeting of the Company scheduled to be held on Friday, May 3, 2024, the results declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.rain-industries.com/ and on the website of KFintech https://evoting.kfintech.com/, within 2 working days of conclusion of the Annual General Meeting.

(vii) **Important Dates**

The Shareholders are requested to take note of the below mentioned important dates with respect to 49th Annual General Meeting of the Company:

Particulars		Date and Time
A.	Cut-off Date for Eligible Shareholders for e-Voting	Friday, April 26, 2024
B.	Speaker Registration	
	Speaker Registration starts on	Sunday, April 28, 2024 at 10:00 A.M.
	Speaker Registration ends on	Monday, April 29, 2024 at 05:00 P.M.
C.	E-Voting	
	E-Voting starts on	Tuesday, April 30, 2024 at 10:00 A.M.
	E-Voting ends on	Thursday, May 02, 2024 at 05:00 P.M.
D.	Date of 49th Annual General Meeting	Friday, May 03, 2024 at 11:00 A.M.

By order of the Board

for **Rain Industries Limited**

S. Venkat Ramana Reddy

Company Secretary

M. No. A14143

Place: Hyderabad

Date: February 23, 2024

EXPLANATORY STATEMENT

STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF ITEM NOS. 5, 6, 7 and 8 OF THE NOTICE

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution No. 5, 6, 7 and 8.

Item No. 5

To grant authorization to the Board of Directors to borrow up to ₹ 2,500 Crores.

The members of the Company have granted their approval through a Special Resolution in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013 through postal ballot held on September 30, 2014 to the Board of Directors to borrow from time to time, such amounts as they may deem necessary for the purpose of business of the Company for an amount not exceeding ₹ 2,000 Crores (Rupees Two Thousand Crores Only).

In terms of provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the members of the Company in a general meeting, by means of a Special Resolution, borrow money(ies) where the money to be borrowed, together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), in excess of the aggregate of the paid-up capital, free reserves and securities premium.

The Company, for its day-to-day operations and also for long term projects, proposes to avail loan from Banks, Financial institutions and other entities from time to time, the amount of borrowing may exceed the existing borrowing limit of ₹ 2,000 Crores (Rupees Two Thousand Crores Only).

Considering the increased fund requirements, the approval of the Members for the Item No.5 of the notice is being sought by means of a Special Resolution, for borrowing up to ₹ 2,500 Crores (Rupees Two Thousand Five Hundred Crores Only)

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No.5 of this notice.

The Board recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

Item No. 6

To grant authorization to the Board of Directors to create Mortgage / Charge / Pledge / Hypothecation / Lien on the assets of the Company.

The members of the Company have granted their approval through a Special Resolution in terms of the provisions of Section 180(1)(a) of the Companies Act, 2013 through postal ballot held on September 30, 2014 to the Board of Directors to create mortgage or charge or pledge or hypothecation / lien on the assets of the Company for an amount not exceeding ₹ 2,000 Crores (Rupees Two Thousand Crores Only).

The Company has availed and proposes to avail Term Loans and Working Capital facilities from Financial Institutions and Banks and the Company has also given and proposes to give Corporate Guarantees and take up other obligations on behalf of other companies and the financial assistance and Corporate Guarantees are to be secured by way of mortgage / charge / pledge / hypothecation / lien of the Movable and Immovable Assets of the Company.

As the mortgage / charge / pledge / hypothecation / lien by the Company of its Assets as aforesaid in favour of the Banks and Financial institutions may be regarded as disposal of the Company's properties/undertaking in certain events of default, it is necessary for the members to pass a Resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of said mortgage / charge / pledge / hypothecation / lien.

The borrowing by the Company up to ₹ 2,500 Crores (Rupees Two Thousand Five Hundred Crores Only) may be required to be secured by way of charge / hypothecation / mortgage / pledge / lien over all or any part of the movable and /or immovable assets of the Company and as per the provisions of Section 180 (1) (a) of the Companies Act, 2013, the mortgage or charge or lien on all or any part of the movable and/or immovable assets of the Company, may be deemed as disposal of the whole or substantially the whole of the undertaking of the Company and hence the approval of the Members of the Company is required by way of a Special Resolution as set out in Item No. 6 of this notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No.6 of this notice.

The Board recommends passing of the Special Resolution set out in Item No. 6 of this notice.

Item No. 7

To grant authorization to the Board to make loan, investment or give guarantee or provide any security beyond the prescribed ceiling

The members of the Company have granted their approval through a Special Resolution in terms of the provisions of Section 186 of the Companies Act, 2013 through postal ballot held on September 30, 2014 to the Board of Directors to invest or to give loan from time to time or to give guarantee to any person or body corporate or to create security, whether in India or outside, which may or may not be subsidiary of the Company or to any persons, such amounts as they may deem necessary for the purpose of business of the Company for an amount not exceeding ₹ 2,000 Crores (Rupees Two Thousand Crores Only) over and above the paid-up share capital and free reserves of the Company.

In terms of the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder, no Company shall directly or indirectly, without prior approval by means of special resolution passed at a general meeting, give any loan to any person or other body corporate or give guarantee or provide security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate, exceeding 60 percent of its paid up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

The Company has acquired or formed various subsidiaries/ joint ventures/ step down subsidiaries in India and outside India wherein, the Company is holding investment. Such subsidiaries/ joint ventures require support from the Company from time to time in the form of investment, providing security and guarantee for their expansion activities as well as for their operations.

The Company in the course of its business operations may need:

i) to invest/acquire from time to time by way of subscription, purchase or otherwise, the securities of any body corporate(s) whether in India or outside India, which may or may not be subsidiary of the Company; and/or

ii) to make/give from time to time any loan to any person or body corporate, whether in India or outside, which may or may not be subsidiary of the Company or to any persons; and/or

iii) to give from time to time any guarantee and/or provide any security to any person, body Corporate, Bank, Financial Institutions or any other Institution in India or outside India to secure any financial assistance of any nature availed or to be availed by any person or body Corporate whether in India or outside India which may or may not be subsidiary of the Company or any other Institution;

up to an aggregated amount of which should not exceed at any given time ₹ 2,500 Crores notwithstanding that the aggregate loans, guarantees and securities to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits specified under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

The investment(s), loan(s), guarantee(s) and security (ies) as the case may be, shall be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

Hence, consent of the Members is being sought by way of a special resolution to make investment or to give loan/ guarantee or provide security to other body corporate or person or entity up to ₹2,500 Crores, as set out at item No. 7 of this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 in the notice.

Your Directors recommend the resolution as Item No. 7 for your approval as a Special Resolution.

Item No. 8

To grant approval for making Contributions or Donations for Charitable purposes

In accordance with the Section 181 of the Companies Act, 2013 read with any rules made thereunder, the Company is required to obtain approval of members before making any contribution or donation to bonafide Charitable Funds, Charitable Institutions, Society, Association, Non-Profit Organizations, Non – Profit Companies (the Companies formed under Section 25 of the Companies Act, 1956/ Section 8 of the Companies Act, 2013), Trusts and such other Funds for an amount exceeding 5% of the average net profits for the three immediately preceding financial years.

The donations to the charitable purposes may exceed 5% of the average net profits for the three immediately preceding financial years, hence it is proposed to obtain prior permission of the members of the Company to enable the Company to make donations and contributions to aforesaid institutions / organisations / entities.

None of the other Director, Key Managerial personnel of the Company and their relatives thereof are interested or concerned financially or otherwise in the proposed resolution.

Your Directors recommend the resolution as Item No. 8 for your approval as a Special Resolution.

By order of the Board
for **Rain Industries Limited**

S. Venkat Ramana Reddy
Company Secretary
M. No. A14143

Place: Hyderabad
Date: February 23, 2024

Annexure-I to the Notice dated February 23, 2024

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting on Friday, May 3, 2024

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India]

S. No.	Particulars	Name of the Director
		Mr. Jagan Mohan Reddy Nellore
1	DIN	00017633
2	Date of birth and Age	January 17, 1967 - 57 Years
3	Qualification	Bachelor of Science degree in Industrial Engineering from Purdue University, USA
4	Experience and expertise in specific functional areas	More than 31 years of experience in finance, commercial and operations areas.
5	Brief resume	Mr. Nellore is the founder of Rain CII Carbon (Vizag) Limited, which had been originally incorporated as Rain Calcining Limited and commenced production of Calcined Petroleum Coke (“CPC”) and Electricity in 1998 in India. He spearheaded the vision, strategy and execution of the globalisation of the Indian entity’s business model through the acquisition of Rain CII Carbon LLC of the U.S. (formerly CII Carbon, LLC) and by combining the U.S. and Indian CPC business strategies in 2007 and subsequently in 2013 through the acquisition of RÜTGERS N.V., a Coal Tar Pitch (“CTP”) and Chemicals producer. Mr. Nellore has successfully integrated the acquired entities to create the world’s leading industrial carbon producer. Mr. Nellore is Chief Executive Officer (CEO) of Rain Carbon Inc. and Member of the Boards of Rain CII Carbon (Vizag) Limited, Rain Cements Limited, Renuka Cement Limited, Sujala Investments Private Limited, Rain Enterprises Private Limited, Pragnya Priya Foundation, Rain Commodities (USA) Inc., Rain CII Carbon LLC, USA and Rain Carbon Inc. Mr. Nellore is the member of Stakeholders Relationship Committee, Share Transfer Committee, Chairman of Corporate Social Responsibility Committee and Risk Management Committee of Rain Industries Limited, Member of Corporate Social Responsibility Committee of Rain Cements Limited and Chairman of Corporate Social Responsibility Committee of Rain CII Carbon (Vizag) Limited.
6	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Jagan Mohan Reddy Nellore is the son of Mr. N. Radhakrishna Reddy, Managing Director and the brother of Mr. N. Sujith Kumar Reddy, Non-Executive Director.
7	Nature of appointment (appointment/ re-appointment)	Retires by rotation and offers himself for re-appointment.
8	Terms and Conditions of appointment / re-appointment	Retires by rotation and offers himself for re-appointment.

S. No.	Particulars	Name of the Director
9	Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Nil
10	Date of first appointment on the Board	13/06/1997
11	Shareholding in the company including shareholding as a beneficial owner;	Holds 100 equity shares.
12	The number of Meetings of the Board attended during the year	4 out of 4
13	Directorship Details of the Board	1. Rain CII Carbon (Vizag) Limited 2. Rain Cements Limited 3. Renuka Cement Limited 4. Rain Enterprises Private Limited 5. Pragnya Priya Foundation 6. Sujala Investments Private Limited 7. Rain CII Carbon LLC 8. Rain Commodities (USA) Inc. 9. Rain Carbon Inc.
14	Membership / Chairmanship of Committees of other Boards	Member of Corporate Social Responsibility Committee of Rain Cements Limited. Chairman of Corporate Social Responsibility Committee of Rain CII Carbon (Vizag) Limited

By order of the Board
for **Rain Industries Limited**

S. Venkat Ramana Reddy
Company Secretary
M. No. A14143

Place: Hyderabad
Date: February 23, 2024

Board's Report

Dear Members,

Your Directors have pleasure in presenting the 49th Annual Report and the Audited Financial Statements (standalone and consolidated) for the Financial Year ended December 31, 2023:

Financial Results

A) Standalone

The Standalone performance for the Financial Year ended December 31, 2023 is as under:

The Financial Summary

(₹ in million)

Sl. No.	Particulars	December 31, 2023	December 31, 2022
1	Revenue from operations	1,241.48	540.74
2	Profit before finance cost, depreciation and tax expense	762.68	410.76
3	Finance Cost	159.57	80.16
4	Profit before depreciation and tax expense	603.11	330.6
5	Depreciation and amortisation expense	5.92	6.73
6	Profit before Tax Expense	597.19	323.87
7	Tax Expense	66.62	46.40
8	Profit After Tax Expense	530.57	277.47
9	Add: Surplus at the beginning of the year	394.37	453.25
10	Total Available for appropriation	924.94	730.72
	Appropriations:		
11	Dividend	336.35	336.35
12	Surplus carried to Balance Sheet	588.59	394.37

B) Consolidated

The Consolidated performance for the Financial Year ended December 31, 2023 is as under:

The Financial Summary

(₹ in million)

Sl. No.	Particulars	December 31, 2023	December 31, 2022
1	Revenue from operations	181,414.85	210,109.97
2	Profit before finance cost, depreciation and amortisation expense, impairment loss, share of profit of associate and tax expense	18,624.41	36,875.98
3	Finance cost	8,191.33	5,237.40
4	Profit before depreciation and amortisation expense, impairment loss, share of profit of associate and tax expense	10,433.08	31,638.58
5	Depreciation and amortisation expense	7,762.52	7,903.10
6	Profit before impairment loss, share of profit of associate and tax expense	2,670.40	23,735.48
7	Impairment loss	7,506.15	465.64
8	Profit/(loss) before share of profit of associate and tax expenses	(4,835.75)	23,269.84
9	Share of profit of associate (net of income tax)	11.85	2.83
10	Profit/(loss) before tax expense	(4,823.90)	23,272.67
11	Tax expense	3,138.09	7,503.70
12	Profit/(loss) after tax expense	(7,961.99)	15,768.97
13	Non-controlling interests	1,417.07	1,382.52

(₹ in million)

Sl. No.	Particulars	December 31, 2023	December 31, 2022
14	Profit/(loss) after tax expense after non-controlling interests	(9,379.06)	14,386.45
15	Add: Surplus at the beginning of the year	70,780.72	56,730.62
16	Total Available for appropriation	61,401.66	71,117.07
	Appropriations:		
17	Dividend	336.35	336.35
18	Surplus carried to the Balance Sheet	61,065.32	70,780.72

State of the Company's Affairs

During the year under review, the Company achieved revenue of ₹ 1,241.48 million and net profit of ₹ 530.57 million on a standalone basis. During the same period, the consolidated revenue was ₹ 181,414.85 million and net loss was ₹ (9,379.06) million.

Business Outlook

The Company has established a system to closely monitor the evolving landscapes of the industries in which the Company operate i.e., carbon, advanced materials and cement. Our proactive approach involves identifying key trends, crafting strategic responses to gain a competitive edge and effectively manage risks.

Carbon

The global carbon industry is experiencing changes in demand, influenced by factors like environmental regulations, industry transitions, and emerging technologies. Carbon products are used in various sectors, including aluminum, steel, and automotive industries and shifts in demand from these sectors can impact the carbon industry.

Going forward, we will leverage our ability to anticipate and quickly adapt to market changes. Focusing on producing high-quality products at the lowest possible cost, innovating production processes and identifying new applications remains critical. We will continue optimizing processes in the Carbon segment to ensure efficient conversion of raw materials into finished products. Expanding sources of raw materials through research development efforts and logistical innovations is a key focus. We remain committed to providing materials required by emerging applications in the battery industry and new energy economy.

Advanced Materials

Technological advancements and material innovation are significant trends in the advanced materials segment. New materials with unique properties are continually being developed, opening opportunities for applications across various sectors, such as aerospace, electronics and construction industries like automotive and aerospace are emphasizing lightweight materials to enhance fuel efficiency and reduce emissions. Advanced materials like composites and alloys play a critical role in achieving light weighting goals.

In alignment with the growing demand for eco-friendly materials and practices, the Company aims to expand its presence in high-growth markets through logistical hubs and regional assets. Furthermore, we seek to leverage our proprietary technologies through strategic partnerships, focusing on green infrastructure, environmental sustainability, waste reduction, and circularity. By continuing to innovate and adapt, we aim to solidify our position as a leading provider of advanced materials in the global market.

Cement

The Indian cement industry is undergoing significant expansion driven by several key trends. These trends include rapid urbanization, environmental concerns, technological advancements, the use of alternative materials, market competition, government initiatives, rural and affordable housing schemes, export opportunities, supply chain management and economic fluctuations.

Including the Smart Cities Mission, National Infrastructure Pipeline (NIP), and "Housing for All," are driving the demand for cement. These programs focus on urban development, infrastructure projects, and affordable housing, leading to increased construction activities and a surge in the need for cement.

In 2024, our primary focus revolves around three core objectives:

- Achieve higher capacity utilization: Dedicated efforts to achieve increased operational capacity.
- Enhance energy efficiency: Prioritizing initiatives for improved energy efficiency and implementing measures to streamline consumption and reduce environmental impact.

- Cost-effectiveness: Implementing proactive maintenance strategies for optimal plant performance.
- Additionally, to address the surging demand for cement, we plan to augment the capacity of our first integrated manufacturing unit (Suryapet) by adding a new production line.

Listing of Equity Shares

The Company's equity shares are listed on the following Stock Exchanges:

(i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India; and

(ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra–Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India.

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the Financial Year 2023-24.

Subsidiary Companies

The Subsidiary Companies situated in India and Outside India continue to contribute to the overall growth in revenues and overall performance of the Company.

As per the provisions of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/Associate Companies/Joint Ventures in Form AOC-1 is annexed to this Board's Report as **Annexure – 1.**

The detailed policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: https://rain-industries.com/investors/#policies

Performance and contribution of each of the Subsidiaries, Associates and Joint Ventures

As per Rule 8 of the Companies (Accounts) Rules, 2014, a Report on the Financial performance of Subsidiaries, Associates and Joint Venture Companies along with their contribution to the overall performance of the Company during the Financial Year ended December 31, 2023 is annexed to this Board's Report as **Annexure – 2.**

Consolidated Financial Statements

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements for the financial Year ended December 31, 2023 forms part of the Annual Report.

As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate Audited accounts of its Subsidiaries on its website www.rain-industries.com and a copy of separate Audited Financial Statements of its Subsidiaries will be provided to shareholders upon their request.

Share Capital

The Paid-up Share Capital of the Company as on December 31, 2023 is ₹672,691,358 divided into 336,345,679 Equity Shares of ₹2 each fully paid up.

During the year under review, there are no changes in the authorized, issued, subscribed and paid-up share capital of the Company.

During the year under review, there were no reclassification, sub-division, reduction of share capital, buy back of shares, changes in capital structure resulting from restructuring and changes in voting rights of the equity shares of the Company.

Variations in Net worth

The Standalone Net worth of the Company for the Financial Year ended December 31, 2023 is ₹ 2,638.03 million as compared to ₹ 2,443.81 million for the previous Financial year ended December 31, 2022 and the Consolidated Net worth of the Company for the Financial Year ended December 31, 2023 is ₹ 63,859.69 million as compared to ₹ 73,575.09 million for the previous Financial year ended December 31, 2022.

Number of Meetings of the Board of Directors

During the year, four Board meetings were held.

The dates on which the Board meetings were held are February 27, 2023, May 9, 2023, August 4, 2023 and November 7, 2023.

Details of the attendance of the Directors at the Board meetings held during the Year ended December 31, 2023 are as follows:

Name of the Director	Number of Board Meetings	
	Held	Attended
Mr. N. Radhakrishna Reddy	4	4
Mr. Jagan Mohan Reddy Nellore	4	4
Mr. N. Sujith Kumar Reddy	4	4
Mr. Varun Batra	4	4
Mr. Brian Jude McNamara	4	4
Mr. Robert Thomas Tonti	4	4
Ms. B. Shanti Sree*	3	3
Ms. Radhika Vijay Haribhakti#	2	2
Ms. Nirmala Reddy^	1	1

* Ms. B. Shanti Sree, Independent Director has been appointed for a term of 5 years with effect from February 28, 2023 in the Board Meeting held on February 27, 2023.

Ms. Radhika Vijay Haribhakti, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from June 11, 2023.

^ Ms. Nirmala Reddy, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from February 28, 2023.

Management Discussion and Analysis

The Management Discussion and Analysis forms an integral part of this Report and provides details of the overall Industry structure and developments, Opportunities and Threats, Segment–wise or product-wise performance, Outlook, Risks and concerns, Internal control systems and their adequacy, financial performance with respect to operational performance and state of affairs of the Company's various businesses viz., Carbon, Advanced Materials, Cement along with Material developments in Human Resources / Industrial Relations front, including number of people employed and details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations, details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof and Disclosure of Accounting Treatment during the Financial Year **(Annexure – 11)**.

Directors' Responsibility Statement as required under Section 134 of the Companies Act, 2013

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;

ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on December 31, 2023 and of Profit and Loss Account of the Company for that period;

iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that the Directors have prepared the Annual Accounts for the Financial Year ended December 31, 2023 on a going concern basis;

v) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statement on Declaration given by Independent Directors under Section 149

The Independent Directors have submitted a declaration of independence, as required pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of the following Independent Directors:

Ms. B. Shanti Sree, Chairperson, Mr. Varun Batra, Mr. Brian Jude McNamara and Mr. Robert Thomas Tonti.

Ms. Nirmala Reddy and Ms. Radhika Vijay Haribhakti on completion of their second term as Directors have ceased to the Directors of the Company with effect from February 28, 2023 and June 11, 2023 respectively and Ms. B. Shanti Sree has been appointed as Independent Director of the Company for a term of 5 years with effect from February 28, 2023.

The Board of Directors at their meeting held on February 27, 2023 have appointed Ms. B. Shanti Sree, Independent Director as a member of the Committee with effect from February 28, 2023.

Brief description of the terms of reference:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agency, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommend to the board all remuneration, in whatever form, payable to senior management.

Nomination and Remuneration Committee meetings

During the period from January 1, 2023 to December 31, 2023, two Nomination and Remuneration Committee Meeting were held on February 27, 2023 and November 6, 2023.

Attendance at the Nomination and Remuneration Committee Meeting

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Ms. B. Shanti Sree[1]	Chairperson	1	1
Mr. Varun Batra	Member	2	2
Mr. Brian Jude McNamara	Member	2	2
Mr. Robert Thomas Tonti	Member	2	2
Ms. Radhika Vijay Haribhakti[2]	Member	1	1
Ms. Nirmala Reddy[3]	Member	1	1

1. Ms. B. Shanti Sree, Independent Director has been appointed for a term of 5 years with effect from February 28, 2023, in the Board Meeting held on February 27, 2023.
2. Ms. Radhika Vijay Haribhakti, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from June 11, 2023.
3. Ms. Nirmala Reddy, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from February 28, 2023.

Particulars of Loans, Guarantees, Securities or Investments under Section 186

The details of Loans, Guarantees, Investments made and Securities issued made during the Financial Year ended December 31, 2023 is given in compliance with the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the same is annexed to the Board's Report as **Annexure – 3.**

Particulars of Contracts or Arrangements with Related Parties

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All the related party transactions are approved by the Audit Committee and Board of Directors.

The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions.

The particulars of contracts or arrangements with related parties referred to in sub section (1) of Section 188 entered by the Company during the Financial Year ended December 31, 2023 in prescribed Form AOC-2 is annexed to this Board's Report as **Annexure – 4.**

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company and the web link is https://www.rain-industries.com/investors/#shareholders-information.

Transfer of amount to Reserves

The Board of Directors do not propose to transfer any amount to General Reserve for the Financial Year ended December 31, 2023. An amount of ₹ 532.54 million is retained in the retained earnings.

Dividend

The Board of Directors of the Company at their Meeting held on May 9, 2023 have declared an Interim Dividend of ₹ 1/- per Equity Share i.e., 50% on face value of ₹ 2/- per Equity Share fully paid up for the financial Year ended December 31, 2023 and same was paid to the shareholders and no further dividend has been recommended for the Financial Year ended December 31, 2023.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

Dividend Distribution Policy

The Company has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). The Dividend Distribution Policy is available on the Company's website, at https://www.rain-industries.com/investors/#policies.

Annual Return

Annual Return in Form MGT-7 is available on the Company's website, the web link for the same is https://rain-industries.com/investors

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 (Act) read with the Companies (Accounts) Rules, 2014

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3) (m) of the Act read with the Companies (Accounts) Rules, 2014 is annexed to this Board's Report as **Annexure – 5.**

Risk Management Committee

The Risk Management Committee consists of the following Directors:

Mr. Jagan Mohan Reddy Nellore, Chairman,
Mr. N. Sujith Kumar Reddy, Member and Mr. Brian Jude McNamara, Member.

Mr. T. Srinivasa Rao is the Chief Risk Officer and Mr. S. Venkat Ramana Reddy acts as Secretary to the Committee.

The Committee has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-to-day operations of the Company. The Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks. The Risk management procedures are reviewed by the Audit Committee and the Board of Directors on a quarterly basis at the time of review of the Quarterly Financial Results of the Company.

Brief description of terms of reference

1. To formulate a detailed Risk Management Policy which shall include:

    a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly Environment, Social and Governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    b. Measures for risk mitigation including systems and processes for internal control of identified risks.

    c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the Board of Directors.

Cyber Security

The Company has established requisite technologies, processes and practices designed to protect networks, computers, programs and data from external attack, damage or unauthorized access. The Company is conducting training programs for its employees at regular intervals to educate the employees on safe usage of the Company's networks, digital devices and data to prevent any data breaches involving unauthorized access or damage to the Company's data. The Information Technology Department of the Company is in a constant process of taking feedback from the employees and updating the cyber security protocols.

The Risk Management Committee and the Board of Directors are reviewing the cyber security risks and mitigation measures from time to time.

Risk Management Committee Meetings

During the Financial Year, Risk Management Committee Meetings were held on February 14, 2023, July 26, 2023 and October 26, 2023.

Attendance at the Risk Management Committee Meeting:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Jagan Mohan Reddy Nellore	Chairman	3	3
Mr. N. Sujith Kumar Reddy	Member	3	3
Mr. Brian Jude McNamara	Member	3	3

Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility reflects the strong commitment of the Company to improve the quality of life of the workforce and their families and also the community and society at large.

The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society.

The Board of Directors of the Company have constituted a Corporate Social Responsibility Committee comprising of the following Directors:

Mr. Jagan Mohan Reddy Nellore, Chairman, Mr. N. Sujith Kumar Reddy, Member and Mr. Brian Jude McNamara, Member (Independent Director).

Ms. Nirmala Reddy, Independent Director on completion of the second term of Directorship has ceased to be the Director of the Company with effect from February 28, 2023. Mr. Brian Jude McNamara, Independent Director was appointed as the member of the Corporate Social Responsibility Committee in the Board Meeting held on February 27, 2023.

Corporate Social Responsibility policy was adopted by the Board of Directors on the recommendation of Corporate Social Responsibility Committee.

During the year, the Company has spent ₹1 million towards CSR activities.

The Company along with its subsidiaries in India has spent an amount of ₹261.92 million towards CSR activities during last 3 years.

A report on Corporate Social Responsibility Activities as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Board's Report as **Annexure – 6.**

During the Financial Year, the Corporate Social Responsibility Committee Meeting was held on April 25, 2023.

Attendance at the Corporate Social Responsibility Committee Meeting:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Jagan Mohan Reddy Nellore	Chairman	1	1
Mr. N. Sujith Kumar Reddy	Member	1	1
Mr. Brian Jude McNamara	Member	1	1

Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists of following Directors:

Mr. N. Sujith Kumar Reddy, Chairman, Mr. N. Radhakrishna Reddy, Member, Mr. Jagan Mohan Reddy Nellore, Member and Mr. Brian Jude McNamara, Member (Independent Director).

Ms. Nirmala Reddy, Independent Director on completion of the second term of Directorship has ceased to be the Director of the Company with effect from February 28, 2023. Mr. Brian Jude McNamara, Independent Director was appointed as the member of the Stakeholders Relationship Committee in the Board Meeting held on February 27, 2023.

During the Financial Year, Stakeholders Relationship Committee Meetings were held on April 25, 2023 and October 26, 2023.

Attendance at Stakeholders Relationship Committee Meeting:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. N. Sujith Kumar Reddy	Chairman	2	2
Mr. N. Radhakrishna Reddy	Member	2	2
Mr. Jagan Mohan Reddy Nellore	Member	2	2
Mr. Brian Jude McNamara	Member	2	2

Terms of Reference

(i) Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, non-receipt of new/duplicate certificates, etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Share Transfer Committee

The Share Transfer Committee consists of following Directors:

Mr. N. Sujith Kumar Reddy, Chairman,
Mr. N. Radhakrishna Reddy, Member and
Mr. Jagan Mohan Reddy Nellore, Member.

The Committee meets every week / 15 days to approve issue of duplicate share certificates / letter of confirmation, transmission of shares, deletion of name in the register of members and other requests related to shares of the Company from the shareholders. The Committee also oversee and review all matters connected with the securities transfers and review the performance of the Registrar and Transfer agents and recommends measures for overall improvement in the quality of investor services.

Mechanism for Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017, the Company has adopted the criteria recommended by the SEBI.

The Directors were given Six Forms for evaluation of the following:

(i) Evaluation of Board;
(ii) Evaluation of Committees of the Board;
(iii) Evaluation of Independent Directors;
(iv) Evaluation of Chairperson;
(v) Evaluation of Non-Executive and Non-Independent Directors; and
(vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Board of Directors have appointed Mr. DVM Gopal, Practicing Company Secretary as scrutinizer for the Board evaluation process.

The Directors have sent the duly filled forms to Mr. DVM Gopal after evaluation.

Mr. DVM Gopal, based on the evaluation done by the Directors, has prepared a report and submitted the Evaluation Report to the Chairperson of the Nomination and Remuneration Committee of the Company.

The Chairperson based on the report of the scrutinizer has informed the rankings to each Director and also informed that based on the Evaluation done by the Directors and also report issued by Mr. DVM Gopal, the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

Familiarization programmes imparted to Independent Directors

The Members of the Board of the Company were provided with opportunities to familiarize themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors and Senior Management provide an overview of the operations and familiarize the new Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organization structure, constitution of various committees, board procedures, risk management strategies, etc.

Strategic presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails, etc.

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

The Statutory Auditors and Internal Auditors of the Company make presentations to the Board of Directors on Financial Statements and Internal Controls. They will also make presentations on regulatory changes from time to time.

The details of the familiarisation programme are available on the website: https://www.rain-industries.com/

Directors

The Shareholders of the Company have approved the re-appointment of Mr. Varun Batra (DIN: 00020526), as an Independent Director of the Company for a period of 5 years i.e., from February 28, 2023 to February 27, 2028 through a postal ballot held on December 8, 2022.

The Board of Directors of the Company at their meeting held on February 27, 2023 have appointed Ms. B. Shanti Sree (DIN: 07092258) as an Independent Director for a term of 5 years i.e., from February 28, 2023 to February 27, 2028 and the same was approved by the shareholders of the Company at the 48th Annual General Meeting held on May 2, 2023.

Ms. Nirmala Reddy is ceased to be an Independent Director of the Company with effect from February 28, 2023 consequent to completion of her second term as an Independent Director.

Ms. Radhika Vijay Haribhakti is ceased to be an Independent Director of the Company with respect from June 11, 2023 consequent to completion of her second term as an Independent Director.

Except the above, there has been no change in the Board of Directors during the Financial Year ended December 31, 2023.

Appointment/Re-appointment

Mr. Jagan Mohan Reddy Nellore, Director of the Company retires by rotation and being eligible offers himself for re-appointment.

Key Managerial Personnel

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Mr. N. Radhakrishna Reddy	-	Managing Director
Mr. T. Srinivasa Rao	-	Chief Financial Officer
Mr. S. Venkat Ramana Reddy	-	Company Secretary

Meeting of Independent Directors

A separate meeting of the Independent Directors was held under the Chairmanship of Mr. Varun Batra, Independent Director on November 6, 2023, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

Lead Independent Director

The Board has appointed Mr. Varun Batra, Chairperson of the Independent Directors Meeting, as the Lead Independent Director. The role of the lead Independent Director is to provide leadership to the Independent Directors, liaise on behalf of the Independent Directors and ensure the Board's effectiveness to maintain high-quality governance of the organization and the effective functioning of the Board.

Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

Online Proficiency Self-Assessment Test

All Independent Directors of the Company have passed the Online Proficiency Self-Assessment Test conducted by Indian Institute of Corporate Affair (IICA).

Confirmation and Opinion of the Board on Independent Directors

All the Independent Directors of the Company have given their respective declaration / disclosures under Section 149(7) of the Companies Act, 2013 ("the Act") and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

The Board opines that all the Independent Directors of the Company strictly adhere to corporate integrity, possesses requisite expertise, experience and qualifications to discharge the assigned duties and responsibilities as mandated by the Companies Act, 2013 and Listing Regulations diligently.

Board Diversity

The Company has over the years been fortunate to have eminent people from diverse fields to serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website and can be accessed on web link at https://www.rain-industries.com/investors/#policies

Statement of particulars of appointment and remuneration of managerial personnel

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Board's Report as **Annexure – 7.**

Directors and Officers Insurance ('D&O')

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') for all its Directors and members of the Senior Management.

Code of Conduct

Board of Directors have adopted and oversee the administration of the RAIN Group's Code of Business Conduct and Ethics (the 'Code of Conduct'), which applies to all Directors, Officers and Employees of Rain Industries Limited and its subsidiaries (collectively, the 'RAIN Group'). The Code of Conduct reflects the Group's commitment to doing business with integrity and in full compliance with the law and provides a general roadmap for all the Directors, Officers and Employees to follow as they perform their day-to-day responsibilities with the highest ethical standards. The Code of Conduct also ensures that all members of RAIN Group perform their duties in compliance with applicable laws and in a manner that is respectful of each other and the RAIN Group's relationships with its customers, suppliers and shareholders, as well as the communities and regulatory bodies where the Group does business.

Deposits

The Company has not accepted any deposits from the public in terms of Chapter V of the Companies Act, 2013. Hence, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Statutory Auditors

The Company's Statutory Auditors, S. R. Batliboi & Associates LLP, Chartered Accountants, (FRN: 101049W/E300004), were appointed as the Statutory Auditors of the Company for a period of 5 years at the 48th Annual General Meeting of the Company, i.e., up to the conclusion of the 53rd Annual General Meeting of the Company.

Accordingly, S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company will continue till the conclusion of the Annual General Meeting to be held in 2028. In this regard, the Company has received a Certificate from the Auditors to the effect that their continuation as Statutory Auditors, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Auditors Report

There are no qualifications, reservations or adverse remarks or disclaimer made by S. R. Batliboi & Associates LLP, Chartered Accountants, (FRN: 101049W/E300004), Statutory Auditors in their report for the Financial Year ended December 31, 2023.

Secretarial Auditors Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed DVM & Associates LLP, Practicing Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year ended December 31, 2023.

The Secretarial Auditors Report issued by DVM & Associates LLP, Practicing Company Secretaries in Form MR-3 is annexed to this Board's Report as **Annexure – 8.**

The Secretarial Auditors Report does not contain any qualifications, reservation or adverse remarks or disclaimer.

Secretarial Audit of Material Unlisted Indian Subsidiaries

The Material Unlisted Subsidiaries of your Company i.e., Rain Cements Limited (RCL) and Rain CII Carbon (Vizag) Limited (RCCVL) undertakes Secretarial Audit every year under Section 204 of the Companies Act, 2013. The Secretarial Audit of RCL and RCCVL for the Financial Year ended December 31, 2023 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of RCL issued by Mr. M. B. Suneel, Practicing Company Secretary, Partner at P. S. Rao and Associates, Practicing Company Secretaries and Secretarial Audit Report of RCCVL issued by Mr. DVM Gopal, partner at DVM & Associates LLP, Practicing Company Secretaries does not contain any qualification, reservation or adverse remark or disclaimer.

The Secretarial Auditors Report of RCL and RCCVL in Form MR-3 are annexed to this Board's Report as **Annexure – 8A** and **Annexure – 8B.**

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year ended December 31, 2023 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by Mr. DVM Gopal, Practicing Company Secretary, has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year and same is annexed to this Board's Report as **Annexure – 8C.**

Board's response on Auditor's qualification, reservation or adverse remarks or disclaimer made.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their report or by the Practicing Company Secretary in the Secretarial Audit Report for the year.

Internal Auditors

The Audit Committee and the Board of Directors of the Company have appointed Mr. R. Balasubramanian, Chief Internal Auditor as Internal Auditor to conduct Internal Audit of the Company for the Financial Year ended December 31, 2023. The internal audit department will carry-out extensive internal audits and special management reviews of the Company and all operating subsidiary Companies in India, Europe and United States of America.

Maintenance of Cost Records specified by the Central Government under Section 148 of the Companies Act, 2013

The provisions relating to maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 is not applicable to the Company.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Directors or Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

Audit Committee

The Audit Committee consists of the following Members (all are Independent Directors):

Mr. Varun Batra, Chairman, Mr. Brian Jude McNamara, Member, Ms. B. Shanti Sree, Member and Mr. Robert Thomas Tonti, Member.

Ms. Radhika Vijay Haribhakti is ceased to be an Independent Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.

The Board of Directors at their meeting held on February 27, 2023 have appointed Ms. B. Shanti Sree, Independent Director as a member of the Audit Committee.

The Audit Committee at their meeting held on May 8, 2023 has elected Mr. Varun Batra, Independent Director as the Chairman of the Audit Committee.

There has been no such incidence where the Board has not accepted the recommendation of the Audit Committee during the year under review.

Four Audit Committee Meetings were held during the Financial Year ended December 31, 2023. The maximum time gap between any two meetings was not more than one hundred and twenty days.

The Audit Committee meetings were held on February 27, 2023, May 08, 2023, August 03, 2023 and November 06, 2023.

Attendance at the Audit Committee Meetings

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Varun Batra*	Chairman	4	4
Mr. Brian Jude McNamara	Member	4	4
Mr. Robert Thomas Tonti	Member	4	4
Ms. B. Shanti Sree **	Member	3	3
Ms. Radhika Vijay Haribhakti ***	Chairperson	2	2

* The Audit Committee at their meeting held on May 8, 2023 has elected Mr. Varun Batra, Independent Director as the Chairman of the Audit Committee.

** The Board of Directors at their meeting held on February 27, 2023 have appointed Ms. B. Shanti Sree, Independent Director as a member of the Audit Committee.

*** Ms. Radhika Vijay Haribhakti, Chairperson of the Audit Committee, is ceased to be a Director of the Company effect from June 11, 2023 consequent to completion of her second term of Directorship.

Corporate Governance

The Company has a rich legacy of ethical governance practices and is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholder value.

A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report **(Annexure-12)**.

Compliance Management

The Company has built and adopted a compliance management tool as a part of the SAP. The application provides a facility to update statutory compliances from time to time by attaching the evidence of compliance. The tool also provides systems-driven alerts to the respective personnel of the Company for complying with the applicable laws and regulations as per the due dates for compliance. The Managing Director, Chief Financial Officer and Company Secretary of the Company will present a certificate certifying the compliance of all the applicable laws, rules and regulations to the Board of Directors of the Company in the Board Meetings held for reviewing of the quarterly financial statements.

Vigil Mechanism (Whistle Blower Policy)

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy.

The Company has adopted a Whistle Blower Policy establishing a formal vigil mechanism for the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct and Ethics. It also provides adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website i.e., https://www.rain-industries.com/assets/pdf/ril-whistle-blower-policy-10-11-2015_20180725124703.pdf

The Whistle Blower Policy aims for conducting affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. All employees of the Company are covered under the Whistle Blower Policy.

The Company conducts orientation programs to the new employees which familiarizes the new employees with various policies of the Company including the Whistle Blower Policy and Code of Conduct and Ethics. The Company also conducts awareness programs to all the employees on the availability of the vigil mechanism intimating them the contact details of the Ombudsman and the protection and anonymity available to the whistle blower.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, unclaimed dividend amount of ₹ 47,93,959 (Rupees Forty Seven Lakhs Ninety Three Thousand Nine Hundred Fifty Nine Only) of the Company for the Financial Year ended December 31, 2016 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 on June 01, 2023.

During the year, 1,84,138 equity shares were transferred to IEPF.

The Company has transferred an amount of ₹ 47,93,959 towards dividend to IEPF on the shares which were already transferred to IEPF.

Information in respect of unclaimed dividend and due dates for transfer to the IEPF are given below:

Sl. No.	For the Financial year ended	Percentage of Dividend	Amount of Unclaimed dividend Balance (Amount in ₹)	Date of Declaration	Due date for transfer to IEPF
1	December 31, 2017 (Interim dividend)	50%	47,92,787	August 11, 2017	September 10, 2024
2	December 31, 2017 (Final dividend)	50%	27,83,024	May 11, 2018	June 10, 2025
3	December 31, 2018 (Interim dividend)	50%	27,68,538	November 14, 2018	December 13, 2025
4	December 31, 2019 (Interim dividend)	50%	27,16,235	November 13, 2019	December 12, 2026
5	December 31, 2020 (Interim dividend)	50%	29,40,313	October 30, 2020	December 5, 2027
6	December 31, 2021 (Interim dividend)	50%	27,29,920	October 30, 2021	December 3, 2028
7	December 31, 2022 (Interim dividend)	50%	26,23,224	July 29, 2022	September 1, 2029
8	December 31, 2023 (Interim dividend)	50%	27,91,341	May 09, 2023	June 13, 2030

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who have not claimed dividends for a continuous period of 7 years, shall be transferred to Investor Education and Protection Fund Authority account.

Unclaimed Equity shares held in the suspense account are maintained with Stock Holding Corporation of India Limited, G6-G10, East Block, Swarna Jayanthi Commercial Complex, Ameerpet, Hyderabad – 500002, Telangana State, India, vide Client ID: IN301330 and DP ID: 40195702

In Compliance with SEBI Circulars SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022 the Company has opened "Rain Industries Limited Unclaimed Securities Suspense Escrow Account" to transfer the unclaimed securities.

Insurance

All properties and insurable interests of the Company have been fully insured.

Adequacy of Internal Financial Controls with reference to the Financial Statements

The Corporate Governance Policies guide the conduct of affairs of the Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. The Code of Conduct for Senior Management and Employees of the Company (the Code of Conduct) commits Management to financial and accounting policies, systems and processes. The Corporate Governance Policies and the Code of Conduct are widely communicated across the Company at all times.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company maintains all its records in ERP (SAP) System and the workflow and approvals are routed through the ERP (SAP).

The Company has an in-house team of Internal Auditors to examine the internal controls and verify whether the workflow of the organization is in accordance with the approved policies of the Company. In every Quarter, while approval of Financial Statements, the Internal Auditors present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations. The reports of internal auditors are reviewed by the Board of Directors of respective subsidiary companies and the minutes of the meetings and key observations of the internal auditors' team are reported to the Audit Committee of the Company on a quarterly basis.

The Board of Directors of the Company have adopted various policies such as Related Party Transactions Policy, Whistle Blower Policy, Material Subsidiaries Policy, Corporate Social Responsibility Policy, Anti-Corruption and Anti Bribery policy, Risk Management Policy, Dissemination of material events Policy, Documents preservation Policy, Monitoring and Reporting of Trading by Insiders Policy, Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, Code of Practices and Procedures for Fair Disclosures, Policy on Prevention of Fraud and Internal Financial Control and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company recognises Internal Financial Controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the Internal Financial Controls to future periods are subject to the risk that the Internal Financial Control may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Accordingly, regular audits and review of processes ensure that such systems are reinforced on an ongoing basis.

Names of Companies, which have become or ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies during the year

During the year under review, the Company has incorporated Rain Holding Limited, Dubai, a Wholly Owned Subsidiary Company.

Change in the nature of business

There has been no change in the nature of business of the Company.

The details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There have been no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

During the year under review, no application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

During the year under review, the Company has not done any one-time settlement with Banks or Financial Institutions.

Material changes and commitments

There are no material changes and commitments affecting the financial position of the Company which occurred during the Financial Year ended December 31, 2023 to which the Financial Statements relates and the date of signing of this report.

Financial Year of the Company

The Company has Wholly Owned Subsidiary Companies situated in India and outside India. The Companies situated outside India follow the Financial Year from January 1 to December 31 and they contribute significant revenue to the consolidated revenue of the Company and their statutory financials, tax filings are also made on this basis in the respective jurisdictions where they are registered. A common Financial Year of the Company and its Subsidiary Companies has synergies in closing of accounts, compilation and disclosure of data, internal control assessment and audit thereof and preparation of Consolidated Financial Statements, hence, the Company is following the Financial Year from January 1 to December 31.

The Company Law Board vide its order dated October 16, 2015 permitted the Company to follow the Financial Year from January 1 to December 31.

Business Responsibility and Sustainability Report

The 'Business Responsibility and Sustainability Report' (BRSR) of your Company for the year ended December 31, 2023 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure – 9.**

Credit Rating

India Ratings and Research vide its report dated June 23, 2023 has revised Rain Industries Limited's (the Company) Outlook to Stable from Negative while affirming the Long-Term Issuer Rating at 'IND A/Positive'.

Nomination and Remuneration Policy

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and Employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as amended from time to time, the policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated.

Nomination and Remuneration policy of the Company forms part of this Annual Report and the policy is also available on the Company's website at: https://rain-industries.com/investors/#policies as **Annexure – 10.**

Human Resources

The Company believes that the quality of its employees is the key to its success and is committed to providing necessary human resource development and training opportunities to equip employees with additional skills to enable them to adapt to contemporary technological advancements.

Industrial relations during the year continued to be cordial and the Company is committed to maintain good industrial relations through effective communication, meetings and negotiation.

Prevention of Sexual Harassment

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has not received any complaints during the year.

The Company regularly conducts awareness programs for its employees.

The following is a summary of sexual harassment complaints received and disposed off during the year:

S. No.	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on Sexual harassment received	Nil
2	Number of Complaints disposed off during the year	Not Applicable
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programme against sexual harassment carried out	The Company regularly conducts necessary awareness programmes for its employees
5	Nature of action taken by the employer or district officer	Not Applicable

Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has not received any complaints during the year.

Initiatives for Stakeholder and Customer relationship

The Company has an effective Investor Relations Program ("IR") through which the company continuously interacts with the investor community across various channels (Individual Meetings, Participation in One-on-One interactions and group meetings). The Company ensures that critical information about the Company is available to all the investors by submitting all such information to the Stock Exchanges and also uploading the information on the Company's website under the Investors section.

The Company strives to adopt emerging best practices in IR and building a relationship of mutual understanding with investors and analysts.

We place our customers at the center of everything we do, aiming to provide relevant products effortlessly through the channels they choose. Development and investment of robust customer relationship management structures can be very costly. Rain has, therefore, taken great care in recognizing the processes and frameworks that require attention to meet the targets of greater efficiency. It requires us to spend significant management time but at the same time, leads to better business and a better brand.

Customer satisfaction is the most important measure of success in our industry. All the effort we put in everyday gets translated into our high Customer retention and repeat customer volume. We reach out to key influencers from our customers to get their feedback about our products. In addition, we seek inputs on their future roadmap and priorities. This helps us measure the health of our relationships with our customers and what we can do to add value.

Environment, Health and Safety

The Company considers it is essential to protect the Earth and limited natural resources as well as the health and wellbeing of every person.

The Company strives to achieve safety, health and environmental excellence in all aspects of its business activities. Acting responsibly with a focus on safety, health and the environment to be part of the Company's DNA.

In line with the 'Go Green' philosophy, the Company is continuously adopting new techniques to eliminate and minimize the environmental impact. Various projects have been implemented by the Company to use alternate sources of energy wherever possible.

The Company does not just talk about 'Sustainability', it follows in true letter and spirit; Sustainability is about how RAIN operates. RAIN strives to promote Circular Economy and deliver Societal Value. RAIN's approach is to innovate, collaborate and educate communities.

With an intensive focus on safety, we have achieved decline in our total recordable injury rate (TRIR).

We firmly believe that we can progress only as fast as the successful implementation and acceptance of our safety programmes and initiatives.

Our aim is to build a more mature and sustainable safety culture that will allow us to increase our productivity and operational discipline and facilitate highly competitive organic growth.

Our safety culture is centrally driven with a global Safety, Health and Environment (SHE) organisation steering our company-wide programmes.

Occupational health is a key aspect of Rain's safety activities. Currently, there are several health programmes initiated at each site and location, including global health days with dedicated initiatives.

Process safety is an integral part of our mission to operate in the safest manner possible by increasing the efficiency and reliability of our operations.

Compliance with Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India.

Prevention of Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Mr. S. Venkat Ramana Reddy, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementing of the code for trading in Company's securities. During the year under review, there has been due compliance with the said code.

The Board of Directors of the Company in compliance with Regulation 9A (4) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, review Compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively and make changes as and when required to improve the efficiency of the controls in place.

The Company has formulated various written Policies and taken various other steps from time to time to prevent Insider Trading as per the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Given below are the various steps taken by the Company for prevention of Insider Trading:

1. The Company has adopted the Policy on Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders;
2. The Company has adopted the Policy on Code of Practices and Procedures for Fair Disclosures;
3. The Company has adopted Whistle Blower Policy;
4. The Company is closing the Trading Window during the period of declaration of Financial Results, declaration of dividend and also while undertaking corporate actions;
5. Identification of employees who have access to Unpublished Price Sensitive Information (UPSI) as designated persons;
6. Annual Disclosures are taken from designated employees to monitor trading in shares of the Company;
7. Identifying all Unpublished Price Sensitive Information (UPSI) and maintaining its confidentiality;
8. Restrictions on communication or procurement of Unpublished Price Sensitive Information (UPSI);
9. Listing all employees and other persons with whom Unpublished Price Sensitive Information (UPSI) is shared;
10. Confidentiality of Information declarations are taken from employees;
11. The Digital Data Base of designated persons is being maintained containing the details of Name, PAN, Phone numbers of designated persons and the persons with whom they undertake material Financial transactions i.e., family members and other persons;

12. Digital Data Base of persons is maintained with whom Unpublished Price Sensitive Information (UPSI) is shared with details of date and time at which such information is shared; and

13. A Structured Digital Data Base software is maintained by the Company internally for recording the communication of the UPSI and the data is recorded in the software within 48 hours of the communication of the UPSI and an autogenerated mail shall be sent to all the parties with whom the UPSI is shared.

Reconciliation of Share Capital Audit

As required by the SEBI Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Practicing Company Secretary's Certificate in regard to the same is submitted to BSE and the NSE and is also placed before the Board of Directors.

Acknowledgements

We express our sincere appreciation and thank our valued Shareholders, Customers, Bankers, Business Partners/Associates, Financial Institutions, Insurance Companies, Central and State Government Departments for their continued support and encouragement to the Company. We are pleased to record our appreciation of the sincere and dedicated services of the employees and workmen at all levels.

On behalf of the Board of Directors
for **Rain Industries Limited**

	N. Radhakrishna Reddy	**Jagan Mohan Reddy Nellore**
Place: Hyderabad	Managing Director	Director
Date: February 23, 2024	DIN: 00021052	DIN: 00017633

Annexure - 1

Part- A- Subsidiaries

FORM NO. AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/ Joint ventures.

(₹ in million)

S. No	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries (Refer Note 1 below)	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Refer Note 4 below)	Turnover	Profit/ (Loss) before Taxation	Tax Expense/ (Benefit)	Profit/ (Loss) after Taxation	Other Comprehensive Income / (Loss)	Total Comprehensive Income / (Loss)	Proposed Dividend	% of shareholding	Contribution to the overall performance of the Company
1	Rain Cements Limited	19.11.2003	31.12.2023	INR	298.05	8,353.85	12,010.36	12,010.36	0.09	15,234.34	699.34	215.20	484.14	(6.64)	477.50	77.49	100	9%
2	Rain Holding Limited (5)	30.06.2023	31.12.2023	EURO	11,178.14	(1,233.26)	13,787.89	13,787.89	-	-	(12.05)	12.08	(24.13)	(87.01)	(111.14)	1,122.12	100	0%
3	Rain Commodities (USA) Inc.	13.01.2006	31.12.2023	US$	7,732.13	15,114.50	24,132.74	24,132.74	-	-	986.44	(187.82)	1,174.26	(6.49)	1,167.77	329.36	100	21%
4	Rain Verticals Limited	06.04.2021	31.12.2023	INR	1.00	(0.55)	0.47	0.47	-	-	(0.13)	-	(0.13)	-	(0.13)	-	100	0%
5	Renuka Cement Limited	14.01.2011	31.12.2023	INR	74.98	186.84	262.35	262.35	-	-	6.11	1.91	4.20	-	4.20	-	100	0%
6	Rain Carbon Inc.	15.09.2010	31.12.2023	US$	17,777.87	10,926.71	96,592.22	96,592.22	-	-	7,916.24	141.82	7,774.42	7.94	7,782.36	1,078.10	100	142%
7	Rain Global Services LLC	27.03.2008	31.12.2023	US$	0.26	(0.26)	-	-	-	-	-	-	-	-	-	-	100	0%
8	Rain CII Carbon (Vizag) Limited	23.04.2008	31.12.2023	INR	81.80	20,531.59	24,713.14	24,713.14	-	24,659.39	(318.70)	(48.20)	(270.50)	(8.64)	(279.14)	2,224.97	100	-5%
9	Rain CII Carbon LLC	19.07.2007	31.12.2023	US$	13,639.83	13,836.62	95,276.12	95,276.12	-	77,747.16	(6,663.93)	441.00	(7,104.93)	186.41	(6,918.52)	4,196.02	100	-129%
10	OOO Rain Carbon LLC	26.05.2017	31.12.2023	RUB	0.01	209.87	521.82	521.82	-	-	31.82	6.37	25.45	(42.94)	(17.49)	16.13	100	0%
11	Rain Carbon Canada Inc.	04.01.2013	31.12.2023	CAD	2,027.94	6,588.89	11,399.38	11,399.38	-	4,064.71	453.69	123.04	330.65	285.27	615.92	-	100	6%
12	Rain Carbon BV (6)	04.01.2013	31.12.2023	EURO	724.80	12,631.89	18,782.66	18,782.66	-	45,349.16	1,413.35	358.74	1,054.61	1,507.72	2,562.33	3,179.40	100	19%
13	VFT France S.A	04.01.2013	31.12.2023	EURO	797.28	633.64	1,453.81	1,453.81	-	13.36	66.85	14.69	52.16	85.33	137.49	-	100	1%
14	Rumba Invest BVBA & Co. KG (7)	04.01.2013	31.12.2023	EURO	-	(2.15)	1,588.23	1,588.23	-	-	108.33	-	108.33	(0.05)	108.28	-	94.9	2%
15	Rain Carbon Germany GmbH (7)	04.01.2013	31.12.2023	EURO	2,226.59	10,824.59	42,060.08	42,060.08	141.77	51,249.75	503.40	332.22	171.18	(264.40)	(93.22)	-	99.7	3%
16	RÜTGERS Resins BV (8)	04.01.2013	31.12.2023	EURO	-	-	-	-	-	-	19.92	(15.33)	35.25	141.18	176.43	1,188.59	100	1%
17	Severtar Holding Ltd. (9)	04.01.2013	31.12.2023	EURO	10.31	2,380.61	2,392.83	2,392.83	-	-	(0.93)	0.01	(0.94)	89.39	88.45	-	65.3	0%
18	OOO RÜTGERS Severtar	04.01.2013	31.12.2023	RUB	296.44	11,518.53	12,980.85	12,980.85	-	12,221.26	5,244.64	1,166.50	4,078.14	(2,187.59)	1,890.55	-	65.3	74%
19	Rain Carbon Poland Sp. z. o. o	04.01.2013	31.12.2023	PLN	195.70	361.04	785.18	785.18	-	1,905.19	61.39	11.91	49.48	42.70	92.18	80.05	100	1%
20	Rain Carbon (Shanghai) Trading Co. Ltd.	06.01.2014	31.12.2023	CNY	31.12	92.50	329.12	329.12	-	550.11	13.61	0.78	12.83	(4.22)	8.61	-	100	0%

(₹ in million)

S. No	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries (Refer Note 1 below)	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest-ments (Refer Note 4 below)	Turnover	Profit/ (Loss) before Taxation	Tax Expense/ (Benefit)	Profit/ (Loss) after Taxation	Other Compre-hensive Income / (Loss)	Total Compre-hensive Income / (Loss)	Proposed Dividend	% of share-hold-ing	Contri-bution to the overall perfor-mance of the Company
21	Rain Carbon Wohnimmobilien GmbH & Co. KG (7)	20.08.2015	31.12.2023	EURO	0.14	155.67	207.05	207.05	-	134.07	(56.96)	(2.80)	(54.16)	6.98	(47.18)	-	100	-1%
22	Rain Carbon Gewerbeimmobilien GmbH & Co. KG (7)	21.08.2015	31.12.2023	EURO	0.14	909.20	1,018.77	1,018.77	-	202.40	122.51	18.19	104.32	25.57	129.89	-	100	2%
23	Rain Carbon GmbH (7)	27.11.2015	31.12.2023	EURO	3.62	9,396.89	50,597.24	50,597.24	-	116.30	(2,758.04)	(241.28)	(2,516.76)	(377.15)	(2,893.91)	-	100	-46%

Note:

1 Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on the exchange rates as at December 31, 2023. Exchange rates as on the last date of the financial year are INR/USD - 83.12; INR/EURO - 92.00; INR/RUB - 0.93; INR/CNY - 11.72; INR/PLN - 21.20; INR/CAD - 62.83.

2. Refer Note 2(d) of Consolidated Financial Statements to see relation with the subsidiary, percentage equity holding and Country of incorporation for each of subsidiary.
3. Financial information is based on Audited Results of the subsidiaries. The reporting period of the subsidiary is same as that of holding Company.
4. Investments except in case of investments in subsidiaries.
5. New entity incorporated on February 20, 2023
6. Ownership got transferred from Rain Carbon GmbH to Rain Carbon Inc on June 30, 2023
7. Controlled companies in German fiscal unity, income according to local GAAP transferred to Rain Carbon GmbH and taxed on consolidated basis.
8. Liquidated on November 13, 2023
9. Ownership got transferred from Rain Carbon GmbH to Rain Holding Limited on June 30, 2023

1. Names of subsidiaries which are yet to commence operations.

S. No.	Name of the Company and Address
1	Renuka Cement Limited Address: Rain Center, 34, Srinagar Colony, Hyderabad-500073, Telangana State, India
2	Rain Verticals Limited Address: Rain Center, 34, Srinagar Colony, Hyderabad-500073, Telangana State, India

2. Names of subsidiaries which have been liquidated or sold during the year.

S. No.	Name of the Company	Address
1	RÜTGERS Resins BV	Molenlaan 30, 1422 ZA, Uithoon, the Netherlands

Part B- Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in million)

S. No.	Name of Associates/ Joint Ventures	Date on which the Associate or Joint venture was associated or acquired	Latest audited Balance Sheet Date	Shares of Associate /Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
				No.	Amount of Investment in Associates/ Joint Venture	Extent of Holding %				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	InfraTec Duisburg GmbH (IDGmbH)	04.01.2013	31.12.2022	7,500	110.41	30	Based on the percentage of holding over these investees	As the group has only ability to exercise signifcant influence but not control over these investees	110.41	11.85	27.65

1. Names of associates or joint ventures which are yet to commence operations.

S. No.	Name of the Company and Address
	- NIL -

2. Names of associates or joint ventures which have been liquidated or sold during the year.

S. No.	Name of the Company and Address
	-NIL-

For and on behalf of the Board of Directors

Rain Industries Limited

N. Radhakrishna Reddy	**Jagan Mohan Reddy Nellore**	**T. Srinivasa Rao**	**S. Venkat Ramana Reddy**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 00021052	DIN: 00017633	M. No.: F29080	M. No.: A14143

Place: Hyderabad

Date: February 23, 2024

Annexure - 2
Part- A- Subsidiaries

FORM NO. AOC -1

Report on the Performance and Financial position of each of the Subsidiaries, Associates and Joint Ventures Companies of the Company.
(Pursuant to Rule 8 of Companies (Accounts) Rules, 2014)

₹ in millions

S. No	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries (Refer Note 1 below)	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Refer Note 4 below)	Turnover	Profit/ (Loss) before Taxation	Tax Expense/ (Benefit)	Profit/ (Loss) after Taxation	Other Comprehensive Income / (Loss)	Total Comprehensive Income / (Loss)	Proposed Dividend	% of shareholding	Contribution to the overall performance of the Company
1	Rain Cements Limited	19.11.2003	31.12.2023	INR	298.05	8,353.85	12,010.36	12,010.36	0.09	15,234.34	699.34	215.20	484.14	(6.64)	477.50	77.49	100	9%
2	Rain Holding Limited (5)	30.06.2023	31.12.2023	EURO	11,178.14	(1,233.26)	13,787.89	13,787.89	-	-	(12.05)	12.08	(24.13)	(87.01)	(111.14)	1,122.12	100	0%
3	Rain Commodities (USA) Inc.	13.01.2006	31.12.2023	US$	7,732.13	15,114.50	24,132.74	24,132.74	-	-	986.44	(187.82)	1,174.26	(6.49)	1,167.77	329.36	100	21%
4	Rain Verticals Limited	06.04.2021	31.12.2023	INR	1.00	(0.55)	0.47	0.47	-	-	(0.13)	-	(0.13)	-	(0.13)	-	100	0%
5	Renuka Cement Limited	14.01.2011	31.12.2023	INR	74.98	186.84	262.35	262.35	-	-	6.11	1.91	4.20	-	4.20	-	100	0%
6	Rain Carbon Inc.	15.09.2010	31.12.2023	US$	17,777.87	10,926.71	96,592.22	96,592.22	-	-	7,916.24	141.82	7,774.42	7.94	7,782.36	1,078.10	100	142%
7	Rain Global Services LLC	27.03.2008	31.12.2023	US$	0.26	(0.26)	-	-	-	-	-	-	-	-	-	-	100	0%
8	Rain CII Carbon (Vizag) Limited	23.04.2008	31.12.2023	INR	81.80	20,531.59	24,713.14	24,713.14	-	24,659.39	(318.70)	(48.20)	(270.50)	(8.64)	(279.14)	2,224.97	100	-5%
9	Rain CII Carbon LLC	19.07.2007	31.12.2023	US$	13,639.83	13,836.62	95,276.12	95,276.12	-	77,747.16	(6,663.93)	441.00	(7,104.93)	186.41	(6,918.52)	4,196.02	100	-129%
10	OOO Rain Carbon LLC	26.05.2017	31.12.2023	RUB	0.01	209.87	521.82	521.82	-	-	31.82	6.37	25.45	(42.94)	(17.49)	16.13	100	0%
11	Rain Carbon Canada Inc.	04.01.2013	31.12.2023	CAD	2,027.94	6,588.89	11,399.38	11,399.38	-	4,064.71	453.69	123.04	330.65	285.27	615.92	-	100	6%
12	Rain Carbon BV (6)	04.01.2013	31.12.2023	EURO	724.80	12,631.89	18,782.66	18,782.66	-	45,349.16	1,413.35	358.74	1,054.61	1,507.72	2,562.33	3,179.40	100	19%
13	VFT France S.A	04.01.2013	31.12.2023	EURO	797.28	633.64	1,453.81	1,453.81	-	13.36	66.85	14.69	52.16	85.33	137.49	-	100	1%
14	Rumba Invest BVBA & Co. KG (7)	04.01.2013	31.12.2023	EURO	-	(2.15)	1,588.23	1,588.23	-	-	108.33	-	108.33	(0.05)	108.28	-	94.9	2%
15	Rain Carbon Germany GmbH (7)	04.01.2013	31.12.2023	EURO	2,226.59	10,824.59	42,060.08	42,060.08	141.77	51,249.75	503.40	332.22	171.18	(264.40)	(93.22)	-	99.7	3%
16	RÜTGERS Resins BV (8)	04.01.2013	31.12.2023	EURO	-	-	-	-	-	-	19.92	(15.33)	35.25	141.18	176.43	1,188.59	100	1%
17	Severtar Holding Ltd. (9)	04.01.2013	31.12.2023	EURO	10.31	2,380.61	2,392.83	2,392.83	-	-	(0.93)	0.01	(0.94)	89.39	88.45	-	65.3	0%
18	OOO RÜTGERS Severtar	04.01.2013	31.12.2023	RUB	296.44	11,518.53	12,980.85	12,980.85	-	12,221.26	5,244.64	1,166.50	4,078.14	(2,187.59)	1,890.55	-	65.3	74%
19	Rain Carbon Poland Sp. z. o. o	04.01.2013	31.12.2023	PLN	195.70	361.04	785.18	785.18	-	1,905.19	61.39	11.91	49.48	42.70	92.18	80.05	100	1%
20	Rain Carbon (Shanghai) Trading Co. Ltd.	06.01.2014	31.12.2023	CNY	31.12	92.50	329.12	329.12	-	550.11	13.61	0.78	12.83	(4.22)	8.61	-	100	0%
21	Rain Carbon Wohnimmobilien GmbH & Co. KG (7)	20.08.2015	31.12.2023	EURO	0.14	155.67	207.05	207.05	-	134.07	(56.96)	(2.80)	(54.16)	6.98	(47.18)	-	100	-1%
22	Rain Carbon Gewerbeimmobilien GmbH & Co. KG (7)	21.08.2015	31.12.2023	EURO	0.14	909.20	1,018.77	1,018.77	-	202.40	122.51	18.19	104.32	25.57	129.89	-	100	2%
23	Rain Carbon GmbH (7)	27.11.2015	31.12.2023	EURO	3.62	9,396.89	50,597.24	50,597.24	-	116.30	(2,758.04)	(241.28)	(2,516.76)	(377.15)	(2,893.91)	-	100	-46%

Note:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on the exchange rates as at December 31, 2023. Exchange rates as on the last date of the financial year are INR/USD - 83.12; INR/EURO - 92.00; INR/RUB - 0.93; INR/CNY - 11.72; INR/PLN - 21.20; INR/CAD - 62.83.
2. Refer Note 2(d) of Consolidated Financial Statements to see relation with the subsidiary, percentage equity holding and Country of incorporation for each of subsidiary.
3. Financial information is based on Audited Results of the subsidiaries. The reporting period of the subsidiary is same as that of holding Company.
4. Investments except in case of investments in subsidiaries.
5. New entity incorporated on February 20, 2023
6. Ownership got transferred from Rain Carbon GmbH to Rain Carbon Inc on June 30, 2023
7. Controlled companies in German fiscal unity, income according to local GAAP transferred to Rain Carbon GmbH and taxed on consolidated basis.
8. Liquidated on November 13, 2023
9. Ownership got transferred from Rain Carbon GmbH to Rain Holding Limited on June 30, 2023

1. Names of subsidiaries which are yet to commence operations.

S. No.	Name of the Company and Address
1	Renuka Cement Limited Address: Rain Center, 34, Srinagar Colony, Hyderabad-500073, Telangana State, India
2	Rain Verticals Limited Address: Rain Center, 34, Srinagar Colony, Hyderabad-500073, Telangana State, India

2. Names of subsidiaries which have been liquidated or sold during the year.

S. No.	Name of the Company	Address
1	RÜTGERS Resins BV	Molenlaan 30, 1422 ZA, Uithoon, the Netherlands

Part B- Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in million)

S. No.	Name of Associates/ Joint Ventures	Date on which the Associate or Joint venture was associated or acquired	Latest audited Balance Sheet Date	Shares of Associate /Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
				No.	Amount of Investment in Associates/ Joint Venture	Extent of Holding %				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	InfraTec Duisburg GmbH (IDGmbH)	04.01.2013	31.12.2022	7,500	110.41	30	Based on the percentage of holding over these investees	As the group has only ability to exercise signifcant influence but not control over these investees	110.41	11.85	27.65

1. Names of associates or joint ventures which are yet to commence operations.

S. No.	Name of the Company and Address
	- NIL -

2. Names of associates or joint ventures which have been liquidated or sold during the year.

S. No.	Name of the Company and Address
	-NIL-

For and on behalf of the Board of Directors

Rain Industries Limited

N. Radhakrishna Reddy	**Jagan Mohan Reddy Nellore**	**T. Srinivasa Rao**	**S. Venkat Ramana Reddy**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 00021052	DIN: 00017633	M. No.: F29080	M. No.: A14143

Place: Hyderabad

Date: February 23, 2024

Annexure – 3

Particulars of Loans, Guarantees, Investments and Security under Section 186 of the Companies Act, 2013

(₹ in million)

Nature of transaction (whether loan/ guarantee/ security/ acquisition)	Date of making loan/ acquisition/ giving guarantee/ providing security	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed/ Unlisted entities)	Amount of loan/ security/ acquisition / guarantee	Time period for which it is made/ given	Date of passing Board Resolution	Purpose of loan/ security/ acquisition / guarantee	For loans	
							Rate of interest	Date of maturity
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Subscription	June 20, 2023	Rain Holding Limited Registered Office: Unit 06, Level 1, Gate Village Building 04, Dubai International Financial Centre, Dubai. (a wholly owned subsidiary) (Unlisted)	USD 6 million (₹: 49,28,58,000)	N.A.	November 3, 2022	Subscription of 60,00,000 Equity Shares of USD 1 each fully paid-up amount aggregating to USD 6 million (₹ 49,28,58,000)	N.A.	N.A.

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Annexure – 4

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. There are no contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.

2. Contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis are as follows:

(₹ in million)

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value if any	Date(s) of approval by the Board if any	Amount paid as advances if any	Justification for entering into contracts
1	Rain Cements Limited (Wholly owned Subsidiary)	Revenue from Shared Services	From January 01, 2023 to December 31, 2023	₹ 103.65 million	February 25, 2022 and February 27, 2023	NIL	Rain Industries Limited (the Company) has set-up a Shared Service Center to provide accounting, legal, human resources, corporate communications, corporate finance and information technology support services to its Subsidiary Companies in India and outside India. Accordingly, the Company has entered into contracts to provide shared services to Subsidiary Companies.
2	Rain Cements Limited (Wholly owned Subsidiary)	Provide premises on lease	From January 01, 2023 to December 31, 2023	₹ 8.51 million	February 25, 2022, November 3, 2022 and February 27, 2023	NIL	Rain Industries Limited (the Company) has own building at which its Registered Office is situated. For operational convenience and for better co-ordination, Rain Cements Limited (Wholly owned Subsidiary) Registered Office is also located in the same building at which the Company's registered Office is situated. Hence, the Company has entered into a lease agreement with Rain Cements Limited. The rent received by Rain Industries Limited is similar to the Rent prevailing in surrounding buildings.
3	Rain Cements Limited (Wholly owned Subsidiary)	Sale of Coal	From January 01, 2023 to December 31, 2023	₹ 288.86 million	November 3, 2022 and February 27, 2023	NIL	The Company deals with purchase and sale of Coal. It has expertise in Purchasing and Negotiating with the suppliers. Accordingly, the Company has sold Coal to Rain Cements Limited at competitive price. The transaction is beneficial to both Companies. As the transactions are done at Arm's length and at prevailing market price, it is thought appropriate to sell to Rain Cements Limited.

(₹ in million)

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value if any	Date(s) of approval by the Board if any	Amount paid as advances if any	Justification for entering into contracts
4	Rain CII Carbon (Vizag) Limited (Wholly owned Subsidiary)	Revenue from Shared Services	From January 01, 2023 to December 31, 2023	₹115.90 million	February 25, 2022 and February 27, 2023	NIL	Rain Industries Limited (the Company) has set-up a Shared Service Center to provide accounting, legal, human resources, corporate communications, corporate finance and information technology support services to its Subsidiary Companies in India and abroad. Accordingly, the Company has entered into contracts to provide shared services to Subsidiary Companies.
5	Rain CII Carbon (Vizag) Limited (Wholly owned Subsidiary)	Provide premises on lease	From January 01, 2023 to December 31, 2023	₹8.51 million	February 25, 2022 and February 27, 2023	NIL	Rain Industries Limited (the Company) has own building at which its Registered Office is situated. For operational convenience and better coordination, Rain CII Carbon (Vizag) Limited (a wholly owned subsidiary Company) Registered Office is also located in the same building at which the Company's Registered Office is situated. Hence, the Company has entered into a lease agreement with Rain CII Carbon (Vizag) Limited. The rent received by Rain Industries Limited is similar to the Rent prevailing in surrounding buildings.
6	Rain CII Carbon (Vizag) Limited (Wholly owned Subsidiary)	Sale of Hydrated Lime	From January 01, 2023 to December 31, 2023	₹89.12 million	February 25, 2022 and February 27, 2023	NIL	Rain Industries Limited is the Holding Company of Rain CII Carbon (Vizag) Limited, Rain Industries Limited trades in Hydrated Lime. Rain Industries Limited has expertise in selling and Negotiating with the suppliers. Rain CII Carbon (Vizag) Limited to get benefit of competitive price, purchases hydrated lime from Rain Industries Limited.
7	Rain CII Carbon (Vizag) Limited (Wholly owned Subsidiary)	Sale of Duty Scripts / Export Licenses	From January 01, 2023 to December 31, 2023	₹251.71 million	November 3, 2022 and February 27, 2023	NIL	Rain CII Carbon (Vizag) Limited imports raw materials for manufacture of Calcined Petroleum Coke. It has to pay Customs Duty on imports to Customs authorities. Rain CII Carbon (Vizag) Limited can also submit the duty scrips in lieu of payment of Customs Duty. Rain CII Carbon (Vizag) Limited purchases duty scrips from the Company to settle the Customs Duty to Customs Authorities. The Company sells duty scrips with some margin. Hence, it is thought appropriate to sell duty scripts to Rain CII Carbon (Vizag) Limited. Rain CII Carbon (Vizag) Limited will get some operational benefit by paying Customs Duty in the form of duty scrips compared to payment of Customs Duty through cheque.
8	Rain Carbon Inc., (Wholly owned Subsidiary)	Revenue from Shared Services	From January 01, 2023 to December 31, 2023	₹ 360.55 million	February 25, 2022 and February 27, 2023	NIL	Rain Industries Limited (the Company) has set-up a Shared Service Center to provide accounting, legal, human resources, corporate communications, corporate finance and information technology support services to its Subsidiary Companies in India and abroad. Accordingly, the Company has entered into contracts to provide shared services to Subsidiary Companies.

(₹ in million)

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value if any	Date(s) of approval by the Board if any	Amount paid as advances if any	Justification for entering into contracts
9	Rutgers Severtar LLC (Wholly owned Subsidiary)	Purchase of Naphthalene	From June 3, 2023 to December 31, 2023	₹ 7.67 million	August 4, 2023	NIL	The Company is engaged in trading of Naphthalene. Accordingly, the Company has purchased Naphthalene from Rutgers Severtar LLC, Subsidiary Company, at a competitive price. The transaction is beneficial to both Companies. As the transactions are done at Arm's Length and at prevailing market price, it is thought appropriate to purchase from Rutgers Severtar LLC.

On behalf of the Board of Directors

for **Rain Industries Limited**

Place: Hyderabad Date: February 23, 2024	**N. Radhakrishna Reddy** Managing Director DIN: 00021052	**Jagan Mohan Reddy Nellore** Director DIN: 00017633

Annexure – 5

The Conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. Conservation of Energy

1) The steps taken or impact on conservation of energy: -N.A.-

2) The steps taken by the Company for utilizing alternate sources of energy: -N.A.-

3) The Capital investment on energy conservation equipment: -N.A.-

B. Technology Absorption

i. The efforts made towards technology absorption
NIL

ii. The benefits derived like product improvement, cost reduction, product development or import substitution
NIL

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
NIL

iv. The expenditure incurred on Research and Development -N.A.-

C. Foreign Exchange Earnings and out go

1) The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows

(₹ in million)

Particulars	December 31, 2023	December 31, 2022
Used	2,129.02	92.85
Earned	1,365.03	726.54

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Annexure – 6

Annual Report on Corporate Social Responsibility (CSR) activities

1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility reflects the strong commitment of the Company to improve the quality of life of the workforce and their families and also the community and society at large. The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society.

This policy shall apply to all CSR initiatives and activities taken up at the various work-center and locations of Rain Industries Limited (RIL), for the benefit of different segments of the society. The objective of the Company is:

- To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- To directly or indirectly take up programmes that benefit the communities in & around its Work Centre and results, over a period of time, in enhancing the quality of life & economic wellbeing of the local people.
- To generate, through its CSR initiatives, a goodwill for RIL and help reinforce a positive & socially responsible image of RIL as a corporate entity.

In accordance with the requirements under the Companies Act, 2013, Our Company's CSR activities, amongst others, will focus on:

i) Providing health care, maintaining of hospitals, Ambulances and conducting medical camps;

ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; and

iii) Rural development projects.

RIL may identify activities apart from the aforementioned activities for carrying out the CSR activities and those identified activities need to be approved by the CSR Committee and Board of Directors.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Jagan Mohan Reddy Nellore	Chairman	1	1
2	Mr. N. Sujith Kumar Reddy	Member	1	1
3	Mr. Brian Jude McNamara#	Member	1	1

Mr. Brian Jude McNamara, Independent Director was appointed as the member of the Corporate Social Responsibility Committee in the Board Meeting held on February 27, 2023.

Note: Ms. Nirmala Reddy, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from February 28, 2023. Accordingly, ceased to be a member of the CSR Committee with effect from February 28, 2023.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

https://www.rain-industries.com/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The average CSR obligation of the Company in past 3 years was ₹1 million, hence, the impact assessment is not applicable to the Company.

5. (a) **Average net profit of the company as per section 135(5):**

Net Profit	For the Financial Year ended December 31 (₹ million)		
	2022	2021	2020
	(69.52)	(19.92)	(22.98)
Average Net Profit for the preceding three Financial Years	(37.47)		

(b) **Two percent of average net profit of the company as per section 135(5):**

Nil. However, the Company has spent ₹ 1 million.

(c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NA

(d) **Amount required to be set off for the financial year, if any:** NA

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** Nil

6. (a) (i) **Details of CSR amount spent against ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (₹ million)	(8) Amount spent in the current financial Year (₹ million)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ million)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	NA	NA	NA		NA	NA	NA	NA	NA	NA	NA	NA
	Total	**NA**	**NA**		**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

(a) (ii) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent for the project (₹ million)	(7) Mode of implementation - Direct (Yes/ No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name.	CSR Registration Number.
1.	Health and Education	Promotion of Health and Education	Yes	Maintenance of Schools and Hospitals in: Suryapet District, Telangana State, India; Kurnool District, Andhra Pradesh State, India; and Nellore District, Andhra Pradesh State, India.		₹ 1 million	No	The amount was spent through Pragnya Priya Foundation, a Section 25 Company under Companies Act, 1956 (Section 8 of Companies Act, 2013).	CSR00001767
	Total					**₹ 1 million**			

(b) **Amount spent on Administrative Overheads:** Nil

(c) **Amount spent on Impact Assessment, if applicable:** Nil

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹1 million

(e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ million)	Amount Unspent (₹ million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹1 million	Nil	NA	NA	Nil	NA

(f) Excess amount for set off if any

Sl. No.	Particular	Amount (₹ million)
(i)	Two percent of average net profit of the Company as per section 135(5)	(Nil)
(ii)	Total amount spent for the Financial Year	1
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

(1) Sl. No.	(2) Preceding Financial Year	(3) Amount transferred to Unspent CSR Account under Section 135 (6) (₹ million)	(4) Balance Amount in Unspent CSR Account under section 135(6) (₹ million)	(5) Amount spent in the reporting Financial Year (₹ million)	(6) Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5), if any		(7) Amount remaining to be spent in succeeding financial years. (₹ million)	(8) Deficiency, if any
					Amount (₹ million)	Date of transfer		
1.	FY 2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	FY 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	FY 2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NO

If Yes, enter the number of Capital assets created/acquired - NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No. (1)	Short particulars of the property or asset(s) [including complete address and location of the property] (2)	Pin code of the property or asset(s) (3)	Date of creation (4)	Amount of CSR amount spent (5)	Details of entity/ Authority/ beneficiary of the registered owner (6)		
					CSR Registration Number, if applicable	Name	Registered address
	Nil	Nil	Nil	Nil	Nil	Nil	Nil

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

10. The CSR Committee hereby confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

For and on behalf of Corporate Social Responsibility Committee
for **Rain Industries Limited**

Jagan Mohan Reddy Nellore
Chairman of CSR Committee
DIN: 00017633

N. Sujith Kumar Reddy
Member
DIN: 00022383

Place: Hyderabad
Date: February 23, 2024

Annexure – 7

Statement of particulars as per Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remunerations paid to the Managing Director and Senior Executives are reviewed and recommended by the Nomination and Remuneration Committee.

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year

S. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Mr. N. Radhakrishna Reddy (Managing Director)	NIL
2	Mr. Jagan Mohan Reddy Nellore (Vice Chairman)	NIL
3	Mr. N. Sujith Kumar Reddy (Non-Executive Director)	NIL
4	Mr. Varun Batra (Independent Director)	0.66
5	Ms. B. Shanti Sree (Independent Director) 1	0.46
6	Mr. Brian Jude McNamara (Independent Director)	0.66
7	Mr. Robert Thomas Tonti (Independent Director)	0.66
8	Ms. Radhika Vijay Haribhakti (Independent Director) 2	0.33
9	Ms. Nirmala Reddy (Independent Director) 3	0.13

Note: Remuneration includes only the commission paid to the Directors.

1. Ms. B. Shanti Sree, Independent Director was appointed for a term of 5 years with effect from February 28, 2023, in the Board Meeting held on February 27, 2023.
2. Ms. Radhika Vijay Haribhakti, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from June 11, 2023.
3. Ms. Nirmala Reddy, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from February 28, 2023.

*Median remuneration of Employees: ₹ 10,37,000 per annum.

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year

S. No.	Name of the Director / KMP	Percentage Increase in Remuneration
1	Mr. N. Radhakrishna Reddy (Managing Director)	NIL
2	Mr. Jagan Mohan Reddy Nellore (Vice Chairman)	NIL
3	Mr. N. Sujith Kumar Reddy (Non-Executive Director)	NIL
4	Mr. Varun Batra (Independent Director)	NIL
5	Ms. B. Shanti Sree (Independent Director)	NIL
6	Ms. Nirmala Reddy (Independent Director)	NIL
7	Ms. Radhika Vijay Haribhakti (Independent Director)	NIL
8	Mr. Brian Jude McNamara (Independent Director)	NIL
9	Mr. Robert Thomas Tonti (Independent Director)	NIL
10	Mr. T. Srinivasa Rao (Chief Financial Officer)	12
11	Mr. S. Venkat Ramana Reddy (Company Secretary)	13

1. Ms. B. Shanti Sree, Independent Director was appointed for a term of 5 years with effect from February 28, 2023, in the Board Meeting held on February 27, 2023.
2. Ms. Radhika Vijay Haribhakti, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from June 11, 2023.
3. Ms. Nirmala Reddy, Independent Director has completed her second term of office and has ceased to be Director of the Company with effect from February 28, 2023.

(iii) The percentage increase in the median remuneration of employees in the financial year: 9%

(iv) The number of permanent employees on the rolls of Company: There are 179 permanent employees on the rolls of the Company.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The Average percentile increase already made in the salaries of employees is 9%

There is only one Managing Director. No remuneration was paid to the Managing Director.

(vi) The Remuneration paid to the Board of Directors and Key Managerial Personnel is as per the Remuneration policy of the Company.

On Behalf of the Board of Directors
for **Rain Industries Limited**

	N. Radhakrishna Reddy	**Jagan Mohan Reddy Nellore**
Place: Hyderabad	Managing Director	Director
Date: February 23, 2024	DIN: 00021052	DIN: 00017633

Statement of Particulars of Employees Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name & Designation	Remuneration received	Nature of employment	Qualifications and experience of the employee	Date of commencement of employment	Age (in years)	The last employment held before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) of Rule 5	Whether is a relative of any director or manager of the Company
1	Mr. N. Radhakrishna Reddy (Managing Director)	Nil	Regular	Undergraduate More than 54 years of experience in Construction and Cement Industry.	March 31, 2019	82	N.A.	N.A.	Father of Mr. Jagan Mohan Reddy Nellore, Director and Mr. N. Sujith Kumar Reddy, Director.
2	Mr. T. Srinivasa Rao, (Chief Financial Officer)	₹ 22.01 million	Regular	B. Com, FCA	April 01, 2012	57	Vice President (Finance) of Rain CII Carbon (Vizag) Limited	Nil	No
3	Mr. Balasubramanian Ramaswamy, (Chief Internal Auditor)	₹ 11.54 million	Regular	B.Com, ICWAI	April 21, 2017	55	Metro Cash & Carry India	Nil	No

* Mr. N. Radhakrishna Reddy, Managing Director was not paid any remuneration during the financial year ended 31st December, 2023.

Note: There are no other employees who draw remuneration in excess of the limits prescribed in Rule 5(2) (i), (ii) & (iii) of the Companies (Appointment and Remuneration) Rules, 2014

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Statement of Particulars of Employees Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

List of Top 10 salaried employees for the Financial Year ended December 31, 2023

S. No.	Name and Designation	Remuneration received during the period from January 1, 2023 to December 31, 2023	Nature of Employment	Qualifications and experience of the Employee	Date of commencement of Employment	Age (in years)	The last employment held before joining the Company	Whether is a relative of any Director or Manager of the Company	The percentage of equity shares held by the Employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5
1	Mr. T. Srinivasa Rao, (Chief Financial Officer)	2,20,10,907	Regular	B.Com, FCA	April 01, 2012	57	Vice President (Finance) of Rain CII Carbon (Vizag) Limited	No	Nil
2	Mr. Balasubramanian Ramaswamy, (Chief Internal Auditor)	1,15,38,276	Regular	B.Com, ICWAI	April 21, 2017	55	Metro Cash & Carry India	No	Nil
3	Mr. Srinivas Rao Vedula, (General Manager Global SSO)	83,66,784	Regular	B.Com, CA	December 16, 2021	52	United Health Group	No	Nil
4	Mr. K. Shankar Sathish, (General Manager – IT SAP)	77,88,196	Regular	B.Com, ACA, ICWAI	September 26, 2016	48	Archean Group	No	Nil
5	Mr. Prasanth Puliakottu, (Chief Information Officer)	75,00,766	Regular	B.Tech, MS	December 29, 2022	52	United Carton Industries Company	No	Nil
6	Mr. S. Venkata Ramana Reddy, (Company Secretary)	70,06,811	Regular	M.Com, LLB, ACS	February 01, 2008	51	Suryalata Spinning Mills Limited	No	Nil
7	Mr. Rupankar Chakrabarti (GM – Human Resources)	62,78,928	Regular	M.Sc, PGHRM	July 11, 2022	49	Neuberg Diagnostics Group	No	Nil
8	Mr. U.S. Saranga Pani, (GM - Corporate Reporting)	56,86,712	Regular	B.Com, CA and CWA	June 23, 2014	39	Dr. Reddy's Laboratories Ltd	No	Nil
9	Mr. Ramasamy Guhan, (Global Head Digital Transformation)	46,47,871	Regular	M.Sc - Comp Science	October 12, 2020	48	Capgemini	No	Nil
10	Mr. Madhu Babu Gondi (AGM-IT)	46,36,766	Regular	MFM	December 21, 2015	51	Delta Technology International Services	No	Nil

* Mr. N. Radhakrishna Reddy, Managing Director was not paid any remuneration during the financial year ended 31st December 2023.

On Behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Annexure - 8

Secretarial Audit Report

For the Financial Year Ended 31st December, 2023

FORM NO MR 3

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
Rain Industries Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Rain Industries Limited** (hereinafter called as **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have conducted verification and examination of the books, papers, minutes books, forms, returns filed and other records as maintained and facilitated by the Company and according to the examinations carried out by us and explanations and information furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st December, 2023 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st December, 2023 ("Audit Period") and we report that during the period under review, the Company has complied with the provisions of the following Acts, Rules, Regulations, Guidelines and Standards:

   1.1. The Companies Act, 2013 (the Act) and the Rules made thereunder;

   1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

   1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

   1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

   1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      1.5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

      1.5.4. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.

2. The Company is carrying on the business of sale of products and duty scripts and providing shared support services to its subsidiary companies and holding investments in its Subsidiary Companies. In view of the management, there are no Industry Specific Laws applicable to the Company.

3. We further report that:

   3.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

3.2 Notice is given to all the Directors electronically to schedule the Board and Committee Meetings at least 7 days in advance and agenda and detailed notes on agenda were sent in advance.

3.3 There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

3.4 Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.

3.5 The Company has complied with the requirements of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015. i.e., maintenance of Structured Digital Database (SDD) and submission of Compliance Certificate to the Stock Exchanges.

3.6 It is to be noted that for the Audit Period there are no events, which would attract the following Acts:

i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

ii. SEBI (Delisting of Equity Shares) Regulations, 2009.

iii. SEBI (Buyback of Securities) Regulations, 1998.

iv. SEBI (Share Based Employee Benefits) Regulations, 2014.

v. SEBI (Issue of capital and disclosure requirements) Regulations, 2009

vi. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021

3.7 There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100
Peer review Certificate No. 890/2020

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280E003467584

Place: Hyderabad
Date: February 21, 2024

Note: This report is to be read with our letter of even date, which is annexed, and form an integral part of this report.

Annexure

To
The Members,
Rain Industries Limited
Hyderabad.

Our Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have obtained reasonable assurance that the statements prepared, documents or Records maintained by the Company are free from misstatement.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100
Peer review Certificate No. 890/2020

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280E003467584

Place: Hyderabad
Date: February 21, 2024

Annexure - 8A

Secretarial Audit Report

For the Financial Year Ended 31st December, 2023

FORM NO MR 3

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members
Rain Cements Limited
"Rain Center", 34, Srinagar Colony,
Hyderabad–500073,
Telangana State, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rain Cements Limited.,** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

III. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; (Not applicable to the Company during the audit period)

IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during the audit period);

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period);

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the audit period);

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and

   i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not applicable to the Company during the audit period)

V. The Company has during the audit period covering the financial year ended on 31st December, 2023 complied with the statutory provisions listed below, specifically applicable to the Company:

a. Mines Act, 1952 read with Mines Rules, 1955;

b. Mines and Mineral (Regulation and Development) Act, 1957 read with Mineral Conservation and Development Rules, 1988;

c. Cement (Quality Control) Order, 2003;

d. The Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004;

e. The Explosive Act 1884 read with Explosive Rules, 2008;

f. The Static & Mobile Pressure Vessels (Unfired) Rules, 1981;

g. Cylinder Rules, 2004;

h. Ammonium Nitrate Rules, 2012;

i. Limestone And Dolomite Mines Metallic Ferrous Mine Regulations, 2012;

j. The Explosives Act, 2008 read with rules made thereunder;

k. Environmental (Protection) Act, 1986 Read with Environmental Protection Rules, 1986;

l. The Hazardous Wastes (Managements Handling and Trans Boundary Movement) Rules, 2008;

m. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;

n. Water (Prevention & Control of Pollution) Cess Act, 1977;

o. The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;

p. The Noise Pollution (Regulation and Control) Rules, 2000;

q. Indian Boilers Act, 1923; and

r. Electricity Act, 2003.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **P S Rao & Associates**
Company Secretaries

M B Suneel
Partner
C.P. No: 14449
PR No. 710/2020
UDIN: A031197E003442946

Place: Hyderabad
Date: February 19, 2024

Note: This report is to be read with our letter of even date which is annexed as ‘Annexure-A’ and forms an integral part of this report.

Annexure-A

To
The Members
Rain Cements Limited
"Rain Center", 34, Srinagar Colony,
Hyderabad–500073,
Telangana State, India.

Our report of even date is to be read along with this letter.

Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
3. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.
8. We further report that examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by us as part of this Secretarial Audit.

Disclaimer

9. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P S Rao & Associates**
Company Secretaries

M B Suneel
Partner
C.P. No: 14449
PR No. 710/2020
UDIN: A031197E003442946

Place: Hyderabad
Date: February 19, 2024

Annexure - 8B

Secretarial Audit Report

For the Financial Year Ended 31st December, 2023

FORM NO MR 3

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
Rain CII Carbon (Vizag) Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Rain CII Carbon (Vizag) Limited** (hereinafter called as **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have conducted verification and examination of the books, papers, minutes books, forms, returns filed and other records as maintained and facilitated by the Company, and according to the examinations carried out by us and explanations and information furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st December, 2023 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st December, 2023 ("Audit Period") and we report that during the period under review the Company has complied with the provisions of the following Acts, Rules, Regulations, Guidelines and Standards:

   1.1. The Companies Act, 2013 (the Act) and the Rules made there under;

   1.2. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   1.3. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment.

   1.4. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.

2. The Company is engaged in the business of manufacture and sale of Calcined Petroleum Coke and generation and supply of electricity. In view of the Management, the following Industry Specific Acts are applicable to the Company and have been complied with:

   1) Andhra Pradesh Factories Rules, 1950 (Prescribed under Rule 55, 55-A and 56).

   2) Andhra Pradesh Pollution Control Board Water Act, 1974 and Air Act, 1981.

   3) The Petroleum Act, 1934.

   4) Indian Boiler Act No V of 1923, Section 7/8 and Indian Boiler Regulation, 1950.

   5) Atomic Energy Act, 1962.

   6) Weights and Measures Act, 2011.

   7) Indian Electricity Act, 1910.

   8) The Factories Act, 1948.

3. We further report that:

   3.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

   3.2 Notice is given to all the Directors electronically to schedule the Board Meetings at least 7 days in advance and agenda and detailed notes on agenda were sent in advance.

3.3 There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

3.4 Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.

3.5 The Company being an un-listed Company, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 are not applicable to the Company.

3.6 There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

4. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100
Peer review Certificate No. 890/2020

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280E003438313

Place: Hyderabad
Date: February 15, 2024

Note: This report is to be read with our letter of even date, which is annexed, and form an integral part of this report.

Annexure

To
The Members,
Rain CII Carbon (Vizag) Limited
Hyderabad.

Our Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have obtained reasonable assurance that the statements prepared, documents or records maintained by the Company are free from misstatement.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100
Peer review Certificate No. 890/2020

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280E003438313

Place: Hyderabad
Date: February 15, 2024

Annexure - 8C

Secretarial Compliance Report of Rain Industries Limited

For the Financial Year Ended December 31, 2023

We, DVM & Associates LLP, Company Secretaries, having our office situated at No. 6/3/154-159, Flat No. 303, 3rd Floor, Royal Majestic Apartment, Prem Nagar Colony, Near Care Hospital, Road No. 1, Banjara Hills, Hyderabad – 500004, Telangana State, India, have examined:

(a) all the documents and records made available to us and explanation provided by Rain Industries Limited ("the Listed Entity");

(b) the filings/ submissions made by the listed entity to the stock exchanges;

(c) website of the listed entity;

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification for the Financial Year ended December 31, 2023 ("Review Period") in respect of compliance with the provisions of:

   (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

   (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Listed Entity during the Review Period)

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Listed Entity during the Review Period);

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Listed Entity during the Review Period)

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Listed Entity during the Review Period)

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Listed Entity during the Review Period)

Based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

(b) There were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

(c) The actions taken by listed entity to comply with the observations made in previous reports does not arise during the review period.

(d) During the period under review there were no instances of resignation of statutory auditors of the listed entity or its material Subsidiaries. Accordingly, the clauses 6(A) and 6(B) of SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 are not applicable to the listed entity during the period under review.

(e) In terms of the NSE Circular Ref No: NSE/CML/2023/30 dated 10th April, 2023 and the BSE Circular No: 20230410-41 dated 10th April, 2023, and amendments therein, our affirmations, is appended as below:

Sl. No	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS
1	**Secretarial Standard** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	Nil
2	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & timely updated as per the regulations/ circulars/ guidelines issued by SEBI.	Yes	Nil
3	**Maintenance and disclosures on the Website:** • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes	Nil
4	**Disqualification of Director:** None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the listed entity.	Yes	Nil
5	**Details related to Subsidiaries of listed entities:** (a) Identification of material subsidiary companies. (b) Disclosure Requirements of material as well as other subsidiaries.	Yes	Nil
6	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
7	**Performance Evaluation:** The listed entity has conducted performance evaluations of the Board, Independent Directors, and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	Nil
8	**Related Party Transactions:** (a) The listed entity has obtained prior approval of the Audit Committee for all Related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	Nil
9	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil

Sl. No	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS
10	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	Nil
12	**Additional Non-Compliances, if any:** No additional non-compliance was observed for any SEBI regulation/circulars/guidance note etc	Yes	Nil

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100
Peer review Certificate No. 890/2020

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280E003415554

Place: Hyderabad
Date: February 12, 2024

Annexure – 9

Business Responsibility & Sustainability Reporting for the Financial year ended December 31, 2023

As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L26942TG1974PLC001693
2. **Name of the Listed Entity:** Rain Industries Limited (RIL)
3. **Year of Incorporation:** March 15, 1974
4. **Registered office address:** Rain Center, 34, Srinagar Colony, Hyderabad- 500073, Telangana State, India.
5. **Corporate address:** Rain Center, 34, Srinagar Colony, Hyderabad - 500073, Telangana State, India.
6. **E-mail:** secretarial@rain-industries.com
7. **Telephone:** 040-40401234
8. **Website:** www.rain-industries.com
9. **Financial Year (FY) for which reporting is being done:** January 1, 2023 to December 31, 2023.
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited
11. **Paid-up Capital:** ₹ 67,26,91,358
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:** Mr. S. Venkat Ramana Reddy, Company Secretary,
Telephone: 040-40401234,
Email: secretarial@rain-industries.com.
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):** Consolidated Basis.
14. **Name of assurance provider:** Not Applicable
15. **Type of assurance obtained:** Not Applicable

II. Products/ Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Carbon	Carbon Products (Calcined Petroleum Coke, Green Petroleum Coke and Coal Tar Pitch)	73.71%
2	Advanced Materials	Engineered Products, Chemical Intermediates and Resins	17.89%
3	Cement	Manufacture of Cement	8.40%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code*	% of total Turnover contributed
1	Carbon Products (Calcined Petroleum Coke, Green Petroleum Coke and Coal Tar Pitch)	191	72.84%
2	Manufacture and Sale of Cement	239	8.40%
3	Electric Power Generation, Transmission and Distribution	351	1.00%
4	Advanced Materials	201	17.76%

* As per National Industrial Classification, 2008 – Ministry of Statistics and Programme Implementation.

III. Operations

18. Number of locations where plants and/or operations/ offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	6	10
International	12	1	13

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	7 States i.e., Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Maharashtra, Odisha and Kerala.
International (No. of Countries)	Seven i.e., Germany, Belgium, Russia, Canada, Poland, United States of America and Dubai

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports is 6%* of the total turnover of the entity.

*Exports of Indian entities only considered at Group level

c. A brief on types of customers

Aluminium, Graphite, Construction, Wood preservation, Adhesives, Rubber, Refractory, Coating etc.,

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	1,456	1,259	86.5%	197	13.5%
2.	Other than Permanent (E)*	20	14	70%	6	30%
3.	**Total employees (D+E)**	**1,476**	**1,273**	**86.2%**	**203**	**13.8%**
Workers						
4.	Permanent (F)	834	816	97.8%	18	2.2%
5.	Other than Permanent (G)*	76	71	93.4%	5	6.6%
6.	**Total workers (F+G)**	**910**	**887**	**97.5%**	**23**	**2.5%**

*incl. apprenticeship

b. Differently abled Employees and worker:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1.	Permanent (D)	8	4	50.0%	4	50.0%
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total differently abled employees (D + E)**	**8**	**4**	**50.0%**	**4**	**50.0%**
Differently Abled workers						
4.	Permanent (F)	12	12	100.0%	0	0.0%
5.	Other than permanent (G)	0	0	-	0	-
6.	**Total differently abled workers (F + G)**	**12**	**12**	**100.0%**	**0**	**0.0%**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.29%
Key Management Personnel	3	0	0.0%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY ended December 31, 2023 (Turnover rate in current FY)			FY ended December 31, 2022 (Turnover rate in previous FY)			FY ended December 31, 2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.0%	10.8%	12.8%	10.8%	9.1%	10.5%	15.76%	1.07%	16.83%
Permanent Workers	6.3%	5.0%	4.7%	Nil	Nil	Nil	Nil	Nil	Nil

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures

Sl. No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Rain Cements Limited (RCL)	Subsidiary Company	100	Yes
2	Rain CII Carbon (Vizag) Limited (RCCVL)	Subsidiary Company	100	Yes
3	Rain Verticals Limited	Subsidiary Company	100	Yes
4	Renuka Cement Limited	Subsidiary Company	100	Yes
5	Rain Carbon Inc. (RCI)	Subsidiary Company	100	Yes
6	Rain Global Services LLC	Subsidiary Company	100	Yes
7	Rain Commodities (USA) Inc.	Subsidiary Company	100	Yes
8	Rain CII Carbon LLC	Subsidiary Company	100	Yes
9	Rain Carbon Canada Inc.	Subsidiary Company	100	Yes
10	Rain Carbon BV	Subsidiary Company	100	Yes
11	VFT France S.A	Subsidiary Company	100	Yes
12	Rumba Invest BVBA & Co. KG	Subsidiary Company	94.9	Yes
13	Rain Carbon Germany GmbH	Subsidiary Company	99.7	Yes
14	Severtar Holding Ltd.	Subsidiary Company	65.3	Yes
15	OOO RÜTGERS Severtar	Subsidiary Company	65.3	Yes
16	OOO Rain Carbon LLC	Subsidiary Company	100	Yes
17	Rain Carbon Poland Sp. z. o. o	Subsidiary Company	100	Yes
18	Rain Carbon (Shanghai) Trading Co. Ltd.	Subsidiary Company	100	Yes
19	Rain Carbon Wohnimmobilien GmbH & Co. KG	Subsidiary Company	100	Yes
20	Rain Carbon Gewerbeimmobilien GmbH & Co. KG	Subsidiary Company	100	Yes
21	Rain Carbon GmbH	Subsidiary Company	100	Yes
22	Rain Holding Limited	Subsidiary Company	100	Yes
23	InfraTec Duisburg GmbH (IDGmbH)	Associate Company	30	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): ₹ 540.74 million (Standalone - for financial year ended December 31, 2022)

(iii) Net worth (in ₹): ₹ 2,443.81 million (Standalone - for financial year ended December 31, 2022)

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY ended December 31, 2023 Current Financial Year			FY ended December 31, 2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil

Note: Web-link for grievance redress policy: https://rain-industries.com/assets/pdf/ril---whistle-blower-policy---09.05.2023_20230524042659.pdf

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY ended December 31, 2023 Current Financial Year			FY ended December 31, 2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	207	Nil	-	197	Nil	-
Employees and workers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)	NA	Nil	Nil	Nil	Nil	Nil	Nil

Note: Web-link for grievance redress policy: https://rain-industries.com/assets/pdf/ril---whistle-blower-policy---09.05.2023_20230524042659.pdf

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk/ Opportunity	In case of Risk, approach to adapt or mitigate	Financial implications of the Risk or Opportunity (Indicate positive or negative implications)
1	Conservation – water, energy and waste recycling	Opportunity	Responsible use of resources that includes water conservation efforts, improving energy efficiency, reducing emissions, efficient waste disposal approaches, designing innovative solutions to reduce, reuse and recycle, supports the Company's actions towards sustainable growth.	-	Positive, Conservation of resources leads to • Positive economic benefit as it brings about cost saving, • Efficient usage of resources, • Regulatory compliance and beyond
2	Renewable energy	Opportunity	Renewable energy initiatives form an important aspect of the Company's sustainability driven pursuits, which is also a promising solution to climate change problem	-	Positive, even though the ROI is longer it has in store inevitable benefits of i) Reduction in overall energy cost ii) Reduction in emissions.
3	Learning and development	Opportunity	Training is one of the key factors in equipping employees to contribute sustainably.	-	Positive, Consistent efforts towards training in the areas of Quality and Environment, health and safety (EHS) equip the work force to meet a surge in demand of the business.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://rain-industries.com/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All the policies are comparable with the best practices in the industry.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Y	Y	Y	Y	Y	Y	Y	Y	Y
Governance, leadership and oversight									
7. Statement by Director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): **Yes**									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).	Name: Mr. Jagan Mohan Reddy Nellore Designation: Director DIN: 00017633								
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes (RIL Sustainability Steering Committee) Chair: Matthew Scott-Hansen (Executive Vice President, Rain Carbon. Inc.) Rolf Roers (Vice President, Global Regulatory Affairs and Sustainability) Julia (Director, Global Sustainability)								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Code of Conduct and Ethics	100
Key Managerial Personnel	1	Code of Conduct and Ethics	100
Employees other than BoD and KMPs	1	Code of Conduct and Ethics	100
Workers	1	Code of Conduct and Ethics	100

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NA	NA	No
Settlement	NA	NA	NA	NA	No
Compounding	NA	NA	NA	NA	No

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	No
Punishment	NA	NA	NA	No

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes. The Company has policy on Anti-Bribery and Anti-Corruption covers the Company and its subsidiaries. The web-link to the policy is https://rain-industries.com/assets/pdf/ril-anti-corruption-and-anti-bribary-5-5-15_20180725125126.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY ended December 31, 2023 (Current Financial Year)		FY ended December 31, 2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

   Nil

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Number of days of accounts payables	30	33

9. Open-ness of business

   Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	Nil	Nil
	b.	Number of trading houses where purchases are made from	Nil	Nil
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	8%	8%
	b.	Number of dealers / distributors to whom sales are made	2,860	2,918
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	15%	15%

Parameter	Metrics	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	5.73%	5.63%
	b. Sales (Sales to related parties / Total Sales)	0.10%	0.07%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments	Nil	Nil

Leadership Indicators:

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

   Yes. The Board of Directors have to give declarations about his/her interest or concern in other Companies, bodies corporate, firms or other association of individuals in Form MBP-1. If any Director is interested in the item of agenda at the time of meetings, he/she will vacate the meeting to avoid conflict of interests.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators:

1. Percentage of Research and Development (R&D) and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total Research and Development (R&D) and capex investments made by the entity, respectively:

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)	Details of improvements in environmental and social impacts
CAPEX	Rain Cements: 77.26%	Rain Cements: 42.50%	**Rain Cements:** Solar power at RCL*
CAPEX	RCI total: 18.09%	RCI total: 42%	**RCI:** • Chalmette-Anhydrous Carbon Pellet Project. Improves efficiency of the boiler resulting in increased steam generation with better heat recovery from the Waste Heat flue gases. • Cooling Tower #1 Rebuild. Improves efficiency of the Cooling Tower which helps in reduction of overall power consumption by the Cooling Tower meeting the cooling requirements. • TG#3 Stop Valve Assembly Rebuild. Will improve energy efficiency and reliability of energy production. • New air compressors and dryer installation. Have added VFD (not in previous system) which helps in reducing the overall electric power consumption of the Air System. • Lake Charles Screener Crusher Project. Major benefits are (i) Reduces the overall power consumption per ton of sized material by avoiding the repeated re-cycling of the material to achieve the sizing. (ii) Makes operation very simple and iii) Brings down the particulate emission drastically thus helping the environment.

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)	Details of improvements in environmental and social impacts
			• LC Boiler Feedwater Motor Upgrade P7. The upgraded motor is a high efficiency motor which helps in lowering the power consumption. • RO # 1 & 2 Membranes. Replaced the total membranes in RO Stage#1. This increases the Permeate output and simultaneously reduces the Reject Water, thus helps in overall reduction of water consumption. • Lightning Protection. Installation of this system will help in bringdown the Electric Power Consumption per Ton of CPC produced by avoiding the tripping of the Plants during the bad weather conditions especially during Lightenings. • Robinson K1 & K2 Burner System Replacement. Offers improved performance with Pyro Temp and emissions control • Robinson Baghouse upgrade. Offers improved performance. • Corporate Sustainability Energy Monitoring. Supports energy reduction projects and is improvement over status quo • Installation and commissioning of three Diesel Generators with acoustic enclosures. The reliability of plant operations has improved with these units, especially during black-out conditions. They are also energy efficient and meet all environment norms in terms of emissions and noise levels. • Replacement of KTD furnaces at Castrop-Rauxel • Pitch Coolers (Hot Oil Conversion) at Hamilton • Catalyst change PA2 at Zelzate • Waste gas cleaning and Sulphur removal at Hamilton • FGI Benzene Header Separation at Hamilton • Leak free pumps at Zelzate • Condenser 40W703 at Zelzate • DeNOx WSA at Zelzate • Lime sludge drying - next steps at Duisburg • Installation of Vacuum Pumps on HSPP at Hamilton
R&D	RCI: 100%	RCI: 95%	**RCI:** Anhydrous carbonaceous pellets (ACP) related process development and biocarbon research The environmental impact of product innovation is mainly at customers and technical product applications in which the newly introduced products help to reduce GHG emissions, improve environmental impact and toxicity, or improve energy efficiency. Highlights for 2023: <u>Advanced Materials (Resins & Engineered products)</u> • With NOVARES® TN 120 ECO the first ISCC Plus certified hydrocarbon resin product has been sold under the ECO label to the adhesives market in 2023. • NOVARES® TM 120 has been launched as a new water-white, odor-free and non-toxic pure monomer resin product with a softening point of 120°C in the adhesives market

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)	Details of improvements in environmental and social impacts
			Larger scale samples of the newly developed NOVARES® MP 50/LM liquid hydrocarbon resin product family were supplied as a part of the marketing plan to customers in the coatings industry as possible substitutes of the NOVARES® LS and LA liquid hydrocarbon resin products which have been under scrutiny by the European Chemicals Agency (ECHA) as potential substances of very high concern which could lead to a ban of such products. The NOVARES® MP50/LM liquid hydrocarbon resin product family has been developed in the last couple of years to prepare such a scenario. The NOVARES® Pure 2090 hydrogenated hydrocarbon resin could be developed as a color-less, odor-less, and non-toxic resin product and could be homologated in the cosmetic industry where it is mainly applied in depilatories. The newly introduced feed cooling in the manufacturing process of NOVARES® TM 85 AS water-white and odor-free pure monomer resin not only improved the product quality and batch consistency but also the process yields by 5 %. In addition, with the new feed cooling less out-of-spec product batches are produced during the start-up phase of each process campaign. The recycling of xylene used as a process solvent in the production of NOVARES® TM pure monomer resin was developed during 2023 and will be introduced in the industrial production process of these water-white, odor-free, and non-toxic pure monomer resins from the first quarter 2024. The recycled xylene will be re-used in the process which will improve the economics of the pure monomer resin manufacturing process as well as its sustainability. Savings in waste-water volumes achieved by adjustments of the manufacturing process of the NOVARES® LA products have increased the sustainability of this liquid resin product family used in the coatings industry. The recycling of phenol, that could be introduced in the manufacture of NOVARES® LS products, helps to avoid phenol-containing waste during the production of these products and by this improving their ecological and economical sustainability. Substantial yield improvement at the same raw material use and energy expenditure could be achieved in the manufacturing process of the petroleum-based NOVARES® Y-TC 10 indene-based hydrocarbon resin leading to an improved economics and sustainability of the product mainly applied as additive in the rubber industry. NOVARES® Pure 2100 hydrogenated hydrocarbon resin can reduce, if used as a tackifier in the tire threads, the rolling resistance of car tires and by that improves the fuel consumption of internal combustion engine cars or the energy consumption/driving range of electric vehicles. NOVARES® L 100 could be homologated as a plasticizer substituting the traditional phthalate plasticizers being banned for ecological reasons in liquid polyurethane adhesives. The quality of the PETRORES® and LIONCOAT® product lines that are used as thermoplastic carbon precursors in the manufacturing of carbonaceous battery anode material for lithium-ion batteries for consumer electronics, electric vehicles, and battery energy storage could be further improved. A big progress was hereby achieved in product purity and content of metal particles affecting the safety of the lithium-ion battery cells. Several purification and pre-processing steps that have been introduced in the manufacture process chain of these carbon precursors could not only improve quality but at the same time broadened the availability of usable raw material by-product streams that are up cycled to obtain the desired products. Carbon Projects with sustainability impact in this business segment are mainly driven by Process Engineering and Production.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Rain Carbon Inc.:

Supply chain sustainability is managed differently and individually at each legal entity. Procedures are in place that require full check of whether a new purchased product fulfils all environmental and safety requirements, including risk analysis and regulatory compliance check. In general, we aim for further harmonizing our approach to do supplier assessments according to national and global regulations. Specific measures include the following:

U.S.:

- A Supplier Code of Conduct was established in 2023 for our US business.
- Prior to becoming an approved supplier, each company must complete and sign a Master Service Agreement (MSA) and obtain an approved rating in ISNetworld

Germany

- Once a year the performance of selected suppliers is assessed. The assessment, amongst others, includes whether an environmental or energy management system is implemented.
- Terms and conditions define certain requirements for suppliers including payment of minimum wages.

b. If yes, what percentage of inputs were sourced sustainably?

A respective KPI is not monitored for RCI, RCL and RIL. However, a systematic and standardized approach is under review. Once implemented respective KPIs will be available.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Subsidiary Companies in India and US are engaged in the business of manufacture and sale of Cement (India) and Calcined Petroleum Coke (India and US). In the process of manufacture of Cement and Calcined Petroleum Coke, plants generate electricity through waste heat recovery-based power plants which converts the waste heat generated into electricity. In the manufacture of Cement, there is no solid or liquid waste arising from this process. For distillation and calcination, a major part of our products are intermediates and are converted into CO_2. Thus, there are no end-consumer products that can be reclaimed.

The US facilities take part in a universal waste disposal program to eliminate waste in a facility designated for this product for treatment. The US facilities are also working with authorities to dispose of secondary products for beneficial use, as well as for agricultural use.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No):

Yes

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Waste collection plan under development for RCL

Leadership Indicators:

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NA	Calcined Pet Coke	Not assessed	Product Carbon Footprint	Yes*	No
NA	Coal tar and Petro pitch	Not assessed	Product Carbon Footprint	Yes*	No
NA	Novares resins	Not assessed	Product Carbon Footprint	No	No
NA	Benzene	Not assessed	Product Carbon Footprint	No	No
NA	Naphthalene	Not assessed	Product Carbon Footprint	No	No

*Assessment done internally but critical review done externally

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Fly Ash	22.1%	24% (Share by weight)
Advanced Materials	Advanced Materials/Resins & Modifiers: < 1%	Advanced Materials/Resins & Modifiers: < 1%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
E-waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hazardous waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other waste (non-hazardous waste)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*Products are not reclaimed at the end of life. Packaging material is also not reclaimed; however, this is reused outside of Rain's operation e.g., in the case of IBCs.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators:

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F /A)
Permanent employees											
Male	1,259	1,243	98.7%	1,188	94.4%	0	0%	251	19.9%	538	42.7%
Female	197	188	95.4%	161	81.7%	139	70.6%	0	0%	11	5.6%
Total	**1,456**	**1,431**	**98.3%**	**1,349**	**92.7%**	**139**	**9.5%**	**251**	**17.2%**	**549**	**37.7%**
Other than Permanent employees*											
Male	14	12	85.7%	12	85.7%	0	0%	12	85.7%	0	0.0%
Female	6	6	100.0%	6	100.0%	6	100.0%	0	0%	0	0.0%
Total	**20**	**18**	**90.0%**	**18**	**90.0%**	**6**	**30%**	**12**	**60%**	**0**	**0.0%**

*incl. apprenticeship

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F /A)
Permanent workers											
Male	816	795	97.4%	689	84.4%	0	0%	262	32.1%	59	7.2%
Female	18	17	94.4%	13	72.2%	11	61.1%	0	0%	0	0.0%
Total	**834**	**812**	**97.4%**	**702**	**84.2%**	**11**	**1.3%**	**262**	**31.4%**	**59**	**7.1%**
Other than Permanent workers*											
Male	71	67	94.4%	67	94.4%	0	0%	59	83.1%	0	0%
Female	5	5	100.0%	5	100.0%	5	100%	0	0%	0	0%
Total	**76**	**72**	**94.7%**	**72**	**94.7%**	**5**	**6.6%**	**59**	**77.6%**	**0**	**0%**

*incl. apprenticeship

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	₹ 3,00,000/-	₹ 3,00,000/-

2. Details of retirement benefits, for Current FY and Previous Financial Year* (*only India)

Benefits	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y

Benefits	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
ESI	0%	14%	Y	0%	14%	Y
Others (please Specify)	-	-	-	-	-	-

3. Accessibility of workplaces

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. * (*only India)

   Yes, https://www.rain-industries.com/

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate	Retention Rate	Return to work Rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	RCI: Yes, depending on the grievance: Rain Carbon Inc. reporting & escalation policy – general non-compliance topics, grievance via the workers council regarding workplace grievances, grievance via the anti-discrimination officer for discrimination topics, grievances via data protection officer for data protection topics. If a disabled person feels discriminated the employee can contact also the severe disabled representative +local laws
Other than Permanent Workers	
Permanent Employees	RCL: YES, the company has adopted Whistle Blower Policy facilitating various stakeholders of the Company to raise any concerns on discrimination. Regular awareness programs are conducted to the work force about the Whistle Blower Policy intimating the contact details of the Heads of Human Resource Departments, Legal Department and the Ombudsman. The Complainant under the policy is protected from victimization. In exceptional cases the complainant is allowed direct access to the Chairperson of the Audit Committee to prevent victimization.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of Employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**654**	**0**	**0.0%**	**637**	**0**	**0.0%**
Male	608	0	0.0%	590	0	0.0%
Female	46	0	0.0%	47	0	0.0%
Total Permanent Workers	**238**	**122**	**51.3%**	**251**	**123**	**49.0%**
Male	230	119	51.7%	245	120	49.0%
Female	8	3	37.5%	6	3	50.0%

8. Details of training given to employees and workers:

Category	FY ended December 31, 2023 (Current Financial Year)					FY ended December 31, 2022 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1,035	960	92.8%	686	66.3%	1,120	963	86.0%	636	56.8%
Female	169	146	86.4%	152	89.9%	182	153	84.1%	141	77.5%
Total	**1,204**	**1,106**	**91.9%**	**838**	**69.6%**	**1,302**	**1116**	**85.7%**	**777**	**59.7%**
Workers										
Male	775	742	95.7%	537	69.3%	932	792	85.0%	674	72.3%
Female	23	23	100.0%	20	87.0%	22	21	95.5%	17	77.3%
Total	**798**	**765**	**95.9%**	**557**	**69.8%**	**954**	**813**	**85.2%**	**691**	**72.4%**

*no data available for Rain bv

9. Details of performance and career development reviews of employees and worker:

Category	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,163	985	84.7%	845	704	83.3%
Female	166	135	81.3%	227	125	55.1%
Total	**1,329**	**1,120**	**84.3%**	**1072**	**829**	**77.3%**
Workers						
Male	836	515	61.6%	460	264	57.4%
Female	17	9	52.9%	15	10	66.7%
Total	**853**	**524**	**61.4%**	**475**	**274**	**57.7%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. For both our carbon and cement business units we are implementing additional improvements to our safety management systems, based on recommendations by the National Safety Council, British safety council and other third-party auditors such as Chola MS to improve the effectiveness of our existing safety systems and procedures. We are also implementing KAIZEN framework at our carbon units and quality circle initiatives at our cement units. Both of our cement plants (Rain Cements Ltd.) and three of our European sites (Rain Carbon Inc.) hold the ISO 45001 certification. Recently, we have appointed a Group Chief Medical Officer in corporate office, in order to strengthen the medical and wellness campaign throughout the organization. Additionally, we recently conducted a few medical camps in our cement units, and we have also tied up with Apollo health clinic for annual medical check up of our employees at Carbon units.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Our focus includes our Life-Saving Rules campaign, site audits, leadership walkthroughs, and near misses and unsafe conditions/unsafe acts program, and the need for increased safety related communication at all levels of our organization. We also emphasize training to raise awareness about routine and non-routine hazards during, daily working conditions, process changes, project construction and start-ups, and planned shutdowns for repairs and maintenance. We regularly conduct toolbox talks, as part of our safety procedures and before taking up of any new assignments in order to orient safety requirements for the job and precautions to be taken during the course of the said job.

We continuously strive for better safety work standards and to ensure zero incidents. Hence, we continuously work upon areas of improvement in order to have a safer workplace. These areas for improvement are a top priority throughout RAIN and they enables us to make important progress on our 'Quest for Zero' journey.

The Board of Directors evaluates the framework, focusing on discussions regarding management submissions on risks, identifying crucial risks and approving relevant action plans to mitigate such risks based on priority. The responsibility of assisting the Risk Management Committee on an independent basis lies with the internal audit function armed with the complete status of risk assessments and management. Other activities of the Risk Management Committee include obtaining frequent updates on certain identified risks depending on the nature, significance and possible impact on the business.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.7	0.3
	Workers	0.0	0.5
Total recordable work-related injuries	Employees	7	5
	Workers	0	3
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	3
	Workers	1	3

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- Ensure compliance with all legal and regulatory requirements.
- Achieve incident-free safety performance based on detailed action plan initiated under the Safety Training Observation Programme (STOP™) a programme of DuPont Sustainable Solutions (DSS), and our new Life-Saving Rules Initiative.
- Train employees by DuPont Sustainable Solutions (DSS) approved trainers.
- Regular safety audits conducted by reputed third parties.
- Accreditation initiatives like reputed bodies such as British Safety Council
- Quality initiatives such as KAIZEN and Quality Circles
- Provide medical facilities and health insurance for all employees.
- Regular medical camps and annual medical check-ups conducted in association with reputed hospitals
- Conduct Global SHE site audits
- Conduct leadership safety management walkthroughs
- Wrote, trained, and implemented a life-saving rules (LSR) global program
- Trained employees on EHS Insight hazard reporting and management tool.

13. Number of Complaints on the following made by employees and workers:

	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Prevention of safety-related incidents is one of our highest priorities. We have an extensive safety programme, which includes formal training for all employees, preventive measures such as pre-job safety analyses and a system aimed at identifying risks, taking corrective actions and preventing incidents. We regularly conduct internal audits of this safety system. We also conduct regular toolbox talks to create awareness of safety requirements related to our activities. Our management team has implemented a structured process for handling, monitoring, documenting and learning from near-miss accidents. We have taken stringent measures to reduce the number of recordable incidents Company-wide and the monetary incentives of most employees are linked to fulfilling the Company's safety targets.

After auditing sites or investigating incidents, multiple corrective actions could be implemented. We use the hierarchy of controls system to first eliminate the hazard, if possible, and then work down to the PPE level. It is not uncommon for two or more hierarchy levels to be implemented for one incident or hazard identification. Each corrective action is recorded along with the hazard or incident and then communicated to all sites for further implementation, to correct similar hazards at other sites.

As part of quality initiatives, the KAIZEN and the Quality circle introduction would also further cover the importance of the safety standards for bringing better efficiency and productivity in the system.

Leadership Indicators:

1. Does the entity extend any life insurance or any compensatory package in the event of death of

   (A) Employees (Y/N): Yes (covered under group personal accident policy, gratuity)

   (B) Workers (Y/N): Yes (covered under workmen compensation act, group personal accident policy and ESIC scheme)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   All Statutory Compliances are monitored in SAP – Customised Report, which triggers alert to people responsible for such compliance and also gets escalated to his / her seniors to avoid any non-compliances.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Employees	1	3	1	3
Workers*	1	3	-	2

*Numbers for RCI and RCL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

   Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	NIL
Working Conditions	NIL

*Covered under agreements – check of H&S reports; Assessing working conditions at our sites for contractors working at our sites

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   RCI: At Rain Carbon Inc., we do not have a standardized process for the assessment of raw material suppliers yet. However, we have started reviewing our raw material suppliers as well as goods and services providers for evidence of their position on certain criteria.

   RCL: We are working to incorporate environmental and social clauses in contracts with critical suppliers

PRINCIPLE 4:

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators:

1. Describe the processes for identifying key stakeholder groups of the entity.

   We consider individuals, groups, institutions or entities that contribute to shaping our business that add value or constitute a core part of the business value chain as key stakeholders. Our stakeholders are both internal and external and direct as well as indirect. Our key stakeholders include employees, investors, suppliers and partners, customers, government authorities and the community.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	We use digital as well as physical channels of communication including but not limited to e-mails, leadership touchpoints and appraisal and training programmes for personal and professional growth.	Daily	Through physical and digital channels of communication, we aim to provide our employees an empowering workplace that encourages transparent engagement and the freedom to act, innovate and grow as professionals and individuals. Our ongoing effort is to maintain two-way engagement with colleagues globally including those in corporate offices, manufacturing locations and in the field.
Investors	No	We interact with our shareholders, potential investors and research analysts through investor meetings/ calls, conferences, earnings call, investor events, e-mail, press releases, stock exchange intimations, investor presentations and annual reports.	Quarterly and need-based	We engage with them so that they can take an informed decision to invest in our Company. The key areas of engagement includes an update on the business and financial performance, Company's strategy and growth levers, potential opportunities and risks.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Physical and virtual meetings, customer events, calls, e-mail and website.	Daily	We engage with our customers to ensure regular supply of the products, keep them informed about new products, participate in the bids/ tenders and maximize the outreach of our products.
Suppliers & Partners	No	Physical and virtual meetings, supplier forums, partner events, calls, e-mail and website.	Frequent and need-based	To make suppliers aware of the requirements of the Company with respect to the quality and other specifications. They are also made aware of the policies of the Company with respect to the ethical practices and also the quality standards maintained by the Company.
Government authorities	No	Our interactions with authorities take place through e-mails, meetings, submissions, etc. as required.	Need-based	With regulatory authorities, our engagement is aimed at discharging responsibilities. With policymakers, our engagement aims to understand and discuss matters pertaining to the industry.
Community	No	Our engagement with the community includes physical visits as well as digital channels.	Frequent and need-based	With giving back to society as a core tenet of the Company, our corporate social responsibility and employee volunteering programmes target the areas of education, health and Rural Development activities.

Leadership Indicators:

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   Consultation with the respective stakeholder groups is done by the relevant business and functional heads. Feedback from such consultations is shared with the Board during the quarterly Board meetings.

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Effective engagement helps us connect stakeholder needs with organizational goals, creating the basis of an effective strategy development and unlocking greater shared value for all stakeholders. We use multiple platforms to engage with a wide variety of stakeholders to understand their unique needs and concerns and chart out suitable strategies to address them. Our internal and external stakeholders identified key material topics across ESG that are likely to impact RAIN Group's business like product availability, responsible pricing and affordability, high-quality, safety, anti-bribery and corruption. These topics have been considered in the list of RAIN action areas and our sustainability framework.

3. Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   The Company and its subsidiaries endeavor to bring meaningful difference in the lives of its associated stakeholders in thrust areas like healthcare, infrastructure support and education. Several initiatives towards healthcare, education, sanitation, safe drinking water, integrated rural development, creation of sustainable livelihoods, etc. have been taken under Corporate Social Responsibility activities of the Company and its subsidiaries.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format: (Employees ever trained / Headcount 31st of December)

Category	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,183	1,056	89.3%	1,180	1,141	96.7%
Other than Permanent*	20	18	90.0%	20	18	90.0%
Total Employees	**1,203**	**1,074**	**89.3%**	**1,200**	**1,159**	**96.6%**
Workers						
Permanent	730	622	85.2%	817	772	94.5%
Other than Permanent*	69	59	85.5%	52	39	75.0%
Total Workers	**799**	**681**	**85.2%**	**869**	**811**	**93.3%**

*incl. apprenticeship

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY ended December 31, 2023 (Current Financial Year)					FY ended December 31, 2022 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	1,259	0	0.0%	1,259	100.0%	1,089	0	0.0%	1,089	100.0%
Female	197	0	0.0%	197	100.0%	170	0	0.0%	170	100.0%
Other than Permanent*										
Male	14	0	0.0%	14	100.0%	20	0	0.0%	20	100.0%
Female	6	0	0.0%	6	100.0%	10	0	0.0%	10	100.0%
Workers										
Permanent										
Male	816	0	0.0%	816	100.0%	856	0	0.0%	856	100.0%
Female	18	0	0.0%	18	100.0%	17	0	0.0%	17	100.0%
Other than Permanent*										
Male	71	0	0%	71	100%	77	0	0%	77	100%
Female	5	0	0%	5	100%	6	0	0%	6	100%

*incl. apprenticeship

3. Details of remuneration/salary/wages

a. Median remuneration / wages*:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	3,40,000	1	4,75,000
Key Managerial Personnel	2	14,508,855	NA	NA
Employees other than Board of Directors and KMP	146	1,086,720	33	8,11,999
Workers	0	-	0	-

Note: Details are only for Rain Industries Limited

b. Gross wages paid to females as % of total wages paid by the entity, in the following format*:

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Gross wages paid to females as % of total wages	3.52%	3.13%

Note: Information provided is for the Indian entities (i.e., Rain Industries Limited, Holding Company, Rain Cements Limited, Wholly Owned Subsidiary Company and Rain CII Carbon (Vizag) Limited, Wholly Owned Subsidiary Company).

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have two anti-discrimination officers. If there is a potential discrimination, an employee can confidentially contact the anti-discrimination officer. The officer will execute an independent investigation. For all human rights issues, employees can bring the issues to a member of the workers council or union. For employees with severe disability, they can in addition contact the disabled representative per site.

All the Companies in RAIN Group have adopted their respective Whistle Blower Policies facilitating various stakeholders of the Company to raise any concerns on discrimination. Regular awareness programs are conducted for the work force of the group about the Whistle Blower Policy intimating the contact details of the Heads of Human Resource Departments, Legal Department and the Ombudsman. The Complainant under the policy is protected from victimization. In exceptional cases the complainant is allowed direct access to the Chairperson of the Audit Committee to prevent victimization.

6. Number of Complaints on the following made by employees and workers:

	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour /Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company will ensure that the complainant or victim or witnesses are not victimized or discriminated against while dealing with complaints of harassment.

All the Companies in RAIN Group have adopted their respective Whistle Blower Policies facilitating various stakeholders of the Company to raise any concerns on discrimination. Regular awareness programs are conducted for the work force of the group about the Whistle Blower Policy intimating the contact details of the Heads of Human Resource Departments, Legal Department and the Ombudsman. The complainant under the policy is protected from victimization. In exceptional cases the complainant is allowed direct access to the Chairperson of the Audit Committee to prevent victimization.

However, anyone who abuses the procedure (for example, by maliciously putting an allegation knowing it to be untrue) will be subject to disciplinary action.

1. Ombudsman for Rain Industries Limited and Rain Cements Limited

   Name : Mr. N. Sujith Kumar Reddy
   Designation : Director of RIL and Managing Director of RCL
   Contact Details : Rain Center, 34, Srinagar Colony,
   Hyderabad – 500 073, Telangana State, India.
   Phone No. : 040 - 40401234
   Fax No. : 040-40401215
   Email ID : ombudsman@priyacement.com

2. Ombudsman for Rain CII Carbon (Vizag) Limited
   Name : Mr. N. Sridutt Reddy
   Designation : Executive Director
   Contact Details : Rain Center, 34, Srinagar Colony,
   Hyderabad – 500 073, Telangana State, India.
   Phone No. : 040-440401234
   Fax No. : 040-40401214
   Email ID : hq@raincarbon.com

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above:

    N.A.

Leadership Indicators:

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints:

    RCI: NIL, **RIL:** NIL

    RCL: NIL; No concerns or risks were observed, and hence business processes did not require any modifications. As an organization dedicated to upholding and promoting human rights, this outcome reflects our continuous efforts to maintain a harmonious relationship with all stakeholders, while safeguarding our core value of integrity.

2. Details of the scope and coverage of any Human rights due diligence conducted.

    Human rights due diligence is a way for enterprises to proactively manage potential and actual adverse human rights impacts with which they are involved. The prevention of adverse impacts on people is the main purpose of human rights due diligence. It concerns risks to people, not risks to business.

    Human rights due diligence involves the actions taken by a Company to both identify and act upon actual and potential human rights risks for employees / workers in its operations, supply chains and the services it uses.

    RCI and RIL uses AEB compliance screening software, among others, to determine whether any vendor or customer has been accused of human rights violations.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

    Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/ Involuntary Labour	NIL
Wages	NIL
Others – please specify	NIL

    We do not have a standardized process for the assessment of raw material suppliers yet. However, we have started with reviewing our raw material suppliers as well as goods and services providers for evidence of their position on certain criteria.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

    Nil

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators:

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	111 TJ	25 TJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**111TJ**	**25TJ**
From non-renewable sources		
Total electricity consumption (D)	2,559 TJ (Including self-generated electricity from waste heat recovery)	2,630 TJ (value corrected from what was provided last year)
Total fuel consumption (E)	11,018 TJ	11,507 TJ
Energy consumption through other sources (F)	0	0 (value corrected from what was provided last year)
Total energy consumed from non- renewable sources (D+E+F)	**13,577 TJ**	**14,137 TJ (value corrected from what was provided last year)**
Total energy consumed (A+B+C+D+E+F)	**13,688 TJ**	**14,162 TJ**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.000000075	0.00000006
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000062	NA
Energy intensity in terms of physical output	0.0023 TJ/ metric ton of products produced	0,0024 TJ/ metric ton of products produced
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessment for all environmental KPI's (except for Russian entity): External certifier DQS.

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) - No

   If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)*		
(i) Surface water	1,167,024	1,436,850
(ii) Groundwater	2,853,037	2,894,549
(iii) Third party water	1,535,636	3,259,150
(iv) Seawater / desalinated water	1,277,933	1,407,155
(v) Others	26,108	27,762 (value corrected in comparison to last year)
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	**6,859,738**	**9,025,466**

Parameter	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Total volume of water consumption (in kilolitres)	Water Withdrawal comprises the water taken from surface waterbodies (fresh and saltwater), groundwater aquifers or from third party suppliers. However, the discharge additionally comprises the sources storm- and rainwater. Therefore, water consumption calculated from withdrawal minus discharge is not a representative value and thus not included as an indicator in the current assessment.	
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	NA as water consumption is not calculated	NA
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	NA as water consumption is not calculated	NA
Water intensity in terms of physical output	1.25 (m^3 total water withdrawal / metric ton production volume)	0.70 (m^3 total water withdrawal / metric ton production volume)
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

*Based on data from all sites except Cherepovets and Chalmette. The site in Chalmette (USA) is supplied by a pump which was dimensioned to supply several companies. By now, Chalmette is the only site which uses the pump. To work at an efficient level, the pump has to withdraw much more water than required by the site. Therefore, most of the withdrawn water is immediately discharged back into the waterbody source and only a smaller share is used for production processes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessment for all environmental KPI's (except for Russian entity): External certifier DQS.

4. Provide the following details related to water discharged:

Parameter	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)*		
(i) To Surface water	2,453,682	6,405,283 (value corrected in comparison to last year)
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	0	0
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	721,349	788,766 (value corrected in comparison to last year)
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties	2,907,817	869,840 (value corrected in comparison to last year)
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	0	0
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	**6,082,848**	**8,063,890**

*Based on data from all sites except Cherepovets and Chalmette. The site in Chalmette (USA) is supplied by a pump which was dimensioned to supply several companies. By now, Chalmette is the only site which uses the pump. To work at an efficient level, the pump has to withdraw much more water than required by the site. Therefore, most of the withdrawn water is immediately discharged back into the waterbody source and only a smaller share is used for production processes.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

RCI: There is no mechanism of Zero Liquid Discharge except for the two plants in India (Visakhapatnam, Atchutapuram)

RCL:

We have Zero Liquid Discharge at our cement plants. From the Overhead tank through pipeline water is pumped to bearings [Note: After cooling the bearing water will come to water cooling sump and against it will go to heat exchangers, the same water is collected in a sump, further cooled in the cooling tower and stored in soft water tank pumped to overhead tank for recycling.] The same was used for bearings cooling. Installed lotus system in cooling tower discharge for water softening. There is no liquid discharge in the above system.

Colony STP outlet treated water is used for Colony Plantation and Green belt development. Treated water from STP is also being used for dust control. Demineralised Plant effluent water, boiler blow down and auxiliary cooling tower water is reused in process and green belt development.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
NOx *	Metric tons	3,383	2,876
SOx **	Metric tons	13,033	13,147
Particulate matter (PM) ***	Metric tons	887	966
Persistent organic pollutants (POP)	Nil	NA	NA
Volatile organic compounds (VOC) ****	Metric tons	237	243
Hazardous air pollutants (HAP) *****	Metric tons	147	168
Others – please specify	Nil	NA	NA

* Data available for all applicable sites, except Castrop-Rauxel, Kedzierzyn-Kozle and Visakhapatnam

** Data available for all applicable sites, except Castrop-Rauxel and Kedzierzyn-Kozle

*** Data available for all applicable sites, except Castrop-Rauxel, Zelzate and Kedzierzyn-Kozle.

**** Data available for all applicable sites, except Castrop-Rauxel, Duisburg, Kedzierzyn-Kozle, Viskhapatnam and Atchutapuram

***** Data available for all applicable sites, except Castrop-Rauxel, Zelzate and Viskahapatnam

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessment for all environmental KPI's (except for Russian entity): External certifier DQS.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Total Scope 1 emissions* (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	3,098,543* (Only CO_2, CH_4, and N_2O; excluding mobile combustion)	3,030,410 (Value corrected in comparison to last year) (Only CO_2, CH_4, and N_2O; excluding mobile combustion)

Parameter	Unit	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	183,069	188,060
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent / rupee of turnover	0.000018	0.000015
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO_2 equivalent / rupee of turnover adjusted for PPP	0.00149	(indicator was not included last year)
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tons CO_2e/ metric ton produced	0.5595	0.5498 (Value corrected in comparison to last year)
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		/	/

*Only the following greenhouse gases are included in our assessment: CO_2, CH_4 and N_2O.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessment for all environmental KPI's (except for Russian entity): External certifier DQS.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Over the recent years the company has developed various concepts and measure to reduce Rains GHG emissions including the following:

RCI:

- Increase utilization of green electricity
- Exchange of outdated equipment (e.g., pumps, ovens for distillation) with state-of-the-art energy efficient equipment
- Process optimization in chemical production of resins

RCL:

- Increase of solar power capacities which has helped us reduce our scope 2 GHG emissions.

Solar generation capacity Installed at RCL - Unit-1

- Till CY 2022: 5.642 MW
  - 1.0 MW AC SPP – Phase-1 – in Sep'2020
  - 1.0 MW AC SPP – Phase-2– in Sep'2021
  - 3.6 MW AC SPP – in Oct'2022
- Additional capacity installed in CY 2023: NIL
- Details: Roof Top: 31.9KW SPP

Solar generation capacity Installed at RCL – Unit-2

- Till CY 2022 : 1.060 MW
- Additional capacity installed in CY 2023: 12.20 MW
- Details are as follows:
- Ground mount:
  - 10 MW AC SPP – Jan 2023
  - 2.2 MW AC SPP – Apr 2023
  - 1 MW AC SPP - Oct 2020

- Roof Top:
  - 40 KW SPP – Mar 2021
  - 20 KW SPP – Mar 2021

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not assessed	Not assessed
E-waste (B)	Not assessed	Not assessed
Bio-medical waste (C)	Not assessed	Not assessed
Construction and demolition waste (D)	Not assessed	Not assessed
Battery waste (E)	Not assessed	Not assessed
Radioactive waste (F)	Not assessed	Not assessed
Other Hazardous waste. Please specify, if any. (G)	29,204 metric tons	49,807
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	79,093 metric tons	66,308 (Value corrected in comparison to last year)
Total (A+B+C+D+E+F+G+H)	**108,296 metric tons**	**116,115 (Value corrected in comparison to last year)**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.000000597	(Indicator was not included last year)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000049	(Indicator was not included last year)
Waste intensity in terms of physical output	0,0185 (metric ton total waste / metric ton production volume)	0,0198 (metric ton total waste / metric ton production volume)
Waste intensity (optional) – the relevant metric may be selected by the entity	/	/
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	65,410 metric tons	60,276
(ii) Re-used	0 metric tons	3,723
(iii) Other recovery operations	9,137 metric tons	3,758
Total	**74,547 metric tons**	**67,757**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	11,126	6,316
(ii) Landfilling	7,619	19,489
(iii) Other disposal operations	5,964	22,265
Total	**24,709**	**48,070**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessment for all environmental KPI's (except for Russian entity): External certifier DQS.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

RCI: Our production processes aim at highest resource efficiency in converting as much raw materials as possible into products and thus, minimising waste volumes. We implemented multiple activities across our global operations that are described in the non-statutory section of this report.

All of our facilities go through a chemical approval process to reduce/eliminate employee exposure to hazardous chemicals while reducing or eliminating environmental concerns. The process identifies chemicals reviewed and approved by the responsible BU official and his/her designees.

In our calcination facilities for example, a chemical approval form will be completed by the site and submitted to the S&H Manager, North America for approval. You must give how the chemical will be used and whether or not it will replace an existing chemical. An SDS must also be provided listing any hazards associated with the chemical.

RCL: Household waste collection, segregation and disposal/ use as compost/ incinerated in kiln is being done at RCL since past 2 years from every house. Not many waste products are there in cement, limestone mining generates some waste such as oil/ fuel.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

RCI:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Chalmette	Calcination	Yes
2	Gramercy	Calcination	Yes
3	Lake Charles	Calcination	Yes
4	Zelzate	Coal tar and PFO distillation, benzol distillation and production of PA	Yes (an impact assessment is done extensively in the environmental effect report (MER) and more limited in every permit application where an impact is possible.)

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Rain Carbon Bv - Permit application approved May 2023)	ESM22100411	May 11, 2023 permit granted by authorities.	The study was conducted by an external expert (certified by the government as expert in air emissions)	The conclusion was that there was no severe impact on the ecological sensitive areas nearby. People can consult the permit	-

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company has complied with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non -compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
NA				

Leadership Indicators:

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area: Production sites that operate in areas with water stress are Hamilton (high (40-80%)), Zelzate (extremely high (>80%), Kurnool (extremely high (>80%)) and Suryapet (high (40-80%))

   (ii) Nature of operations: Manufacturing of Calcined Petroleum Coke, Coal Tar Pitch and Cement.

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	944,378	757,484
(ii) Groundwater	125,881	160,633
(iii) Third party water	322,419	223,973
(iv) Seawater / desalinated water	0	0
(v) Others	16,038	20,444
Total volume of water withdrawal (in kilolitres)	1,408,716	1,162,534
Total volume of water consumption (in kilolitres)	Water Withdrawal comprises the water taken from surface waterbodies (fresh and saltwater), groundwater aquifers or from third party suppliers. However, the discharge additionally comprises the sources storm- and rainwater. Therefore, water consumption calculated from withdrawal minus discharge is not a representative value and thus not included as an indicator in the current assessment.	
Water intensity per rupee of turnover (Water consumed / turnover)	Not assessed, see comment above	
Water intensity (optional) – the relevant metric may be selected by the entity	0.40 (m^3 water withdrawal/ metric ton of products produced)	0.31 (m^3 water withdrawal/ metric ton of products produced)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	282,760	278,751
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties	133,313	120,790
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**416,073**	**399,541**

   Sites in water stress: Production sites that operate in areas with water stress are Hamilton (high (40-80%)), Zelzate (extremely high (>80%), Kurnool (extremely high (>80%)) and Suryapet (high (40-80%))

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   Yes, independent assessment for all environmental KPI's (except for Russian entity): External certifier DQS.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	NA*	NA
Total Scope 3 emissions per rupee of turnover	-	NA*	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	NA*	NA

***For RCI:** During 2023 we initiated a major cross company project in order to assess our Scope 3 emission. Following the GHG Protocol all categories were evaluated. Based on relevance and data availability we have selected the most significant categories for our initial Scope 3 data collection.

Throughout Q3 and Q4 we have started to collect respective data for CY2022 as a pilot to define respective data collection and calculation processes. First results suggest that Category 11 per GHG Protocol : use of sold products and Category 1 per GHG Protocol: Purchased goods and services are having the highest impact for Rain Carbon. We will continue to evaluate the data and establish data collection processes throughout 2024.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Rain Carbon Bv - The study showed that there were no significant impacts on the ecological sensitive areas nearby (NOx and SOx).

RCL: Recent study conducted in our both Cement Units concluded there were no impact due to NOx and SOx emissions on the Biodiversity. To prove the same to Govt Authorities, we have established Cow Forms within our factory premises in our both Cement Units.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Rain Cements Ltd., India	Investment in Solar power of 12.20 MW	Overall improvement in scope-1 and scope-2 GHG emissions
2	Carbon and advanced materials, Zelate site, Belgium	Reverse osmosis technology currently under testing Pre-test with tar centrifuge finalized. Centrifuge will be installed to remove tar sediments out of the storage tank without emissions Installation of DeNOx unit	See positive impact for Hamilton site Improved mass balance and reduced overall CO_2 emissions Reduction of NOx emissions
3	Carbon and advanced materials, Castrop Rauxel site, Germany	Renewal of heating technology for continuous tar distillation plant: Replacement of gas burner with new state-of-the-art burner Overhaul; of the steam pipeline network: overall steam pressure was reduced and unnecessary steam pipes were removed from the system. In addition, state-of-the-art venturi steam traps were implemented	Reduction of NOx emissions Overall natural gas consumption was reduced by 21 GWh (CY 2023 vs CY 2022)
		Several steam-related measures were implemented including an economizer for one of the steam boilers	Overall improvement for condensate recuperation

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4	Carbon and advanced materials, Hamilton site, Canada	Modernization of Reverse osmosis unit behind the stormwater treatment unit	Recycling of rainwater will lead to decrease of wastewater to city sewer. Increase of recycling rates of boiler feedwater will lead to lower blowdown and hence less steam consumption
		Condensate return manifolds and steam tracing lines were replaced	Increase of recycled rate of condensate, reduction of steam consumption and lower natural gas consumption
5	Carbon GRAMERCY, USA – Energy efficiency project	• Installation of VFD Drive Air Compressor • Installation of Energy Monitoring Equipment to determine inefficiencies. • Continually updating bulbs to LED lighting.	Overall reduction of energy consumption and thus, improvement of scope-1 and scope-2 emissions.
6	Carbon NORCO, USA	Energy Efficiency Projects: • Installation of VFD Drive Air Compressor • Installation of Energy Monitoring Equipment to determine inefficiencies. • Replacement of Expansion Joints to reduce tramp air flow into the flue gas stream which decreases load on induced draft fan.	Overall reduction of energy consumption and thus, improvement of scope-1 and scope-2 emissions.
		Lime mixture disposal project: • Norco has received approval for a new beneficial use plan for the scrubbed spent lime material. Beneficial use sites have been located to receive this material. Norco will also apply with the Department of Louisiana Ag and Forestry for a Best Management and Practice's approval in 2024 so the spent lime can be used on agricultural land.	Reduced overall waste volume
7	Carbon CHALMETTE, USA	• Installation of Energy Monitoring Equipment to determine inefficiencies.	Overall reduction of energy consumption and thus, improvement of scope-1 and scope-2 emissions.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   RCI: We have emergency preparedness plans in place for each site to address any external and internal disasters. These plans have a clear focus on minimizing exposure with hazardous situations and cover various scenarios with clear assignments of responsibilities. This also includes business continuity measures per business segment.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   No adverse impact to the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   None

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators:

1. a. Number of affiliations with trade and industry chambers/ associations.

   RCI: 38 affiliations with trade and industry chambers/ associations

   RIL and RCL: One. The Company is a member of Federation of Telangana Chamber of Commerce and Industry (FTCCI), Telangana State, India.

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the Trade and Industry Chambers/ Associations	Reach of trade and Industry Chambers/ Associations (State/National)
1	Federation of Telangana Chamber of Commerce and Industry (FTCCI)	Telangana, India (State)
2	Cefic	Europe (National)
3	VCI	Germany (National)
4	ASI	Global (National)
5	ACCCI	North America (National)
6	Essenscia	Belgium (National)
7	Creosote Council III	North America (National)
8	PCTC	USA and Canada (National)
9	RTA	USA (National)
10	Chemical Industry Council of Illinois (CICI)	USA (State of Illinois)

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

Leadership Indicators:

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Nil					

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Nil						

3. Describe the mechanisms to receive and redress grievances of the community.

The Board of Directors of the Company had adopted the Whistle Blower Policy and appointed an ombudsman. A mechanism has been established for all stakeholders including Directors, employees, vendors and suppliers to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company: https://rain-industries.com/assets/pdf/ril---whistle-blower-policy---09.05.2023_20230524042659.pdf

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Directly sourced from MSMEs / small producers	N.A	N.A
Directly from within India	23%	23%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY ended December 31, 2023 (Current Financial Year)	FY ended December 31, 2022 (Previous Financial Year)
Rural	20.14	20.46
Semi-urban	11.84	10.84
Urban	7.20	7.41
Metropolitan	60.82	61.29

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators:

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Telangana State, India	Suryapet, District	₹ 42.93 million
2	Andhra Pradesh State, India	Nellore & Kurnool, District	₹ 77.74 million

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) – No

   (b) From which marginalized /vulnerable groups do you procure- Nil.

   (c) What percentage of total procurement (by value) does it constitute- Nil.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education	2,458	100
2	Health	102,175	100

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators:

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   On the website of the Company, contact details are provided for redressal of grievances and complaints on the products. The grievances are resolved without any delay.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product*	2.35%
Safe and responsible usage	100%**
Recycling and/or safe disposal	>90%***

*This includes the following products, CARBORES, PETRORES, ISSC Plus, Portland (higher content of fly ash). However, it does not include the large production volumes of coal tar pitch and calcined petroleum coke which enable state of the art and most efficient access route to primary aluminum.

**This requires strict compliance with the recommendations in the Safety Data Sheets (SDS) issued.

***This includes the electrochemical consumption of carbon products in aluminum production or steel recycling. Further this includes the thermal incineration of creosote treated articles at the end of its life span.

3. Number of consumer complaints in respect of the following:

	FY ended December 31, 2023 (Current Financial Year)			FY ended December 31, 2022 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   https://www.rain-industries.com/investors/disclosure-under-regulation-46#policies

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

   As a better security and preventive measure, RAIN is implementing an ISO 27K information security standards and planning to get an ISO 27 K certification.

7. Provide the following information relating to data breaches:

    a. Number of instances of data breaches - Nil

    b. Percentage of data breaches involving personally identifiable information of customers – 0%

    c. Impact, if any, of the data breaches - Nil

Leadership Indicators:

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

    https://www.rain-industries.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

    We fulfill all legal requirements related to hazard communication including provision of Safety Data Sheets and Product labels to our value chain partners.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

    Necessary information is placed on the website of the Company.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

    Yes. The Company and its subsidiary Companies displays product information on the product label as per the requirement of law. The Company has not carried out any formal consumer survey/consumer satisfaction trends. However, the Company keeps track of responses/comments from various stakeholders.

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Annexure – 10
Nomination and Remuneration Policy

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, this Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated.

The objectives of the Policy

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration and to recommend to the Board their appointment and removal.
2. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
3. To carry out evaluation of the performance of Board, its Committees and Individual Directors.
4. To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Definitions

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company means Rain Industries Limited.
- Independent Director means a Director referred to in Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Key Managerial Personnel (KMP) means-

i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;

ii. Company Secretary;

iii. Chief Financial Officer; and

iv. Such other officer, not more than one level below the Directors who is in Whole time Employment, Designated Key Managerial Personnel by the Board.

'Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including their functional heads.

Applicability

The Policy is applicable to

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

A. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

1. Formulate the criteria for determining qualifications, positive attributes and independence of Directors, Key Managerial Personnel and other Employees.
2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

4. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

B. Eligibility criteria for Appointment of Directors, Key Managerial Personnel and Senior Management

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Other Employees at Senior Management level and recommend to the Board his / her appointment.

2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

3. The Company shall not appoint or continue the employment of any person as Managing Director or Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

C. Term and Remuneration

1. Managing Director/Whole-time Director

i. The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

ii. The remuneration / compensation / commission etc. to the Managing Director or Whole-time Director will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. for Managing Director or Whole time Directors shall be subject to the approval of the shareholders of the Company and Schedule V of the Companies Act, 2013.

iii. Where any insurance is taken by the Company on behalf of its Managing Director or Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

iv. The Managing Director or Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders.

v. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

vi. No Independent Director, who resigns from the Company, shall be appointed as an Executive/Whole Time Director on the board of the Company, its subsidiary or associate company or on the board of a company belonging to its promoter group, unless a period of one year has elapsed from the date of resignation as an independent director

2. Chief Financial Officer (C.F.O), Company Secretary (C.S) and Senior Management Personnel

i. The remuneration / compensation etc. to the Chief Financial Officer, Company Secretary and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.

ii. The Chief Financial Officer, Company Secretary and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee.

3. Independent Director

i. With effect from April 1, 2022, the appointment, re-appointment or removal of Independent Director of a listed Entity shall be subject to the approval of shareholders by way of Special Resolution and disclosure of such appointment shall be made in the Board's report.

ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company, he / she shall be eligible for appointment for one more term of 5 years only.

iii. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

D. Remuneration to Non- Executive / Independent Director

i. Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

ii. Commission

Commission may be paid within the monetary limit approved by shareholders, computed as per the applicable provisions of the Companies Act, 2013.

E. Composition, Role, Frequency of Meetings and Quorum

The Composition, Role, Frequency of Meetings and Quorum of the Nomination and Remuneration Committee shall be as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other requirements as may be prescribed from time to time.

F. Evaluation

The Committee shall carry out evaluation of performance of Board, its Committees and Individual Directors annually.

G. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

H. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy	**Jagan Mohan Reddy Nellore**
Managing Director	Director
DIN: 00021052	DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Annexure – 11
Management Discussion and Analysis

1. Company overview

RAIN Group is one of the world's largest producers of calcined petroleum coke (**"CPC"**) and coal tar pitch (**"CTP"**). We operate in three key business segments: Carbon, Advanced Materials and Cement. We have 16 production facilities in seven countries across three continents and continue to grow through capacity expansions, mergers and acquisitions throughout the world across all business segments.

Our Carbon business segment converts the by-products of oil refining [i.e., green petroleum coke (GPC)] and steel production [i.e., coal tar ("CT")] into high-value carbon-based products [i.e., calcined petroleum coke ("CPC"), coal tar pitch ("CTP") and other carbon products ("OCP")]. These products are critical raw materials for aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory and several other global industries.

Our Advanced Materials business segment carries out the innovative downstream transformation of a portion of our carbon output, petrochemicals and other raw materials into high-value, eco-friendly raw materials under three sub-segments of engineered products, chemical intermediates and resins, which are critical to the specialty chemicals, coatings, construction automotive, petroleum and several other global industries.

Our Cement business segment produces and markets high-quality ordinary Portland cement ("OPC") and Portland pozzolana cement ("PPC"), which are consumed largely by the civil construction and infrastructure industries within India.

Our scale and process sophistication provide us the flexibility to capitalise on market opportunities by selecting raw materials from a wide range of sources across various geographies, adjusting the composition of our product mix and offering products that meet stringent customer specifications, including several specialty products.

Our global manufacturing footprint and our integrated worldwide logistics network have also strategically positioned us to capitalise on market opportunities by addressing raw material supply and product demand on a global basis, in both established (mainly North America and Europe) and emerging markets (mainly Asia and the Middle East).

The following operating and financial review is intended to convey the management's perspective on the operating and financial performance of RAIN Group for the year ended December 31, 2023. This should be read in conjunction with the Company's Standalone and Consolidated Financial Statements, the schedules and notes thereto and the other information included elsewhere in the Annual Report. RAIN Group's Financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013, the guidelines issued by the Securities and Exchange Board of India (SEBI), in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

2. Discussion on financial performance

Consolidated Financial Performance:

(₹ in million)

Particulars	2023	2022
Income from Operations	181,415	210,110
Adjusted Operating Profit	20,137	37,545
Operating Profit (%)	11.1%	17.9%
Profit / (loss) Before Tax	(4,824)	23,273
Adjusted Profit After Tax @	1,526	16,980

@ After Non-controlling interest

Operating profit and profit / (loss) after tax are adjusted with exceptional and one-off items. Please find hereunder the reconciliation of reported operating profit and reported profit / (loss) after tax with adjusted operating profit and adjusted profit after tax.

(₹ in million)

Reconciliation	Operating Profit	Profit / (loss) After Tax
Reported	17,374	(9,379)
Adjustments:		
Inventory adjustments	2,514	2,514
Non-cash impairment charge	-	7,506
Expenses towards non-recurring items	616	616
Insurance claims received related to prior periods	(247)	(247)
Foreign Exchange Gain on inter-company Debt Note	(120)	(120)

(₹ in million)

Reconciliation	Operating Profit	Profit / (loss) After Tax
Charge-off of deferred finance cost	-	319
Tax impact on above adjustments	-	(683)
Non-recurring tax adjustments	-	1,000
Adjusted	20,137	1,526

During CY 2023, we generated revenue from operations of ₹ 181.4 billion and operating profit of ₹ 20.1 billion. The revenue in CY 2023 was lower by 13.7% compared to CY 2022 mainly due to lower price realisations and lower volumes partially offset by appreciation of USD and EURO against INR. The operating margins in CY 2023 were lower due to margin contraction as there was delay in reset of raw material costs in-line with fall in finished goods prices and higher operating costs.

As a result, the adjusted profit after tax in CY 2023 was ₹ 1.5 billion (i.e., ₹ 15.5 billion lower than the ₹ 17.0 billion generated in CY 2022). Consequently, the adjusted earnings per share was ₹ 4.54 in CY 2023 as against ₹ 50.49 in CY 2022.

Although, the Group has weaker performance during the year 2023; mainly due to substantial fall in the prices of finished products and delays in re-set of raw-material costs; the Group has generated substantial free cash flow from operations; due to reduction in working capital deployed in the business, enabling us to strategically allocate these funds. Notably, we utilized a portion of these resources to reduce long-term debt during the refinancing completed in August 2023, as well as to prepay required amortization payments towards the Term Loan B. In total, debt was reduced about US$ 130 million compared to year end 2022. With the existing Cash and cash equivalents and undrawn working-capital loan facilities, the Company is well placed to fund CAPEX projects and meet debt-servicing obligations in the near-term. The major debt repayments are scheduled to start in October 2028.

The paid-up share capital of RAIN Industries Limited as on December 31, 2023, is ₹ 672,691,358, comprising 336,345,679 fully paid-up equity shares of ₹ 2 each.

Details of Key Financial Ratios (Consolidated):

(₹ in million)

Sl. No	Key Financial Ratios	Financial year 2023	Financial year 2022	Variance
(i)	Debtors Turnover	7.78	10.02	-22%
(ii)	Inventory Turnover	2.89	3.21	-10%
(iii)	Interest Coverage Ratio	2.54	7.85	-68%
(iv)	Current Ratio	2.44	2.36	3%
(v)	Net Debt Equity Ratio	0.83	0.90	-8%
(vi)	Adjusted Operating Profit Margin (%)	11%	18%	-7%
(vii)	Adjusted Net Profit Margin (%)	1%	8%	-7%
(viii)	Return on Net Worth	2%	20%	-18%

The interest coverage ratio has decreased during the current year as compared to previous year mainly on account of lower operating profit and increase in borrowing costs.

3. Performance of carbon business segment

(₹ in million)

Particulars	CY 2023	CY 2022
Sales Volumes ('000 Tonnes)	2,315	2,430
Net Revenue	132,968	154,614
Operating Profit	17,566	34,792
Operating Profit (%)	13.2%	22.5%

Our Carbon business segment includes the manufacturing and trading of carbon products comprising CPC, CTP, GPC and other derivates of coal distillation, including creosote oil, naphthalene, carbon black oil and other basic aromatic oils. Energy produced through waste-heat recovery in the manufacturing of CPC is also included in the Carbon business segment. About 74.0% of RAIN Group's consolidated revenue for CY 2023 was generated from the Carbon business segment.

During CY 2023, the Carbon business segment generated ₹ 133.0 billion in net revenue, a decrease of approximately 14.0% as compared to ₹ 154.6 billion generated during CY 2022. Volumes decreased by ~4.7% was primarily driven by lower demand and delayed shipments. The average blended realisation decreased by 9.7% on account of lower market quotations across all regions. There was an appreciation of EURO against Indian Rupee by ~8.0% and an appreciation of USD against Indian Rupee by ~5.1%.

The adjusted EBITDA decreased by ₹ 17,226 million, as compared to CY22, driven by lower volumes and margin compression due to delay in reset of raw material costs in-line with finished goods prices which were partially offset by appreciation of USD and EURO against Indian Rupee.

With consumption of the high-cost raw materials during CY 2023 and correction of raw material prices by end of CY 2023, we expect the margins to be back to normal levels in the forthcoming quarters. Also, with the recent relief granted by CAQM from Pet Coke import restrictions imposed in India since July 2018 on February 15, 2024; we are preparing to realign our supply chains to accommodate the expected increase in the CPC production in India. With all the above, we expect the Carbon business segment to return back to normal margins.

4. Performance of advanced materials business segment

(₹ in million)

Particulars	CY 2023	CY 2022
Sales Volumes ('000 Tonnes)	254	310
Net Revenue	32,317	39,104
Operating Profit	1,509	1,347
Operating Profit (%)	4.7%	3.4%

Our Advanced Materials business segment mainly comprises engineered products, chemical intermediates and resins, which are derived from our primary distillate – naphthalene – and additional raw materials purchased from third parties. About 18% of RAIN Group's consolidated revenue for CY 2023 is from the Advanced Materials business segment.

During CY 2023, our Advanced Materials business segment generated ₹ 32.3 billion in net revenue, a decrease of 17.4% as compared to ₹ 39.1 billion during CY 2022. The decrease was primarily related reduction in volumes by 18.1% mainly due to closure of aromatic chemical business partially offset by a 0.9% increase in realisations. The operating margin increased from 3.4% in CY 2022 to 4.7% in CY 2023 due to reduction of energy costs in Europe.

With gradual reduction of energy prices in Germany, stabilization of HHCR plant operations and various other cost measures planned during the year, we expect the Advanced Materials business segment to perform better in the future.

5. Performance of cement business segment

(₹ in million)

Particulars	CY 2023	CY 2022
Sales Volumes ('000 Tonnes)	3,238	3,124
Net Revenue	15,233	15,345
Operating Profit	1,062	1,406
Operating Profit (%)	7.0%	9.2%

Our Cement business segment is engaged in the manufacture and sale of cement. The products include high-quality OPC and PPC. About 8% of the consolidated revenue of RAIN Group for CY 2023 was from this business segment. During CY 2023, this segment generated ₹ 15.2 billion in net revenue, a decrease of 0.7% compared to CY 2022. The decrease is primarily due to decrease in price realisations by 4.2% offset by increase in volumes of approximately 3.6% in CY 2023 compared to CY 2022. The Cement business segment operated at an average capacity utilisation of approximately 80% during CY 2023 compared to approximately 79% in CY 2022.

The operating margin of Cement business decreased from 9.2% in CY 2022 to 7.0% in CY 2023 due to higher energy costs partially offset by increased volumes.

With expected growth in demand from rural markets in South India and implementation of cost-optimisation initiatives through generation of electricity from Captive Solar Power Plant, we expect the Cement business segment to perform better in the future.

6. Overall business and growth strategies

RAIN Group aims at process improvement and the development of new, higher-margin products and technologies through research and development (R&D) initiatives. We emphasise performance improvement, sustainability and utilisation of alternative raw materials. The Group intends to maximise efficiencies and minimise costs by combining the purchasing, trading, plant operations, logistics management, finance and R&D functions within each business segment and by executing cost-reduction initiatives.

RAIN Group believes that the scale of its vertically integrated organisation will provide an effective platform to continue to develop higher-margin downstream products. The size and efficient logistic networks of our plants allow RAIN Group to realise economies of scale.

The Group has integrated its coal tar and petroleum tar distillation operations with downstream operations that efficiently use the products derived from primary distillation process and allow generation of incremental margins greater than the margins generated through the sale of conventional primary distillation products. Over the next few years, the demand for carbon products, such as CTP and CPC, is expected to grow in India and the Middle East. To reinforce our market leadership as a provider of premium carbon products and innovative advanced materials, the Company has undertaken several capacity-expansion projects like the vertical-shaft kiln CPC plant in India and hydrogenated hydrocarbon resins (HHCR) facility in Germany. The HHCR plant was back to operations during 2023 which was temporarily shut down in September 2022 due to technical reasons. Also, Company has received the relief from Pet Coke import restrictions for the Vertical Shaft Calciner set-up in Special Economic Zone by CAQM on February 15, 2024 and expects better utilization of its CPC plants in India.

7. Internal control systems and their adequacy

The Company established an in-house internal audit department in India to carry out robust internal audits of various RAIN Group companies in India, Europe and North America. The observations of internal auditors and their recommendations are presented to the Audit Committee of the Company. Also, the implementation of recommendations of internal auditors are reviewed during monthly review meetings and reported to the Board of Directors' Audit Committee on a quarterly basis.

RAIN Group has optimal internal control systems and procedures in place to handle all its business processes such as purchasing raw materials, stores, plant and machinery equipment and the sale of goods and other assets.

The Group has clearly defined roles and responsibilities for all managerial positions. Its operating parameters are monitored and controlled effectively through SAP ERP software system. RAIN Group has established a global shared-service center in India to support SAP users across its global facilities. This enables effective utilisation of SAP for implementing efficient internal controls and timely reporting of financial and operational information.

8. Human resource development and industrial relations

RAIN Group employs more than 2,500 people directly and indirectly through its subsidiaries across the globe. The Company believes that the quality of its employees is the key to its success and is committed to providing necessary human-resource development and training opportunities to equip employees with additional skills to enable them to adapt to contemporary technological advancement and evolving workplace requirements.

Our employee-development efforts also included the implementation of a Safety Training Observation Programme (STOP^{TM}), which focuses on ways to address unsafe acts and recognise people who act and work safely. Our learning-management system plays an active role in standardising and digitisation of few processes that are crucial to various work functions, such as administration, documentation, tracking and reporting of the various learning-and-development and training programmes for employees.

Industrial relations during the year continued to be cordial, and RAIN Group is committed to maintaining these relations through effective communication, meetings and negotiation.

9. Safety and environmental compliance

We continuously seek to improve safety and reliability at all our production facilities. Our production facilities have been awarded ISO certifications for maintaining quality- and environmental-management standards. These certifications demonstrate RAIN Group's efforts in ensuring high product-quality standards and compliance with environmental laws and regulations.

Our production facilities also have been awarded ISO certifications for energy-management systems. We follow a systematic approach in achieving continual improvement in performance, including energy efficiency, energy security, and energy use and consumption. In addition, our production facilities have been certified for compliance in international occupational health and safety management.

Prevention of safety-related incidents is one of our highest priorities. We have an extensive safety programme, which includes formal training for all employees, preventive measures such as pre-job safety analyses and a system aimed at identifying risks, taking corrective actions and preventing incidents. We regularly conduct internal audits of this safety system. Our management team has implemented a structured process for handling, monitoring, documenting and learning from near-miss incidents. We have taken stringent measures to reduce the number of recordable injuries Company-wide, and the monetary incentives of most employees are linked to fulfilling the Company's safety targets.

10. Statutory compliance

The Managing Director makes a declaration at each Board meeting regarding compliance with provisions of various statutes after obtaining confirmation from all the operating plants across all subsidiary companies within India and abroad. The Company Secretary ensures compliance with the provisions of the Companies Act, 2013, the Foreign Exchange and Management Act, 1999 and SEBI rules, regulations and guidelines made thereunder.

11. CAUTIONARY STATEMENT

Statements in the Boards' Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand/supply conditions, finished-goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company is not obliged to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent development, information or events or otherwise.

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy	**Jagan Mohan Reddy Nellore**
Managing Director	Director
DIN: 00021052	DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

Annexure – 12
Report on Corporate Governance

Company's Philosophy on Code of Governance

Rain Industries Limited ("RIL"/ "the Company") is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholder value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of Promoter, Executive and Independent Directors on the Board.

The Corporate Governance framework of your Company is based on an effective and independent Board, separation of the Board's supervisory role from the Senior Management team and constitution of the Board Committees, as required under applicable laws.

Your Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the Rules made thereunder ("Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws.

Your Company presents this report, prepared in terms of the SEBI Listing Regulations (including the amendments to the extent applicable), enumerating the current Corporate Governance systems and processes at the Company.

1. Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. As at December 31, 2023, the Board of Directors ("Board") comprised of Seven Directors, of which Six are Non-Executive Directors and one is Executive Director. The Company has an Independent and Non-Executive Chairman and Four Independent Directors (including Chairman). Independent Directors comprise more than half of the total strength of the Board.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence.

Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in the Listing Regulations and are Independent of the Management.

The Directors on the Board are professionals, having expertise in their respective functional areas and bring an extensive range of skills and experience to the Board.

The Board has an unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson.

a. The composition and category of the Board of Directors is as follows:

The Board of your Company comprises of Seven Directors as on 31st December, 2023.

None of the Director is a Director in more than 10 Public Limited Companies (as specified in Section 165 of the Act) and Director in more than 7 Listed Entities (as specified in Regulation 17A of the Listing Regulations) or acts as an Independent Director (including any alternate directorships) in more than 7 Listed Companies or 3 equity Listed Companies in case he/she serves as a Whole-time Director/ Managing Director in any Listed Company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited Companies in which he/she is a Director.

Board of Directors as on 31st December, 2023

S. No.	Name of the Director	Designation	Category
1	Mr. Brian Jude McNamara	Chairman	Non – Executive - Independent Director
2	Mr. N. Radhakrishna Reddy	Managing Director	Executive Director (Promoter)
3	Mr. Jagan Mohan Reddy Nellore	Vice Chairman	Non – Executive – Non – Independent Director (Promoter)
4	Mr. N. Sujith Kumar Reddy	Director	Non – Executive – Non – Independent Director (Promoter)
5	Mr. Varun Batra	Director	Non – Executive - Independent Director
6	Mr. Robert Thomas Tonti	Director	Non – Executive - Independent Director
7	Ms. Shanti Sree	Director	Non – Executive - Independent Director

b. Attendance of Directors at the meetings

The details of the attendance of the Directors at the Board meetings held during the Financial Year ended December 31, 2023 and at the last Annual General Meeting (AGM) are given below:

Name of the Director	Number of Board Meetings		Attendance at last Annual General Meeting
	Held	Attended	
Mr. N. Radhakrishna Reddy	4	4	Yes
Mr. Jagan Mohan Reddy Nellore	4	4	Yes
Mr. N. Sujith Kumar Reddy	4	4	Yes
Mr. Varun Batra	4	4	Yes
Mr. Brian Jude McNamara	4	4	Yes
Mr. Robert Thomas Tonti	4	4	Yes
Ms. Shanti Sree1	3	3	Yes
Ms. Radhika Vijay Haribhakti2	2	2	Yes
Ms. Nirmala Reddy3	1	1	N.A.

1. Ms. Shanti Sree was appointed as an Independent Director of the Company with effect from February 28, 2023.
2. Ms. Radhika Vijay Haribhakti, Independent Director ceased to be a Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.
3. Ms. Nirmala Reddy, Independent Director ceased to be a Director of the Company with effect from February 28, 2023 consequent to completion of her second term as an Independent Director.

c. Other Directorships

The number of Directorships and memberships in the Committees of other Companies held by the Directors as on December 31, 2023 are as under:

Name of the Director	No. of other Directorships*	In other Public Companies #	
		Membership	Chairmanship
Mr. N. Radhakrishna Reddy	6	-	-
Mr. Jagan Mohan Reddy Nellore	6	2	-
Mr. N. Sujith Kumar Reddy	8	-	-
Mr. Varun Batra	4	-	-
Mr. Brian Jude McNamara	2	-	-
Mr. Robert Thomas Tonti	1	-	-
Ms. Shanti Sree	5	3	1

* Includes Directorships in the Companies incorporated under the Companies Act, 1956/2013.

Includes only Audit Committee and Stakeholders Relationship Committee (Excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013/Section 25 of the Companies act, 1956).

Names of the Listed Companies wherein the Directors of the Company are Directors:

Sl. No.	Name of the Director	No. of Directorships in other Listed Companies	Name of the other Listed Companies in which Directors of the Company are Directors
1	Mr. N. Radhakrishna Reddy	Nil	NA
2	Mr. Jagan Mohan Reddy Nellore	Nil	NA
3	Mr. N. Sujith Kumar Reddy	Nil	NA
4	Mr. Varun Batra	Nil	NA
5	Mr. Brian Jude McNamara	Nil	NA
6	Mr. Robert Thomas Tonti	Nil	NA
7	Ms. Shanti Sree	2	1. Nava Limited – Independent Director
			2. B.N. Rathi Securities Limited – Independent Director

d. Board Process

A detailed agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). Draft agenda of Board and Committee Meeting(s) is also circulated to the Directors seeking their comments before finalization of agenda. Audio-Visual facilities are provided to enable Directors who are unable to attend the meetings in person, to participate in the meeting via Audio-Visual mode. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Management apprises the Board through a presentation at every Meeting on the overall performance of your Company.

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non-compliances, performance of operating divisions, review of major legal issues, minutes of the Committees of the Board and Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly/half-yearly/annual results, significant labour problems and their proposed solutions, safety and risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, major accounting provisions and write-offs, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature, including judgement or order which may have passed strictures on the conduct of your Company, quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement. The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

The Company has a well-established framework for the Meetings of the Board and its Committees which seeks to systematise the decision-making process at the Meetings in an informed and efficient manner. Apart from Board Members and the Company Secretary, the Board and Committee Meetings are also attended by the Chief Financial Officer and wherever required by the Heads of various Corporate Functions.

e. Number of Board Meetings

Four Board Meetings were held during the Financial Year ended December 31, 2023. The maximum time gap between any two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are February 27, 2023, May 9, 2023, August 4, 2023 and November 7, 2023.

f. Disclosure of relationship between Directors inter-se

Mr. N. Radhakrishna Reddy, Managing Director is the father of Mr. Jagan Mohan Reddy Nellore, Director and Mr. N. Sujith Kumar Reddy, Director. Other than Mr. N. Radhakrishna Reddy, Managing Director, Mr. Jagan Mohan Reddy Nellore and Mr. N. Sujith Kumar Reddy, Director, none of the Directors are related to any other Director.

g. Shares held by Non-Executive Directors

The number of equity shares of the Company held by Non-Executive Directors, as on December 31, 2023 are as follows:

Name of the Director	No. of Equity Shares (Face Value of ₹ 2 each) held in the Company
Mr. Jagan Mohan Reddy Nellore	100
Mr. N. Sujith Kumar Reddy	10,028,770
Mr. Varun Batra	NIL
Mr. Brian Jude McNamara	NIL
Mr. Robert Thomas Tonti	NIL

h. Familiarization programmes imparted to Independent Directors

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel, Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on Material Events, Policy on Material Subsidiaries, Whistle Blower Policy, Risk Management Policy, Policy on Anti-Corruption and Anti-Bribery, Policy on Prevention of Sexual Harassment and Corporate Social Responsibility policy.

The Statutory Auditors, Internal Auditors and Senior Management of the Company make presentations to the Board of Directors with regard to regulatory changes from time to time while approving the Financial Results.

The details of familiarization programme attended by Independent Directors is available on the website: https://rain-industries.com/investors/disclosure-under-regulation-46#details-of-familiarization-programmes-to-independent-directors

i. Given below is the chart setting out the skills/expertise/competence of the Board of Directors:

Sl. No.	Name of the Director	Category	Specialization
1	Mr. N. Radhakrishna Reddy	Managing Director (Promoter)	He has more than 55 years of experience in Construction and Cement Industry.
2	Mr. Jagan Mohan Reddy Nellore	Non-Executive Director (Promoter)	He has more than 31 years of experience in Finance, Commercial and Manufacturing areas.
3	Mr. N. Sujith Kumar Reddy	Non-Executive Director (Promoter)	He has more than 32 years of experience in Manufacturing and Construction Industry.
4	Mr. Varun Batra	Independent Director	He is a Senior finance professional with more than 33 years of experience in the fields of Private Equity, Special Situations, Corporate Finance & Capital Markets, Credit & Relationship Management across various Corporate & Financial Institutional customers.
5	Mr. Brian Jude McNamara	Independent Director	He is a former banker with a 35 years career in Project Finance, Corporate Finance and Investment Management.
6	Mr. Robert Thomas Tonti	Independent Director	He has over 42 years' experience primarily centered on the Calcining of Petroleum Coke and Energy Production with experience in Oil refining and Aluminum Smelting.
7	Ms. B. Shanti Sree	Independent Director	She is a Practicing Chartered Accountant with more than 39 years of experience in Accounting and Taxation.

j. **Confirmation from the Board**

All the Independent Directors of the Company have given their respective declaration/ disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

k. No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the Financial Year ended December 31, 2023.

Profile of Board of Directors

Brief resume of the Directors, nature of their expertise in specific functional areas and name of Companies in which they hold Directorship and the membership of the Committees of the Board are furnished hereunder:

Mr. N. Radhakrishna Reddy, Managing Director

Mr. N. Radhakrishna Reddy (82 years) is the Managing Director of Rain Industries Limited. He has more than 55 years of experience in Construction and Cement Industry. He has been a Director of the Company since 1984. Currently, he is also on the Board of Rain Cements Limited, Renuka Cement Limited, PCL Financial Services Private Limited, Arunachala Holdings Private Limited, Apeetha Enterprises Private Limited and Pragnya Priya Foundation.

He holds 10,383,730 equity shares in the Company.

Mr. N. Radhakrishna Reddy is father of Mr. Jagan Mohan Reddy Nellore, Vice Chairman and Mr. N Sujith Kumar Reddy, Non-Executive Director. Other than the said Directors, he is not related to any other Director or Manager or the Key Managerial Personnel of the Company.

Mr. N. Radhakrishna Reddy is the member of Stakeholders Relationship Committee and Share Transfer Committee of Rain Industries Limited and Chairman of the Corporate Social Responsibility Committee of Rain Cements Limited.

Mr. Jagan Mohan Reddy Nellore, Vice Chairman & Non-Executive Director

Mr. Jagan Mohan Reddy Nellore (57 years) brings with him 31 years of experience to the Company in finance, commercial and operations areas.

Mr. Nellore is presently the Vice Chairman of Rain Industries Limited.

Mr. Nellore is the founder of Rain CII Carbon (Vizag) Limited, which had been originally incorporated as Rain Calcining Limited and commenced production of Calcined Petroleum Coke ("CPC") and Electricity in 1998 in India. He spearheaded the vision, strategy and execution of the globalisation of the Indian entity's business model through the acquisition of Rain CII Carbon LLC of the U.S. (formerly CII Carbon, LLC) and by combining the U.S. and Indian CPC business strategies in 2007 and subsequently in 2013 through the acquisition of RÜTGERS N.V., a Coal Tar Pitch ("CTP") and Chemicals producer.

Mr. Nellore has successfully integrated the acquired entities to create the world's leading industrial carbon producer. Mr. Nellore holds a Bachelor of Science degree in Industrial Engineering from Purdue University, USA.

Mr. Nellore is Chief Executive Officer (CEO) of Rain Carbon Inc. and Member of the Boards of Rain CII Carbon (Vizag) Limited, Rain Cements Limited, Renuka Cement Limited, Sujala Investments Private Limited, Rain Enterprises Private Limited, Pragnya Priya Foundation, Rain Commodities (USA) Inc., Rain CII Carbon LLC, USA and Rain Carbon Inc.

Mr. Nellore is a Member of Stakeholders Relationship Committee, Share Transfer Committee, Chairman of Corporate Social Responsibility Committee and Risk Management Committee of Rain Industries Limited, the Chairman of Corporate Social Responsibility Committee of Rain CII Carbon (Vizag) Limited and a Member of Corporate Social Responsibility Committee of Rain Cements Limited.

Mr. Nellore holds 100 equity shares in the Company.

Mr. Nellore is the son of Mr. N. Radhakrishna Reddy, Managing Director and brother of Mr. N. Sujith Kumar Reddy, Director. Other than the said Directors, he is not related to any other Director or Manager or the Key Managerial Personnel of the Company.

Mr. N. Sujith Kumar Reddy, Non-Executive Director

Mr. N. Sujith Kumar Reddy (52 Years) holds a Bachelor's degree in Commerce. He has more than 32 years of experience in Manufacturing and Construction Industry. He is the Managing Director of Rain Cements Limited, which manufactures and sells Cement under the brand name "Priya Cement". He is also Director of Renuka Cement Limited, PCL Financial Services Private Limited, Arunachala Holdings Private Limited, Apeetha Enterprises Private Limited, Nivee Holdings Private Limited, Nivee Property Developers Private Limited and Pragnya Priya Foundation.

Mr. N. Sujith Kumar Reddy holds 10,028,770 equity shares in the Company.

Mr. N. Sujith Kumar Reddy is the Chairman of Stakeholders Relationship Committee and Share Transfer Committee, Member of Corporate Social Responsibility Committee and Risk Management Committee of Rain Industries Limited and Member of Corporate Social Responsibility Committee of Rain Cements Limited.

Mr. N. Sujith Kumar Reddy, Director is the son of Mr. N. Radhakrishna Reddy, Managing Director and brother of Mr. Jagan Mohan Reddy Nellore, Vice-Chairman. Other than the said Directors, he is not related to any other Director or Manager or the Key Managerial Personnel of the Company.

Mr. Varun Batra, Independent Director

Mr. Varun Batra (57 years) is a Senior finance professional with more than 33 years of experience in the fields of Private Equity, Special Situations, Corporate Finance & Capital Markets, Credit & Relationship Management across various Corporate & Financial Institutional customers. He has relevant experience in Relationship, Risk & Product Management and Debt & Equity investing across the Capital Structure.

Mr. Batra has built and led teams in both large & small organisations with direct Frontline and Profit Centre responsibility. He is currently a Senior Partner and heads the Mumbai office for Baring Private Equity Partners Advisors LLP and Baring Private Equity India Investment Managers LLP.

He was a Managing Director at Citibank N.A where he worked between 1997 – 2010. During his tenure at Citibank, he built and led Citigroup's Special Situations proprietary investments in India. Prior to that he headed the Corporate Finance & Capital Markets business and was earlier responsible for relationships with customers Non-Bank Financial Institutions.

He worked in ANZ Grindlays Bank, Mumbai during the period from 1991 to 1996.

He is presently an Independent Director on the Board of Rain Industries Limited, Non-Executive Director on the Boards of Aditya Auto Products and Engineering (India) Private Limited and Sanchi Techstarter Private Limited and Nominee Director on the Boards of Sepio Products Private Limited and Property pistol Realty Private Limited.

He is the Chairman of Audit Committee and a Member of Nomination & Remuneration Committee of Rain Industries Limited.

Mr. Batra is a Graduate in Mathematics from St. Xavier's College, Mumbai and Postgraduate in Management from the Indian Institute of Management (IIM), Ahmedabad.

He is not holding any equity shares of the Company and he is not related to any Director or Manager or the Key Managerial Personnel of the Company.

Mr. Brian Jude McNamara, Chairman & Independent Director

Mr. Brian Jude McNamara (61 years) is a former banker with 35 years of experience in project finance, corporate finance and investment management. Mr. McNamara worked in investment operations at International Finance Corporation (IFC) in Washington D.C. from 1991 to 2015 with responsibilities in investment strategy, business development and project financing for a range of sectors across emerging markets including chemicals, textiles, general manufacturing and mining. He has extensive investment experience in project evaluation, financial structuring and investment management across the chemicals, fertilizers, carbon black, plastics, fibres, specialty chemicals and primary metals industries.

Prior to joining IFC, Mr. McNamara worked in the corporate finance division of Solvay Chemicals (Belgium) and in banking and investment management in Brussels, Belgium and Dublin, Ireland.

Mr. McNamara holds a bachelor's degree in economics and philosophy from Bristol University in England and a master's degree in finance and banking from University College Dublin in Ireland.

He is presently an Independent Director on the Board of Rain Industries Limited and is also an Independent Director on the Board of its Subsidiaries namely Rain Cements Limited, Rain CII Carbon (Vizag) Limited and Rain Carbon Inc.

He is a Member of Nomination and Remuneration Committee, Audit Committee and Risk Management Committee of Rain Industries Limited, a Member of Corporate Social Responsibility Committee of Rain CII Carbon (Vizag) Limited and Chairman of Audit Committee of Rain Carbon Inc.

He is not holding any equity shares of the Company and he is not related to any Director or Manager or the Key Managerial Personnel of the Company.

Mr. Robert Thomas Tonti, Independent Director

Mr. Robert Thomas Tonti (65 Years) has over 42 years of experience primarily centered on the calcining of petroleum coke and energy production with experience in oil refining and aluminium smelting. He holds a Bachelor of Science degree in Chemical Engineering from Rensselaer Polytechnic Institute, Troy, New York, United States of America and MBA from International Institute for Management Development, Lausanne, Switzerland.

Early engineering experience in aluminium smelting and petrochemicals led to Mr. Tonti becoming a start-up manager of then Calciner Industries Inc., for the 1988 acquisition of their calcining plants by private investors. His production technical experience included the optimisation of supply chains, logistics and freight movements, raw material quality control, customer service and the design of control systems for calciners. Executive procurement experience included the purchase and transport of bulk materials (petroleum coke) worldwide. Executive operations experience included environmental affairs, negotiation and administration of union labour contracts and the management of the predecessor company's salaried and hourly personnel at five US facilities. Executive business development experience included creation of steam and power generation projects, their commercial contracts and governmental and investor-owned utility relations. His executive M&A experience included acquisition, staffing and restarting of facilities.

He is an Independent Director on the Board of Rain Industries Limited, Rain CII Carbon (Vizag) Limited and Rain Carbon Inc, a wholly owned subsidiary of the Company.

He is a Member of Audit Committee and Nomination and Remuneration Committee of Rain Industries Limited and Member of Audit Committee of Rain Carbon Inc.

He is not holding any equity shares of the Company and he is not related to any Director or Manager or the Key Managerial Personnel of the Company.

Ms. B. Shanti Sree, Independent Director

Ms. B. Shanti Sree (61 Years) is a fellow member of the Institute of Chartered Accountants of India and a practicing Chartered Accountant. She is a designated Partner of M/s. Tukaram & Co LLP., Chartered Accountants, Hyderabad.

She served as a Nominee Director on the Board of State Bank of Hyderabad from March 21, 2015 to March 31, 2017 i.e., till the date of merger with SBI.

She served as a Governing Council member from 2008 to 2012 and as a President for the year 2010-11 of "The AP Tax Bar Association".

She is currently serving as an Independent Director of Nava Limited, Nava Bharat Energy India Limited, B.N. Rathi Securities Limited, Rain Industries Limited, Rain Cements Limited and Rain CII Carbon (Vizag) Limited and also as a Trustee on the Board of M/s. Pullela Gopichand Badminton Foundation.

She also served as an External Member, Board of Studies, Department of Commerce, Osmania University College for Women (Autonomous University), Koti, Hyderabad.

She is a Member of Audit Committee of Rain Industries Limited, Nava Limited, Nava Bharat Energy India Limited and B.N. Rathi Securities Limited and Chairperson of Nomination and Remuneration Committee of Rain Industries Limited and member in Nava Bharat Energy India Limited and B.N. Rathi Securities Limited.

She is not holding any equity shares of the Company and she is not related to any Director or Manager or the Key Managerial Personnel of the Company.

2. Audit Committee

a. Brief description of terms of reference:

The terms of reference of the Audit Committee are as under:

i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

   b. Changes, if any, in accounting policies and practices and reasons for the same

   c. Major accounting entries involving estimates based on the exercise of judgment by management

   d. Significant adjustments made in the financial statements arising out of audit findings

   e. Compliance with listing and other legal requirements relating to financial statements

   f. Disclosure of any related party transactions

   g. Qualifications in the draft audit report

v. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;

vi. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Review and monitor the auditor's independence and performance and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with internal auditors of any significant findings and follow up there on;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. To review the functioning of the Whistle Blower mechanism;

xix. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

xxi. Examination of the financial statement and the auditors' report thereon;

xxii. Monitoring the end use of funds raised through public offers and related matters;

xxiii. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;

xxiv. The Audit Committee shall have authority to investigate into any matter or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;

xxv. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote;

xxvi. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

xxvii. Review of Management Discussion and Analysis of financial condition and results of operations;

xxviii. Review of statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

xxix. Review of management letters / letters of internal control weaknesses issued by the statutory auditors;

xxx. Review of internal audit reports relating to internal control weaknesses;

xxxi. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and

xxxii. Review of statement of deviations:

a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. Composition, names of members and Chairperson

The Audit Committee of the Company comprises of 4 Independent Directors with Mr. Varun Batra, Independent Director as its Chairperson.

Composition of Audit Committee:

Name of the Director	Designation
Mr. Varun Batra	Chairperson
Mr. Brian Jude McNamara	Member
Mr. Robert Thomas Tonti	Member
Ms. B. Shanti Sree	Member

The Head of Finance and Accounts, Statutory Auditors and Internal Auditors attend the Audit Committee meetings on invitation and the Company Secretary acts as the Secretary of the Committee.

As required under the Secretarial Standards, the Chairman of the Committee or in his absence, any other Member of the Committee authorised by him/her on his behalf shall attend the General Meeting of the Company. Ms. Radhika Vijay Haribhakti*, Chairperson of the Audit Committee was present at the 48th Annual General Meeting of the Company held on May 2, 2023 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

* Ms. Radhika Vijay Haribhakti, Independent Director ceased to be a Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board.

c. Audit Committee meetings held and attendance during the Financial year ended December 31, 2023

Four Audit Committee Meetings were held during the Financial Year ended December 31, 2023. The maximum time gap between any two meetings was not more than one hundred and twenty days.

The dates on which the Audit Committee Meetings were held are February 27, 2023, May 8, 2023, August 3, 2023 and November 6, 2023.

Attendance at the Audit Committee Meetings

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Varun Batra	Chairperson	4	4
Mr. Brian Jude McNamara	Member	4	4
Mr. Robert Thomas Tonti	Member	4	4
Ms. Shanti Sree[1]	Member	3	3
Ms. Radhika Vijay Haribhakti[2]	Chairperson	2	2

1. Ms. Shanti Sree was appointed as an Independent Director of the Company with effect from February 28, 2023.
2. Ms. Radhika Vijay Haribhakti, Independent Director ceased to be a Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.

3. Nomination and Remuneration Committee

a. Brief description of terms of reference

formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a) use the services of an external agencies, if required;

b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

c) consider the time commitments of the candidates.

formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

devising a policy on diversity of Board of Directors;

identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.

whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

recommend to the Board, all remuneration, in whatever form, payable to senior management.

b. **Composition, names of members and Chairperson**

The Nomination and Remuneration Committee comprised of 4 Independent Directors with Ms. B. Shanti Sree, Independent Director as its Chairperson.

Composition of the Nomination and Remuneration Committee:

Name of the Director	Designation
Ms. B. Shanti Sree	Chairperson
Mr. Varun Batra	Member
Mr. Brian Jude McNamara	Member
Mr. Robert Thomas Tonti	Member

The Company Secretary acts as the Secretary of the Committee.

The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

As per section 178(7) of the Act and Secretarial Standards, the Chairperson of the Committee or, in her absence, any other Member of the Committee authorised by her in this behalf shall attend the General Meetings of the Company. The Chairperson of the Committee, Ms. Radhika Vijay Haribhakti* was present at the 48th Annual General Meeting of the Company held on May 2, 2023.

* Ms. Radhika Vijay Haribhakti, Independent Director ceased to be a Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.

c. **Nomination and Remuneration Committee meetings**

During the Financial Year, two Nomination and Remuneration Committee Meetings were held on February 27, 2023 and November 6, 2023.

Attendance at the Nomination and Remuneration Committee Meetings:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Ms. B. Shanti Sree[1]	Chairperson	1	1
Mr. Varun Batra	Member	2	2
Mr. Brian Jude McNamara	Member	2	2
Mr. Robert Thomas Tonti	Member	2	2
Ms. Radhika Vijay Haribhakti[2]	Chairperson	1	1
Ms. Nirmala Reddy[3]	Member	1	1

1. Ms. Shanti Sree was appointed as an Independent Director of the Company with effect from February 28, 2023.
2. Ms. Radhika Vijay Haribhakti, Independent Director ceased to be a Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.
3. Ms. Nirmala Reddy, Independent Director ceased to be a Director of the Company with effect from February 28, 2023 consequent to completion of her second term as an Independent Director.

d. **Nomination and Remuneration policy**

The compensation of the Executive Directors comprises of a fixed component and commission. The compensation is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Committee.

The Non-Executive Directors are paid Sitting Fees and Commission for attending meetings of the Board/Committees.

e. **The Criteria for Evaluation of Independent Directors is given below:**

(a) **Qualifications:** Professional qualifications;

(b) **Experience:** Experience relevant to the entity;

(c) **Knowledge and Competency:**

(i) How the person fares for effective functioning of the entity and the Board; and

(ii) Whether the person has sufficient understanding and knowledge of the entity and fulfillment of the independence criteria as specified in these regulations and their independence from the management;

(d) **Fulfillment of functions:** Whether the person understands and fulfills the functions assigned to him/her by the Board and the law;

(e) **Ability to function as a team:** Whether the person is able to function as an effective team- member;

(f) **Initiative:** Whether the person actively takes initiative with respect to various areas;

(g) **Availability and attendance:** Whether the person is available for meetings of the Board and attends the meeting regularly and timely, without delay;

(h) **Commitment:** Whether the person is adequately committed to the Board and the entity;

(i) **Contribution:** Whether the person contributed effectively to the entity and in the Board meetings;

(j) **Integrity:** Whether the person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.);

(k) **Independence:** Whether person is independent from the entity and the Management and there is no conflict of interest; and

(l) **Independent views and judgment:** Whether the person exercises his/ her own judgment and voices opinion freely.

f. Terms of Appointment of Independent Directors:

As per Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act, the terms and conditions of appointment / re-appointment of Independent Directors are available on the Company's website https://rain-industries.com/investors/disclosure-under-regulation-46#terms-and-conditions-of-appointment-of-independent-directors

g. Performance evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors including Managing Director, Non- Executive Directors and Chairperson of the Board.

Performance Evaluation of Independent Directors, Board of Directors, Committees of Board, Individual Directors, Managing Director, Non-Executive Directors and Chairperson of the Board

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017, the Company has adopted the recommended criteria by SEBI.

The Directors were given 6 Forms for evaluation of the following:

(i) Evaluation of Board;

(ii) Evaluation of Committees of the Board;

(iii) Evaluation of Independent Directors;

(iv) Evaluation of Chairperson;

(v) Evaluation of Non-Executive and Non-Independent Directors; and

(vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Board of Directors have appointed Mr. DVM Gopal, Practicing Company Secretary as scrutinizer for Board evaluation process.

The Directors have sent the duly filled forms to Mr. DVM Gopal after Evaluation.

Mr. DVM Gopal based on the Evaluation done by the Directors, has prepared a report and submitted the evaluation report.

The Chairperson based on the report of the scrutinizer has informed the rankings to each Director and also informed that based on the Evaluation done by the Directors and also report issued by Mr. DVM Gopal, the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

4. Risk Management Committee

a) Brief description of terms of reference

1. To formulate a detailed Risk Management Policy which shall include:

    a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly Environment, Social and Governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    b. Measures for risk mitigation including systems and processes for internal control of identified risks.

    c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

b) Composition, name of members and Chairperson

The Risk Management Committee comprised of 3 Directors with Mr. Jagan Mohan Reddy Nellore, Non-Executive Director as its Chairman.

Composition of the Risk Management Committee:

Name of the Director	Designation
Mr. Jagan Mohan Reddy Nellore	Chairman (Non-Executive Director)
Mr. N. Sujith Kumar Reddy	Member (Non-Executive Director)
Mr. Brian Jude McNamara	Member (Independent Director)

Mr. T. Srinivasa Rao is the Chief Risk Officer and Mr. S. Venkat Ramana Reddy acts as Secretary to the Committee.

The minutes of the meetings of the Risk Management Committee are circulated to all the members of the Board.

c) Risk Management Committee meetings

During the Financial Year, Risk Management Committee Meetings were held on February 14, 2023, July 26, 2023 and October 26, 2023.

The gap between two Risk Management Committee Meetings was not more than 120 days.

Attendance at the Risk Management Committee Meeting:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Jagan Mohan Reddy Nellore	Chairman	3	3
Mr. N. Sujith Kumar Reddy	Member	3	3
Mr. Brian Jude McNamara	Member	3	3

d) Risk Management Policy

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-to-day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

The Company has adequate internal control systems and procedures to combat risks. The Risk management procedures are reviewed by the Audit Committee and the Board of Directors on a quarterly basis at the time of review of the Quarterly Financial Results of the Company.

The policy on Risk Management is available on the Company's website, the web link for the same is https://rain-industries.com/assets/pdf/risk-management-policy-22.07.2021_20210804100145.pdf

Cyber Security

The Company has established requisite technologies, processes and practices designed to protect networks, computers, programs and data from external attack, damage or unauthorized access. The Company is conducting training programs for its employees at regular intervals to educate the employees on safe usage of the Company's networks, digital devices and data to prevent any data breaches involving unauthorized access or damage to the Company's data. The Information Technology Department of the Company is in constant process of taking feedback from the employees and updating the cyber security protocols.

The Risk Management Committee and the Board of Directors are reviewing the cyber security risks and mitigation measures form time to time.

5. Meeting of Independent Directors

A separate meeting of the Independent Directors was held on November 6, 2023 under the Chairmanship of Mr. Varun Batra, Independent Director, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, Managing Director, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Inputs and suggestions received from the Directors were considered at the Board meeting and have been implemented.

6. Lead Independent Director

The Board has appointed Mr. Varun Batra, Chairperson of the Independent Directors Meeting, as the Lead Independent Director. The role of the lead Independent Director is to provide leadership to the Independent Directors, liaise on behalf of the Independent Directors and ensure the Board's effectiveness to maintain high-quality governance of the organization and the effective functioning of the Board.

7. Succession planning

The Nomination and Remuneration Committee works with the Board on succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within Board of Directors and the organization to introduce new perspectives while maintaining experience and continuity.

8. Remuneration of Directors

a. There were no pecuniary relationship or transactions with any Non-Executive Director of the Company.

b. The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e., https://www.rain-industries.com/assets/pdf/criteria-for-making-payments-to-non-executive-directors_20220915114553.pdf

c. Non-Executive Directors are paid Sitting Fees and Commission:

Following are the details of Sitting Fees and Commission paid to the Non-Executive Directors during the Financial Year ended December 31, 2023:

(₹ in million)

Name of the Director	Sitting Fees	Commission	Total Amount
Mr. Varun Batra	0.76	0.680	1.440
Mr. Brian Jude McNamara	1.12	0.680	1.800
Mr. Robert Thomas Tonti	0.76	0.680	1.440
Ms. Shanti Sree	0.54	0.475	1.015
Mr. Jagan Mohan Reddy Nellore	-	-	-

(₹ in million)

Name of the Director	Sitting Fees	Commission	Total Amount
Mr. N. Sujith Kumar Reddy	-	-	-
Ms. Radhika Vijay Haribhakti #	0.38	0.340	0.720
Ms. Nirmala Reddy @	0.16	0.135	0.295

Note: Board of Directors at their meeting held on February 23, 2024 has approved the commission payable to the Board of Directors for the financial year ended December 31, 2023.

Ms. Radhika Vijay Haribhakti, Independent Director ceased to be a Director of the Company with effect from June 11, 2023 consequent to completion of her second term as an Independent Director.

@ Ms. Nirmala Reddy, Independent Director ceased to be a Director of the Company with effect from February 28, 2023 consequent to completion of her second term as an Independent Director.

Apart from the sitting fee and commission based on the performance of the Company, there are no salaries, bonuses, stock options, pension and other incentives paid by the Company to the Non-Executive Directors

d. The Remuneration paid to the Managing Director during the year is as follows:

Name of the Director and Designation	Salary	Benefits	Bonuses	Pension	Commission	Performance linked incentives	Performance criteria	Service contracts	Notice period	Total
Mr. N. Radhakrishna Reddy, Managing Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Appointed for a period of 3 years	3 Months	Nil

There were no severance fees and stock option plan. The appointment of the Managing Director is for a period of Three years on the basis of terms and conditions laid down in the respective resolutions passed by the Members in the General Meetings.

9. Stakeholders Relationship Committee

During the Financial Year, Stakeholders Relationship Committee Meetings were held on April 25, 2023 and October 26, 2023.

a. Composition

The Committee consists of the following Directors:

Name of the Director	Designation
Mr. N. Sujith Kumar Reddy	Chairman (Non- Executive Director)
Mr. N. Radhakrishna Reddy	Member (Managing Director)
Mr. Jagan Mohan Reddy Nellore	Member (Non-Executive Director)
Mr. Brian Jude McNamara*	Member (Independent Director)

*Mr. Brian Jude McNamara, Independent Director was appointed as a member of the Committee by the Board of Directors at their meeting held on February 27, 2023.

b. Terms of Reference

(i) Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, non-receipt of new/duplicate certificates, etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. N. Sujith Kumar Reddy was present at the 48th Annual General Meeting of the Company held on May 2, 2023.

10. Share Transfer Committee

a. Composition

The Committee consists of the following Directors:

Name of the Director	Designation
Mr. N. Sujith Kumar Reddy	Chairman (Non- Executive Director)
Mr. N. Radhakrishna Reddy	Member (Managing Director)
Mr. Jagan Mohan Reddy Nellore	Member (Non-Executive Director)

b. Terms of Reference

i) The Share Transfer Committee shall approve securities transfers/transmissions, split of Share Certificates, division and consolidation of share certificates, issue of duplicate Share Certificates, deletion of names, etc.; and

ii) The Committee oversees the performance of the Registrar and Transfer agents and recommends measures for overall improvement in the quality of investor services.

c. Name and designation of Compliance Officer

Mr. S. Venkat Ramana Reddy, Company Secretary

d. Number of Shareholders complaints received and resolved so far.

During the year ended December 31, 2023, the Company has received 207 and resolved 207 complaints.

e. Number of complaints not resolved to the satisfaction of shareholders: Nil.

f. Pending complaints as at the year end: Nil

g. Email-id for Investor Grievances: secretarial@rain-industries.com

11. GENERAL BODY MEETINGS:

a) The details of date, location and time of the last three Annual General Meetings held are as under:

Financial year ended 31 December	Date	Time	Venue
2022	May 2, 2023	11.00 A.M.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 2/2022 and 10/2022 issued by Ministry of Corporate Affairs (MCA Circulars).
2021	May 6, 2022	11.00 A.M.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020, 20/2020, 02/2021 and 21,2021 issued by Ministry of Corporate Affairs (MCA Circulars).
2020	May 10, 2021	11.00 A.M.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020, 20/2020 and 02/2021 issued by Ministry of Corporate Affairs (MCA Circulars).

b) Special Resolutions passed during the previous three Annual General Meetings:

Year	Date	Time	Special Resolutions Passed
2022	May 2, 2023	11.00 A.M	Appointment of Ms. B. Shanti Sree (DIN: 07092258), as an Independent Director of the Company for a period of 5 years i.e., from February 28, 2023 to February 27, 2028 and she shall not be liable to retire by rotation.
2021	May 6, 2022	11.00 A.M	No Special Resolutions were passed
2020	May 10, 2021	11.00 A.M	No Special Resolutions were passed

c) No Extraordinary General Meeting was held during the past 3 years.

d) No Special Resolutions were passed last year through Postal Ballot.

e) No Special Resolution is being proposed at the ensuing Annual General Meeting to be passed through Postal Ballot.

12. Means of Communication

The Company recognizes the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Company and Stock Exchanges, Press Releases, Annual Reports and uploading relevant information on its website.

The unaudited quarterly results are announced within forty- five days of the close of each quarter, other than the last quarter. The audited annual results are announced within sixty days from the end of the financial year as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited – Corporate Compliance & Listing Centre (BSE Listing Centre) and on the online portal of National Stock Exchange of India Limited – NSE's Electronic Application Processing System (NEAPS).

Regular Presentations are also made to investors and analysts. These presentations and other disclosures which are required to be disseminated on the Company's website under the Listing Regulations have been uploaded on the website of the Company, viz.: https://rain-industries.com/investors/disclosure-under-regulation-46#financial-information

The Annual Report of the Company, the quarterly/ half-yearly and the audited financial statements and the official news releases of the Company are also disseminated on the Company's website (https://www.rain-industries.com/investors/disclosure-under-regulation-46#financial-information). The quarterly, half-yearly and yearly results are also published in Business Standard (English daily all editions) and Andhra Prabha (Telugu daily all editions).

13. General Shareholder information

a)	**Annual General Meeting**	:	49th Annual General Meeting
	Date	:	Friday, May 3, 2024
	Time	:	11.00 a.m.
	Venue	:	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") without the physical presence of the Members.
b)	**Financial Calendar**	:	January 1, 2024 to December 31, 2024.
	Tentative Schedule for considering Financial Results:		
	For the Quarter ending March 31, 2024	:	April/May, 2024
	For the Quarter ending June 30, 2024	:	July/August, 2024
	For the Quarter ending September 30, 2024	:	October/November, 2024
	For the Quarter/Year ending December 31, 2024	:	January/February, 2025
c)	**Dividend Payment Date**	:	NA

d) Listing on Stock Exchanges: Company's equity shares are listed at:

Name and Address of the Stock Exchange	Scrip Code
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal street, Mumbai - 400 001, Maharashtra, India.	500339
National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot # C/1, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India.	RAIN

The listing fees for the year 2023 - 2024 has been paid to the above stock exchanges.

e) Stock Code

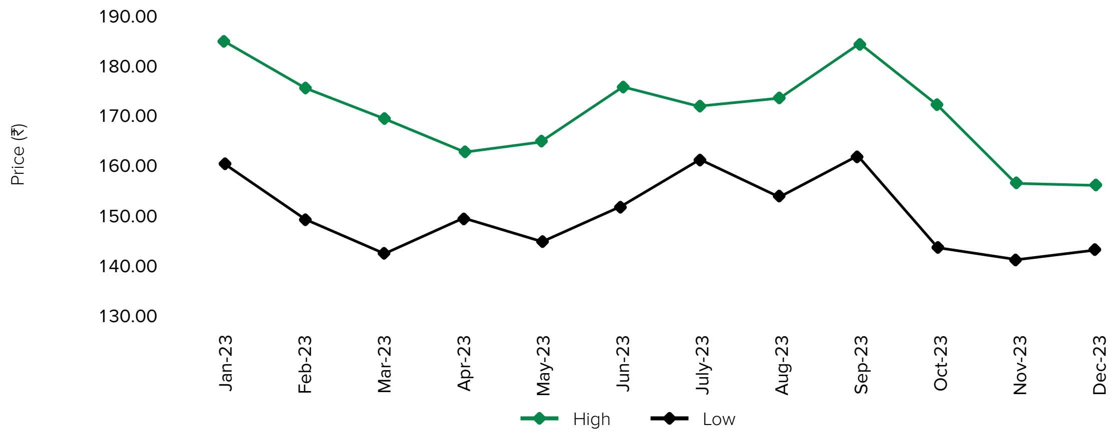
Name of the Stock Exchange	Scrip Code
BSE Limited	500339
National Stock Exchange of India Limited	RAIN

f) Market price data – high/low during each month in the past financial year

BSE Limited (BSE)

Month	High (₹)	Low (₹)	No. of Equity Shares traded (in lakhs)
January, 2023	185.00	160.20	25.43
February, 2023	175.65	149.30	18.23
March, 2023	169.50	142.30	24.70
April, 2023	162.75	149.50	8.91
May, 2023	164.95	144.75	32.10
June, 2023	176.00	151.75	51.30
July, 2023	171.65	161.10	17.93
August, 2023	173.50	153.65	25.26
September, 2023	184.35	161.65	41.23
October, 2023	172.50	143.70	19.65
November, 2023	156.60	141.05	26.01
December, 2023	156.00	142.85	52.68

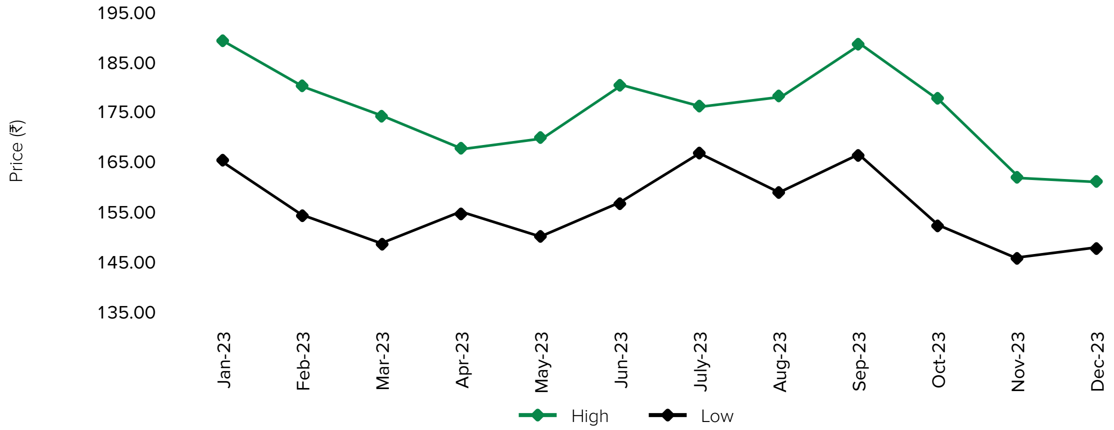
Share Prices at BSE



National Stock Exchange of India Limited (NSE)

Month	High (₹)	Low (₹)	No. of Equity Shares traded (in lakhs)
January, 2023	185.00	160.10	339.51
February, 2023	175.65	149.15	291.48
March, 2023	169.60	143.25	380.21
April, 2023	162.80	149.80	149.91
May, 2023	165.00	144.65	419.79
June, 2023	176.00	151.70	720.51
July, 2023	171.55	161.80	272.19
August, 2023	173.55	153.75	273.66
September, 2023	184.40	161.60	567.39
October, 2023	172.70	147.00	271.63
November, 2023	156.85	140.25	290.93
December, 2023	156.00	142.50	562.56

Share Prices at NSE

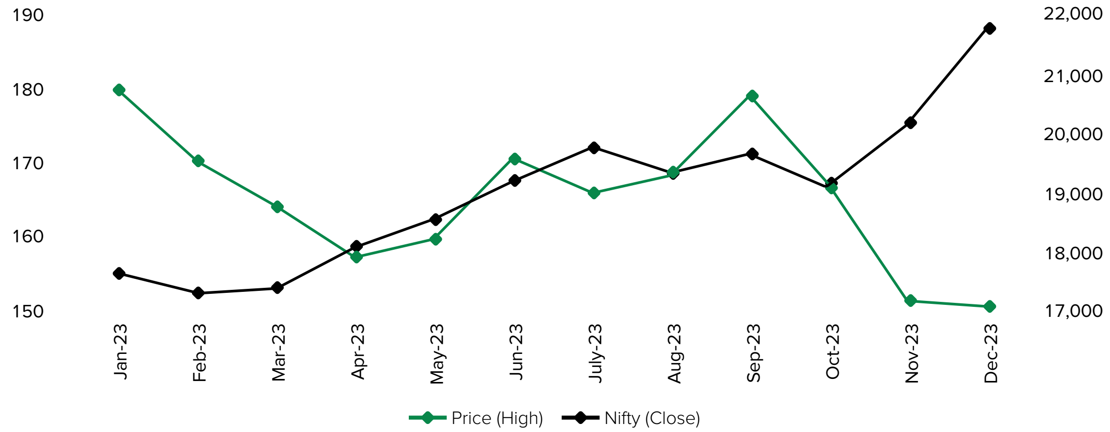


Performance in comparison to broad based indices of BSE Sensex:

Comparison between the Share price - High and Sensex index close price.

Comparison between the Share price - High and Sensex index close price.

Comparison between the Share price - High and Nifty index close price.



g) There was no suspension of trading in the Securities of the Company during the year under review.

h) Registrars to an Issue & Share Transfer Agents:

(for Shares held in both Physical and Demat mode)

KFin Technologies Limited
(Unit: Rain Industries Limited)
Selenium Building, Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana State, India. Fax: +91 40 23001153
Phone: +91 40 6716 2222
E-mail: einward.ris@kfintech.com
Web site: www.kfintech.com

i) Share Transfer System

The requests received for Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates are processed and dispatched to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. All the valid Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates / letter of confirmation are approved by Share Transfer Committee and are noted at Board Meetings.

The shares of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, the Company obtained a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the SEBI(LODR) Regulations, 2015. These certificates were duly filed with the Stock Exchanges.

j) Distribution of Shareholding

Shareholding pattern as on December 31, 2023

Sl. No.	Category	No. of Shares held	Percentage of shareholding
1	Promoters/Directors/ Associates	13,83,78,854	41.14
2	Mutual Funds	6,08,300	0.18
3	Alternate Investment Funds	5,03,000	0.15
4	Banks	3,000	0.00
5	Financial Institutions	33,500	0.01
6	Foreign Portfolio Investors	4,06,47,418	12.09
7	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	11,57,140	0.34
8	Bodies Corporate	1,89,76,910	5.64
9	Trusts	16,725	0.00
10	NBFC Registered with RBI	10,050	0.00
11	NRIs	1,39,88,741	4.16
12	HUF	63,06,530	1.88
13	Clearing Members	8,011	0.00
14	Investor Education Protection Fund (IEPF) A/c	39,18,144	1.16
15	Unclaimed Suspense Account	17,250	0.01
16	Indian Public	11,17,72,106	33.23
Total		**33,63,45,679**	**100.00**

Distribution of shareholding according to nominal value as on December 31, 2023

Share Holding of nominal value of	Shareholder		Shares	Shareholding	
	Number	% to total No.		In (₹)	% to Total Amount
1-5000	2,29,557	97.34	5,31,61,903	10,63,23,806	15.81
5001- 10000	3,490	1.48	1,28,72,601	2,57,45,202	3.83
10001- 20000	1,499	0.64	1,10,59,347	2,21,18,694	3.29
20001- 30000	454	0.19	57,53,063	1,15,06,126	1.71
30001- 40000	213	0.09	38,65,933	77,31,866	1.15
40001- 50000	133	0.06	30,34,607	60,69,214	0.90
50001- 100000	220	0.09	77,51,250	1,55,02,500	2.30
100001& Above	262	0.11	23,88,46,975	47,76,93,950	71.01
Total	**2,35,828**	**100.00**	**33,63,45,679**	**67,26,91,358**	**100.00**

k) Dematerialization of Shares and liquidity

The Company's shares are available for dematerialisation with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

33,28,32,724 equity shares were dematerialised representing 98.96% of the total paid up equity share capital of the Company as on December 31, 2023.

ISIN: INE855B01025

l) There are no outstanding Global Depository Receipts/American Depository Receipts or Warrants or any convertible instruments as on December 31, 2023.

m) Commodity Price Risk or Foreign Exchange risk and hedging activities

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence the same are not applicable to the Company.

n) The Company does not have any plants. The Company's Wholly Owned Subsidiaries in India and outside India have plants which undertake manufacturing activities.

o) Address for correspondence:

Company Secretary
Rain Industries Limited
Regd. Off: "Rain Center", 34, Srinagar Colony,
Hyderabad - 500 073, Telangana State, India.
Phone No. 040-40401234, 040-40401259
Fax No. 040-40401214.
CIN: L26942TG1974PLC001693
E-mail: secretarial@rain-industries.com (for investor grievance)
Website: www.rain-industries.com

p) Credit Rating

India Ratings and Research has revised Rain Industries Limited's (Company) Outlook to Positive from Stable while affirming the Long-Term Issuer Rating at 'IND A'.

(i) Long term borrowing: "IND A/ Positive".

14. OTHER DISCLOSURES

a) Related Party Transactions

Transactions with related parties are disclosed in the Notes to Accounts in the Financial Statements. All transactions with related parties are at arms' length and in compliance with transfer pricing regulations. Consideration is paid/ received through cheque/online payment.

All Related Party Transactions are entered into by the Company only after obtaining the prior approval of the Audit Committee and Board of Directors and are entered into on an Arms' length basis.

In terms of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine Related Party Transactions.

The Company has not entered into any transaction with any person or entity belonging to the Promoter/Promoter Group which hold(s) 10% or more shareholding in the Company.

Related Party Transaction policy is placed on the Company's website at: https://rain-industries.com/assets/pdf/ril---related-party-transactions-policy---25.02.2022_20220303042350.pdf

b) Material Related Party Transactions

During the year ended December 31, 2023, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Note No. 31 to the Annual Accounts.

c) Details of non-compliance

A Statement on Compliance with all Laws and Regulations certified by the Managing Director and Company Secretary are placed at the meetings of the Board of Directors for their review.

There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

d) Key Managerial Personnel and Senior Management

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation
Mr. N. Radhakrishna Reddy	Managing Director
Mr. T. Srinivasa Rao	Chief Financial Officer
Mr. S. Venkat Ramana Reddy	Company Secretary

There are no changes in Key Managerial Personnel and Senior Management during the financial year ended December 31, 2023.

e) Details of establishment of Vigil Mechanism (Whistle Blower policy)

The Board of Directors of the Company had adopted the Whistle Blower Policy and appointed an ombudsman.

A mechanism has been established for all stakeholders including Directors, employees, vendors and suppliers to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases.

The Audit Committee reviews periodically the functioning of whistle blower mechanism.

No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company: https://rain-industries.com/assets/pdf/ril---whistle-blower-policy---09.05.2023_20230524042659.pdf

The ombudsman had not received any complaint during the Financial Year ended December 31, 2023.

f) The policy for determining 'material' subsidiaries is available on the website of the Company https://rain-industries.com/assets/pdf/ril---material-subsidiries-policy---04.08.2023_20230807054448.pdf

g) The policy on dealing with related party transactions is available on the website of the Company: https://www.rain-industries.com/assets/pdf/ril---related-party-transactions-policy---25.02.2022_20220303042350.pdf

h) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended December 31, 2023.

i) A certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority is enclosed to this report.

j) There has been no such incidence where the Board has not accepted the recommendation of the Committees of the Company during the year under review.

k) The Company and its subsidiaries have not granted loans and advances in the nature of loans to firms / Companies in which Directors of the Company are interested.

Given below are the details of fees paid to S. R. Batliboi & Associates LLP, Chartered Accountant, Statutory Auditors of the Company on a Consolidated basis during the Financial Year ended December 31, 2023:

Sl. No.	Payments to the Statutory Auditors (excluding taxes)	Fees paid in ₹ million
1	Statutory Audit fees paid for Audit of the Company and Subsidiary Companies situated in India	23.49
2	Fees paid for Limited review of the Company and Subsidiary Companies situated in India and outside India	34.53
3	Statutory Audit fees paid for Audit of Subsidiary Companies situated outside India	36.87
4	Fees paid for other services	1.25
5	Reimbursement of expenses	1.42
Total		**97.56**

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

S. No.	Particulars	Number
1	Number of complaints on Sexual harassment received during the year	Nil
2	Number of Complaints disposed off during the year	Not Applicable
3	Number of cases pending as on end of the Financial Year	Not Applicable

m) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

S. No.	Name of the Material Subsidiary	Date & Place of Incorporation	Name of the Statutory Auditor	Date of appointment of Statutory Auditor
1	Rain Cements Limited	May 04, 1999, Hyderabad, Telangana, India	S. R. Batliboi & Associates LLP	April 17, 2023
2	Rain CII Carbon (Vizag) Limited	April 23, 2008, Hyderabad, Telangana, India	S. R. Batliboi & Associates LLP	April 17, 2023
3	Rain Carbon Inc.	September 15, 2010, Stamford, Connecticut, U.S.A	Ernst & Young LLP	June 19, 2023

n) There are no agreements entered into by the shareholders or promoters or promoter group entities or related parties or directors or key managerial personnel or employees of the Company or its subsidiaries which either directly or indirectly or has a potential to impact the management or control of the Company by imposing any restrictions or creating any liability upon the Company as specified in Clause 5 A of Paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

15. The Company has complied with the requirements of Schedule V Corporate Governance Report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With regard to discretionary requirements, the Company has adopted clauses relating to the following:

i) **Board:** The Company has Non-Executive Chairperson, Separate persons were appointed for the post of Chairman and Managing Director.

ii) **Reporting of Internal Auditor:** Internal Auditors report directly to the Audit Committee.

17. The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

18. Risk Management

The Company has constituted a Risk Management Committee and adopted Risk Management policy. Currently, the Company's risk management approach comprises of the following:

- Governance of Risk
- Identification of Risk
- Assessment and control of Risk

The risks have been prioritized through a company-wide exercise. Members of senior management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company had appointed a Chief Risk Officer and put in place a risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

The details of risks identified and mitigation measures undertaken are presented to the Board of Directors and the Audit Committee on a quarterly basis. The Board and the Audit Committee provides oversight and reviews the risk management policy periodically.

A detailed note on the risks is included in the Management Discussion and Analysis annexed to the Boards' Report.

19. Subsidiary Companies

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Policy on Material Subsidiary is available at the following link: https://rain-industries.com/assets/pdf/ril---material-subsidiries-policy---04.08.2023_20230807054448.pdf

Under this definition, Rain Cements Limited, Rain CII Carbon (Vizag) Limited and Rain Carbon Inc. (Foreign Body Corporate) are material subsidiaries of the Company.

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and adequate resources. For more effective governance, the minutes of Board Meetings and Financial Statements of subsidiaries of the Company are placed before the Audit Committee and Board of Directors of the Company for their review at every quarterly Meeting.

In addition to the above, Regulation 24 of the Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

An Independent Director of the Company is also Director on the Board of these material subsidiaries.

The other requirements of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for Subsidiary Companies have been complied with.

20. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board members and all employees of the Company. An affirmation of compliance with the code is received from them on an annual basis.

21. CEO and CFO Certification

The Managing Director and the CFO have given a Certificate to the Board as contemplated in Schedule - V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is separately annexed.

22. Disclosure with respect to Demat suspense account/ unclaimed suspense account

A) Rain Industries Limited suspense account:

Unclaimed Equity shares are held in Rain Industries Limited suspense account maintained with Stock Holding Corporation of India Ltd, Hyderabad - 500034, Telangana State, India vide DPID: IN301330 and Client ID: 40195702.

In accordance with the requirement of Clause F of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

S. No.	Particulars	Number of shareholders	Number of equity shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e., January 1, 2023.	55	63,585
2	No. of shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	NIL	NIL
3	No. of shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	NIL	NIL
4	Transferred to Investor Education and Protection fund Authority	48	46,335
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., December 31, 2023 (1-3-4).	7	17,250

The voting rights on the shares outstanding in the suspense account as on December 31, 2023 shall remain frozen till the rightful owner of such shares claim the shares.

B) Rain Industries Limited Unclaimed Securities Suspense Escrow Account:

As per the SEBI Circular No.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8, dated January 25, 2022, the Company has opened a demat account DP ID:IN301330 and Client ID:41288027 in the name of "RAIN INDUSTRIES LIMITED UNCLAIMED SECURITIES SUSPENSE ESCROW ACCOUNT" with Stock Holding Corporation of India Ltd, Hyderabad - 500034, Telangana State, India.

The Company has issued "Letter of Confirmations" to the shareholders, to enable them to dematerialize the same. There are no cases where the Letter of Confirmations are pending for dematerialization for more than 120 days. Hence, no shares were transferred to Rain Industries Limited Unclaimed Securities Suspense Escrow Account.

23. Transfer of Shares to Investor Education and Protection Fund

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who has not claimed dividends for a continuous period of 7 years, shall be transferred to Investor Education and Protection Fund Authority account. Accordingly, the Company has transferred 1,84,138 equity shares to Investor Education and Protection Fund during the Financial Year ended December 31, 2023.

24. Prevention of Insider Trading.

The Board of Directors of the Company in compliance with Regulation 9A (4) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, review Compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively and make changes as and when required to improve the efficiency of the controls in place.

The Company has formulated various written Policies and taken various other steps from time to time to prevent the Insider Trading as per the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Given below are the various steps taken by the Company for prevention of Insider Trading:

1. The Company has adopted the Policy on Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders;
2. The Company has adopted the Policy on Code of Practices and Procedures for Fair Disclosures;
3. The Company has adopted Whistle Blower Policy;
4. The Company is closing the Trading Window during the period of declaration of Financial Results, declaration of dividend and also while undertaking corporate actions;
5. Identification of employees who have access to Unpublished Price Sensitive Information (UPSI) as designated persons;
6. Annual Disclosures are taken from designated employees to monitor trading in shares of the Company;

7. Identifying all Unpublished Price Sensitive Information (UPSI) and maintaining its confidentiality;

8. Restrictions on communication or procurement of Unpublished Price Sensitive Information (UPSI);

9. Listing all employees and other persons with whom Unpublished Price Sensitive Information (UPSI) is shared;

10. Confidentiality of Information declarations are taken from employees;

11. The Digital Data Base of designated persons is being maintained containing the details of Name, PAN, Phone numbers of designated persons and the persons with whom they undertake material Financial transactions i.e., family members and other persons;

12. Digital Data Base of persons is maintained with whom Unpublished Price Sensitive Information (UPSI) is shared with details of date and time at which such information is shared;

13. A Structured Digital Data Base software is maintained by the Company internally for recording the communication of the UPSI and the data is recorded in the software within 48 hours of the communication of the UPSI and an autogenerated mail shall be sent to all the parties with whom the UPSI is shared.

25. Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended December 31, 2023, there were no proceeds from public issues, rights issues, preferential issues, etc.

26. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company https://www.rain-industries.com/assets/pdf/materialeventspolicy_20220729155033.pdf

27. The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: https://www.rain-industries.com/assets/pdf/ril-documents-preservation-policy_20180725082935.pdf

28. The Company has adopted policy on Dividend Distribution. Policy on Dividend Distribution which is available on the website of the Company: https://www.rain-industries.com/assets/pdf/ril-dividend-distribution-policy-23-02-17_20180725074109.pdf

On behalf of the Board of Directors
for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 23, 2024

CODE OF CONDUCT

DECLARATION

As provided under Schedule - V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended December 31, 2023.

for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Place: Hyderabad
Date: February 23, 2024

CEO AND CFO CERTIFICATE

We hereby certify that:

a) We have reviewed Audited Financial Statements and the Cash Flow Statement for the Financial Year ended December 31, 2023 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that there are no:

   i) significant changes in internal control over financial reporting during the year;

   ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

for **Rain Industries Limited**

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

T. Srinivasa Rao
Chief Financial Officer
M. No. F29080

Place: Hyderabad
Date: February 23, 2024

To
The Members,
Rain Industries Limited,
Hyderabad.

SUB: Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, **DVM & Associates LLP,** Practicing Company Secretaries, have examined the Company and Registrar of Companies records, books and papers of **RAIN INDUSTRIES LIMITED (CIN: L26942TG1974PLC001693)** having its Registered Office at "Rain Center", 34, Srinagar Colony, Hyderabad – 500073, Telangana State, India (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on December 31, 2023.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the Company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority as on December 31, 2023:

S. No.	Name of the Director	Designation	DIN No.
1	Mr. Brian Jude McNamara	Chairman (Independent Director)	08339667
2	Mr. N. Radhakrishna Reddy	Managing Director	00021052
3	Mr. Jagan Mohan Reddy Nellore	Non-Executive Director	00017633
4	Mr. N. Sujith Kumar Reddy	Non-Executive Director	00022383
5	Mr. Varun Batra	Independent Director	00020526
6	Mr. Robert Thomas Tonti	Independent Director	09367847
7	Ms. Shanti Sree	Independent Director	07092258

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

DVM Gopal
Partner
M. No: F6280
CP No: 6798
UDIN: F006280E003467639

Place: Hyderabad
Date: February 21, 2024

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of
Rain Industries Limited

The Corporate Governance Report prepared by Rain Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended December 31, 2023 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

1. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

2. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

4. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

6. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report.

   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting year.

   iii. Obtained and read the Register of Directors as on December 31, 2023, and verified that at least one independent woman director was on the Board of Directors throughout the year.

   iv. Obtained and read the minutes of the following committee meetings / other meetings held from January 01, 2023, to December 31, 2023:

      (a) Board of Directors
      (b) Audit Committee
      (c) Annual General Meeting (AGM)
      (d) Nomination and Remuneration Committee
      (e) Stakeholders Relationship Committee
      (f) Risk Management Committee
      (g) Corporate Social Responsibility Committee

   v. Obtained necessary declarations from the directors of the Company.

   vi. Obtained and read the policy adopted by the Company for related party transactions.

   vii. Obtained the schedule of related party transactions during the year and balances at the year- end.

   viii. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

7. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us, as referred in paragraph 6 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended December 31, 2023, referred to in paragraph 4 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership No.: 093649
UDIN: 24093649BKGPPQ3083

Place: Mumbai
Date: February 23, 2024

Independent Auditor's Report

To the Members of Rain Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Rain Industries Limited (the "Company"), which comprise the Balance Sheet as at December 31, 2023, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2023, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of non-current investments in subsidiaries carried at cost (as described in note 5 of the standalone financial statements)	
As at December 31, 2023, the Company has investments of ₹ 9,986.12 million in subsidiaries. As per requirement of Ind AS 36 "Impairment of assets", the management at each reporting date reviews whether there are any indicators of impairment of the investments in subsidiaries and where impairment indicators exist, the management estimates the recoverable amounts of the investments, using discounted cash-flow model. Significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as: • Projected net operating cash-flows in the years 1-5; • Stable long-term growth rates beyond five years and in perpetuity; and • Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money. The impairment testing includes sensitivity testing of key assumptions, including net operating cash flows, long term growth rates and discount rate. The impairment testing is considered a key audit matter because the assumptions involved are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balance to the standalone financial statements as a whole.	Our audit procedures included, among others the following: • Assessed the Company's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets". • Obtained an understanding of the process, tested the design, implementation and operating effectiveness of key internal controls related to investment impairment assessment. • We assessed the methodology applied by the Company in its impairment analysis. In making this assessment, we also evaluated the competence, objectivity and professional qualification of Company’s specialists involved in the process. • With the assistance of a specialist engaged by us, we assessed the assumptions around the key drivers of the net operating cash flow forecasts, discount rates and terminal growth rates used, in consideration of the current and estimated future economic conditions. • We discussed potential changes in key drivers as compared to previous year/ actual performance with management in order to evaluate whether the inputs and assumptions such as discount rates and terminal growth rates used in the cash flow forecasts were suitable. • Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. • We assessed the adequacy of the disclosures in relation to the impairment testing as described in the standalone financial statements.

Other information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended December 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended December 31, 2022, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on February 27, 2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on December 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended December 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 32 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. financial year beginning April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 24093649BKGPPS2082

Place of Signature: Mumbai
Date: February 23, 2024

Annexure 1

Referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

Re: Rain Industries Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended December 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any physical inventories. Accordingly, clause (ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) During the year, the investments made in companies are not prejudicial to the Company's interest. During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order to such extent is not applicable to the Company.

(iv) Investments in respect of which provisions of section 186 of the Act are applicable have been complied with by the Company. There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other statutory dues applicable to it. The provisions for sales-tax, service tax, duty of excise, value added tax and cess are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute except income tax for which details are as follows:

Name of Statue	Nature of Dues	Amount (In ₹ millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.69	AY 2010-11	Honorable High Court of Hyderabad
Income Tax Act, 1961	Income Tax	6.85	AY 2020-21	Commissioner Income Tax (Appeals)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has raised loans during the year on the pledge of securities held in its subsidiary, as per details below. Further, the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan (In ₹ millions)	Name of the subsidiary	Relation	Details of security pledged
Term Loan	Bank	1,700	Rain CII Carbon (Vizag) Limited (RCCVL)	Wholly Owned Subsidiary	a) 100% pledge of equity shares held in RCCVL. b) First charge over moveable fixed assets of the Company. c) Second pari-passu charge over current assets of the Company.
Derivative transaction Limit	Bank	300			

(x) (a) The Company has not raised any money during the year by way of public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 33 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section (5) of section 135 of the Act. This matter has been disclosed in note 35 to the standalone financial statements.

(b) There are no unspent amounts is respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section (6) of section 135 of the companies Act. This matter has been disclosed in note 35 to the standalone financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 24093649BKGPPS2082

Place of Signature: Mumbai
Date: February 23, 2024

Annexure 2

to the Independent Auditor's Report of even date on the standalone financial statements of Rain Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Rain Industries Limited ("the Company") as of December 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at December 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 24093649BKGPPS2082

Place of Signature: Mumbai
Date: February 23, 2024

Standalone Balance Sheet

as at December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	Note	As at December 31, 2023	As at December 31, 2022
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	75.09	69.27
(b) Intangible assets	4	0.61	0.76
(c) Financial assets			
(i) Investments	5	9,986.12	9,493.26
(ii) Other non-current financial assets	6	1.67	1.27
(d) Non-current tax assets, net	27(vii)	114.47	73.91
(e) Other non-current assets	7	-	3.53
Non Current assets		**10,177.96**	**9,642.00**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	8	166.00	114.58
(ii) Cash and cash equivalents	9A	33.87	147.80
(iii) Bank balances other than cash and cash equivalents	9B	1,027.15	67.04
(iv) Loans	10	168.34	830.09
(v) Other current financial assets	11	3.23	23.20
(b) Other current assets	12	24.75	9.65
Current assets		**1,423.34**	**1,192.36**
Total Assets (1+2)		**11,601.30**	**10,834.36**
EQUITY AND LIABILITIES			
1. Equity			
(a) Share capital	13	672.69	672.69
(b) Other equity	14	8,552.99	8,360.60
Total equity		**9,225.68**	**9,033.29**
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	2,200.00	-
(b) Provisions	16	1.95	7.64
(c) Deferred tax liability, net	27 (iv)	3.88	4.41
Non-current liabilities		**2,205.83**	**12.05**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	1,655.72
(ii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		67.07	52.25
(iii) Other current financial liabilities	19	48.91	41.61
(b) Other current liabilities	20	8.80	5.42
(c) Provisions	21	15.56	4.57
(d) Current tax liabilities, net	27(vii)	29.45	29.45
Current liabilities		**169.79**	**1,789.02**
Total Equity and Liabilities (1+2)		**11,601.30**	**10,834.36**
Corporate information	1		
Significant accounting policies	2		

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Standalone Statement of Profit and Loss

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

		Note	For the year ended December 31, 2023	For the year ended December 31, 2022
1	**Income**			
	Revenue from operations	22	1,241.48	540.74
	Other income	23	791.96	502.98
	Total income		**2,033.44**	**1,043.72**
2	**Expenses**			
	Purchases of stock-in-trade		628.92	61.30
	Employee benefits expense	24	321.69	273.51
	Finance costs	25	159.57	80.16
	Depreciation and amortisation expense	4A	5.92	6.73
	Loss on foreign currency transactions and translations, net		10.44	67.56
	Other expenses	26	309.71	230.59
	Total expenses		**1,436.25**	**719.85**
3	**Profit before tax (1-2)**		597.19	323.87
4	**Tax expense/(benefit)**	27(i)		
	1. Current tax		66.54	47.38
	2. Deferred tax		0.08	(0.98)
5	**Profit for the year (3-4)**		**530.57**	**277.47**
6	**Other comprehensive income/(loss):**			
	A. Items that will not be reclassified subsequently to profit or loss			
	- Remeasurements of the defined benefit plans		(2.45)	(0.01)
	- Income tax relating to remeasurment of defined benefit plans		0.62	-
	Other comprehensive loss for the year, net of tax		**(1.83)**	**(0.01)**
7	**Total comprehensive income for the year (5+6)**		**528.74**	**277.46**
8	**Earnings per share (face value of ₹ 2/- each)**	34		
	Basic and Diluted (₹ in absolute terms)		1.58	0.82
	Corporate information	1		
	Significant accounting policies	2		

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Standalone Statement of changes in Equity

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(i)

Particulars	Equity Share Capital	Other equity							Total equity attributable to the owners of Company
		Reserves and Surplus							
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	Remeasurements of Defined Benefit Plans	
Balance as on January 1, 2022	**672.69**	**4,319.91**	**47.66**	**516.67**	**860.08**	**453.25**	**2,219.36**	**2.56**	**9,092.18**
Total comprehensive income/(loss) for the year	-	-	-	-	-	277.47	-	(0.01)	277.46
Dividends (Refer Note 13(ii))	-	-	-	-	-	(336.35)	-	-	(336.35)
Balance as on December 31, 2022	**672.69**	**4,319.91**	**47.66**	**516.67**	**860.08**	**394.37**	**2,219.36**	**2.55**	**9,033.29**
Total comprehensive income/(loss) for the year	-	-	-	-	-	530.57	-	(1.83)	528.74
Dividends (Refer Note 13(ii))	-	-	-	-	-	(336.35)	-	-	(336.35)
Balance as on December 31, 2023	**672.69**	**4,319.91**	**47.66**	**516.67**	**860.08**	**588.59**	**2,219.36**	**0.72**	**9,225.68**

(ii) Description of the purposes of each reserve within equity:

Reserves and Surplus:

(a) **Capital reserve:** It consists of pre-acquisition profits. During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

(b) **Capital redemption reserve:** It consists of reserves on the buyback of equity shares from its retained earnings. The amount represents nominal amount of the equity shares bought back.

(c) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, to write-off equity related expenses like underwriting costs etc.

(d) **General reserve:** It represents the portion of the net profit which the Company has transferred, before declaring dividend. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

(e) **Retained earnings:** Retained earnings are the net profits after all distributions and transfers to other reserves.

(f) **Foreign currency translation reserve (FCTR) (OCI):** Represents the FCTR of Moonglow Company Business Inc. which was merged with the Company in the financial year ended December 31, 2015.

(g) **Remeasurements of defined benefit plans:** Remeasurements of defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Standalone Statement of Cash Flows

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

		For the year ended December 31, 2023	For the year ended December 31, 2022
A.	**Cash flow from operating activities**		
	Profit before taxation	597.19	323.87
	Adjustments for :		
	Depreciation and amortisation expense	5.92	6.73
	Profit on sale of property, plant and equipment, net	(0.23)	(0.02)
	Interest and other borrowing costs	159.57	80.16
	Interest income	(80.68)	(71.28)
	Interest on income-tax under Section 234B refund	-	(22.64)
	Dividend income from non-current investments	(693.69)	(393.37)
	Assets written off	0.05	-
	Loss on foreign currency transactions and translations, net	8.37	70.61
	Operating loss before working capital changes	**(3.50)**	**(5.94)**
	Adjustments for changes in working capital:		
	(Increase) / decrease in operating assets:		
	Trade receivables	(51.61)	61.29
	Loans and other assets	10.77	(8.41)
	Increase / (decrease) in operating liabilities:		
	Trade payables	14.82	(74.26)
	Other current liabilities	3.38	1.06
	Other financial liabilities	0.13	0.58
	Provisions	2.87	2.27
	Cash flows used in operations	**(23.14)**	**(23.41)**
	Income taxes received / (paid), net	(106.54)	1.99
	Net cash used in operating activities	**(129.68)**	**(21.42)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and intangible assets	(11.81)	(3.12)
	Proceeds from sale of property,plant and equipment	0.40	0.08
	Loans repaid by subsidiaries	666.32	863.63
	Investment in subsidiary	(492.86)	(322.61)
	Investment in fixed/restricted deposits with banks	(1,243.30)	(79.60)
	Maturity of fixed/restricted deposits with banks	280.10	39.08
	Interest received	77.45	56.21
	Dividend income from non-current investments	693.69	393.37
	Net cash (used in)/from investing activities	**(30.01)**	**947.04**

Standalone Statement of Cash Flows (contd.)

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	For the year ended December 31, 2023	For the year ended December 31, 2022
C. Cash flow from financing activities		
Proceeds from non-current borrowings	2,200.00	-
Repayment of non-current borrowings	(1,668.45)	(553.68)
Interest and other borrowing costs paid	(149.44)	(73.02)
Dividend paid	(336.35)	(336.35)
Net cash (used in)/from financing activities	**45.76**	**(963.05)**
Net decrease in cash and cash equivalents (A+B+C)	**(113.93)**	**(37.43)**
Cash and cash equivalents at the beginning of the year	147.80	185.23
Cash and cash equivalents at the end of the year	**33.87**	**147.80**

Notes:

(i) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard - 7 on Statement on Cash Flows.

(ii) Components of Cash and cash equivalents

	As at December 31, 2023	As at December 31, 2022
Cash and cash equivalents		
Balances with banks:		
- in current accounts	33.87	46.13
- in deposit accounts (with original maturity of 3 month or less)	-	101.67
	33.87	**147.80**

(iii) Refer note.15 for reconciliation of liabilities arising from financing activities

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Note 1: Corporate Overview

Rain Industries Limited ('the Company') was incorporated on March 15, 1974 under the erstwhile Companies Act, 1956 and is domiciled in India. The registered office of the Company is "Rain Center", 34, Srinagar Colony, Hyderabad - 500073, Telangana. The Company is engaged in sale of products, duty scripts and providing shared support services to its group companies. The Company's equity shares are listed at BSE Limited and National Stock Exchange of India Limited in India.

Note 2: Significant Accounting Policies

a) Basis of preparation of standalone financial statements

(i) Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on a going concern basis. Relevant Ind AS effective as on the Company's annual reporting date December 31, 2023 have been applied. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

The standalone financial statements were authorised for issue by the Company's Board of Directors on February 23, 2024.

(ii) Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

(iii) Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities (refer accounting policy regarding financial instruments)	Fair value
Net defined benefit asset/ liability	Fair value of plan assets less present value of defined benefit plan

(iv) Use of estimates

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates could change from period to period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and appropriate changes are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are reflected in the period in which such changes are made and if material, their effects are disclosed in the standalone financial statements.

Assumptions and estimation uncertainties

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations: key actuarial assumptions used in measurement (refer note 30)
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources (refer note 32)

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

- Recognition and recoverability of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used (refer note 27)
- Useful life of property, plant and equipment (refer note 2 (f))
- Impairment of non-financial assets (refer note 2(h)
- Expected Credit loss - Provision for doubtful debts (refer note 28.3)
- Assessment of functional currency (refer note 2(a)(ii))

(v) Current and Non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle

ii) It is held primarily for the purpose of being traded

iii) It is expected to be realised within 12 months after the reporting date or

iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria

i) It is expected to be settled in the Company's normal operating cycle

ii) It is held primarily for the purpose of being traded

iii) It is due to be settled within 12 months after the reporting date or

iv) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's operating cycle is within a period of 12 months.

(vi) Measurement of fair value

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For changes that have occurred between levels of hierarchy during the year, the Company re-assesses categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

b) Business combinations

Business combinations are accounted for using the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired, as are the net identifiable assets acquired. Any goodwill that arises is tested annual for impairment. Any gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expenses as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in statement of profit and loss or other comprehensive income, as appropriate.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

equity, then it is not remeasured subsequently, and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit and loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the standalone financial statements of the Company in the same form in which they appeared in the standalone financial statements of the acquired entity. The difference, if any, between the value of net assets and the consequent reduction in value of investment held by the Company is transferred to the capital reserve or to the accumulated balance of profit and loss.

c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognised when they are originated. All other assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets

Recognition and initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) as described above are measured at fair value through profit or loss (FVTPL). This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets

Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at an individual asset level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets.

- how the performance of the portfolio is evaluated and reported to the Company's management.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL

Financial assets:

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made upon initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

However, on sale, the Company may transfer the cumulative gain or loss within equity. Equity investments designated as FVTOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

i) The contractual rights to receive cash flows from the asset have expired, or

ii) The Company has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities:

Initial recognition and measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Classification and Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss. All other financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate method.

Derecognition

A financial liability is derecognised when the contractual obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability at fair value. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

d) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of products and sale of duty scripts are recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions.

Revenue from services rendered is recognised when the related services are performed in accordance with contract terms.

e) Other income

Interest income is recognised using the time proportion method, based on the underlying interest rates.

Dividend income is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

f) Property, plant and equipment

Property, plant and equipment are stated at cost/professional valuation less accumulated depreciation and impairment loss, if any. Cost includes directly attributable to the acquisition of the items including its purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure related to an item of tangible fixed asset is capitalised only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown under other non-current assets as capital advances.

Depreciation on all the tangible fixed assets is provided using the straight-line method based on the useful life of the assets as prescribed by Schedule II to the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of tangible assets are determined as the difference between net sales proceeds and the carrying amount and are presented in the statement of profit and loss.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Items	Years
Buildings	60
Furniture and Fixtures	5
Office equipment	1-20

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

The estimated useful lives are as follows:

Items	Years
Software	5-10

Intangible assets which are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is recognised in the statement of profit and loss in the respective financial years, if the carrying amount of the assets or CGU exceeds its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortised historical cost as per requirement of Ind AS 36 - "*Impairment of Assets*".

i) Foreign Currency Transactions and Balances

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currency are restated at the prevailing year end rates. The resultant gain/loss upon such restatement along with the gain/loss on account of foreign currency transactions are accounted in the statement of profit and loss. In respect of items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward contract is recognised in the statement of profit and loss.

j) Equity investments in subsidiaries

Non-current investments in subsidiaries are carried at cost less provision for diminution, other than temporary, if any, in the value of such investments.

k) Retirement and other employee benefits

Defined contribution plans

The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service. The Company has no further obligations beyond its monthly contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income.

When the benefits of a plan are changed or curtailed, the resulting change in the benefit that relates to the past service ('past service cost') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises the gains and losses on the settlement of a defined benefit plan when settlement occurs.

Compensated Absences:

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or encash the leaves during the period of employment or retirement

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

or at termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

l) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of- use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has opted the exemption provided under Ind AS 116 Leases for low value and short term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

m) Borrowing Costs

Borrowing costs include interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

Deferred finance costs consists of loan financing fees, which are being amortised over the life of the loan. Amortisation of deferred finance cost is included in other borrowing costs of statement of profit and loss. Other borrowings costs are recognised in the period in which they are incurred.

n) Earnings Per Share

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) comprise net profit after tax (and includes the post-tax effect of any extra ordinary items). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. Dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date. The number of shares used for computing the diluted EPS is the weighted average number of shares outstanding during the year after considering the dilutive potential equity shares.

o) Tax expense

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods subject to consideration of prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognised to the extent that it is probable that future taxable profit will

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

be available against which the unused tax losses and unused tax credits can be utilised. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities have been measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in statement of profit and loss.

p) Statement of Cash Flow and Cash and Cash equivalents

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined below, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are disclosed in the notes to the standalone financial statements. A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

r) Dividend declared

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Interim dividend is recorded as a liability on the date of declaration by the Board of Directors.

s) Accounting Standards adopted in Current year:

The Group has adopted, with effect from January 1, 2023, the following new and revised standards. Their adoption did not have any significant impact on the amounts reported in the standalone financial statements.

1. Amendment to Ind AS 37 regarding costs that an entity needs to include when assessing whether a contract is onerous or loss-making.
2. Amendment to Ind AS 109 Financial Instrument regarding inclusion of fees in the '10 per cent' test for derecognition of financial liabilities.
3. Amendment to Ind AS 103 Business Combination, Reference to the Conceptual Framework for Financial Reporting.
4. Amendment to Ind AS 16 Property, Plant and Equipment regarding proceeds before intended use.

t) Recent Accounting pronouncements not yet adopted:

On March 31, 2023, MCA has amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

Accounting Standards) Amendment Rules, 2023, applicable for annual periods beginning on or after April 1, 2023, as below:

1. **Amendments to Ind AS 12, Income Taxes:**

   The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

   The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

   The Company does not expect this amendment to have any impact in its standalone financial statements.

2. **Amendments to Ind AS 1, Presentation of Financial Statements:**

   Paragraph 10 which states the complete set of Financial Statements, in item (e), for the words "significant accounting policies", the words "material accounting policy information", has been substituted.

   The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

   The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107 'Financial Instruments: Disclosures'.

   The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

3. **Amendment to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors:**

   The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

   The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

   The amendments are not expected to have a material impact on the Company's standalone financial statements.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 3: Property, plant and equipment

	Land - freehold	Buildings	Furniture and fixtures	Office equipments	Vehicles	Total
Gross block						
As at January 1, 2022	**2.21**	**66.67**	**4.87**	**36.81**	**1.06**	**111.62**
Additions	2.40	-	0.48	0.19	-	3.07
Deletions	-	-	-	0.11	-	0.11
As at December 31, 2022	**4.61**	**66.67**	**5.35**	**36.89**	**1.06**	**114.58**
Additions	**-**	**-**	**-**	**11.84**	**-**	**11.84**
Deletions	**-**	**-**	**0.07**	**6.78**	**1.06**	**7.91**
As at December 31, 2023	**4.61**	**66.67**	**5.28**	**41.95**	**-**	**118.51**
Accumulated depreciation and impairment						
As at January 1, 2022	**-**	**8.09**	**4.87**	**25.17**	**0.72**	**38.85**
Depreciation for the year	-	1.32	0.00	5.13	0.12	6.57
Deletions	-	-	-	0.11	-	0.11
As at December 31, 2022	**-**	**9.41**	**4.87**	**30.19**	**0.84**	**45.31**
Depreciation for the year	**-**	**1.31**	**0.09**	**4.32**	**0.05**	**5.77**
Deletions	**-**	**-**	**0.07**	**6.70**	**0.89**	**7.66**
As at December 31, 2023	**-**	**10.72**	**4.89**	**27.81**	**-**	**43.42**
Net carrying amount						
As at December 31, 2022	**4.61**	**57.26**	**0.48**	**6.70**	**0.22**	**69.27**
As at December 31, 2023	**4.61**	**55.95**	**0.39**	**14.14**	**0.00**	**75.09**

Note:

- Movable assets are pledged against borrowings availed from bank. Refer note 15 for details.

Note 4: Intangible assets

	Software	Total
Gross block		
As at January 1, 2022	**1.47**	**1.47**
Additions	-	-
Deletions	-	-
As at December 31, 2022	**1.47**	**1.47**
Additions	**-**	**-**
Deletions	**-**	**-**
As at December 31, 2023	**1.47**	**1.47**
Accumulated amortisation and impairment		
As at January 1, 2022	**0.55**	**0.55**
Amortisation for the year	0.16	0.16
Deletions	-	-
As at December 31, 2022	**0.71**	**0.71**
Amortisation for the year	**0.15**	**0.15**
Deletions	**-**	**-**
As at December 31, 2023	**0.86**	**0.86**
Net carrying amount		
As at December 31, 2022	**0.76**	**0.76**
As at December 31, 2023	**0.61**	**0.61**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 4A: Depreciation and amortisation expense

	For the year ended December 31, 2023	For the year ended December 31, 2022
Depreciation on Property, plant and equipment (Refer note 3)	5.77	6.57
Amortisation of Intangible assets (Refer note 4)	0.15	0.16
	5.92	**6.73**

Note 5: Non-current investments

	As at December 31, 2023	As at December 31, 2022
Investment (unquoted, at cost)		
A. Equity shares of subsidiaries		
Rain Cements Limited, India		
29,805,000 (December 31, 2022 : 29,805,000) Equity Shares of ₹ 10 each fully paid up representing 100% of share capital	2,128.10	2,128.10
Rain Holdings Limited,UAE		
6,000,000 (December 31, 2022 : Nil) equity shares of US$ 1 per share fully paid up representing 100% of share capital	492.86	-
Rain Commodities (USA) Inc, United States of America (U.S.A.)		
20 (December 31, 2022 : 20) Common Stock at par value of US$ 0.01 per share fully paid up representing 100% of share capital	4.45	4.45
200,000 (December 31, 2022 : 200,000) Class B Redeemable Common Stock at par value of US$ 100 per share fully paid up representing 100% of share capital	902.80	902.80
Rain CII Carbon (Vizag) Limited, India *		
1,000,000 (December 31, 2022 : 1,000,000) Equity Shares of ₹ 10 each fully paid up representing 12.22% of share capital	13.00	13.00
Rain Verticals Limited, India		
100,000 (December 31, 2022 : 100,000) Equity Shares of ₹ 10 each fully paid up representing 100% of share capital	1.00	1.00
OOO Rain Carbon LLC, Russia		
1 (December 31, 2022 : 1) Equity Share of RUB 10,000 each fully paid up representing 100% of share capital	322.61	322.61
B. Preference shares of subsidiaries		
Rain Commodities (USA) Inc, United States of America (U.S.A.)	6,121.30	6,121.30
97,800 (December 31, 2022 : 97,800) Optionally Convertible Redeemable Preferred Series - B at par value US$ 1,000 per share fully paid up. These are convertible at the option of the Company after November 30, 2011.		
Total	**9,986.12**	**9,493.26**
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate value of unquoted investments	9,986.12	9,493.26
(c) Aggregate amount of impairment in value of investments	-	-

* Pledged with banks against borrowings availed from banks. Refer note 15 for details.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 6: Other non-current financial assets

	As at December 31, 2023	As at December 31, 2022
Electricity deposits	0.16	0.16
Security deposits	1.51	1.11
Total	**1.67**	**1.27**

The Company's exposure to credit risk details are disclosed in note 28.3

Note 7: Other non-current assets

	As at December 31, 2023	As at December 31, 2022
Excess contribution to Plan assets for Defined benefit plan (Refer note 30 (b))	-	3.53
Total	**-**	**3.53**

Note 8: Trade receivables

	As at December 31, 2023	As at December 31, 2022
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured*	166.00	114.58
Trade receivables - credit impaired	-	-
	166.00	**114.58**
Less: Allowance for doubtful trade receivables	-	-
Total	**166.00**	**114.58**

Trade receivables ageing schedule as at December 31, 2023:

Particulars	Contract asset	Trade receivables - Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed trade receivables - considered good	28.86	137.14	-	-	-	-	-	**166.00**
ii. Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
iii. Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
iv. Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Trade receivables ageing schedule as at December 31, 2022:

Particulars	Contract asset	Trade receivables - Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed trade receivables - considered good	4.85	109.73	-	-	-	-	-	**114.58**
ii. Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
iii. Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
iv. Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-

* Trade receivables amounting to ₹ 166.00 (December 31, 2022: ₹ 114.58) are due from related parties. Refer note 31

- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- Receivables are pledged with banks against borrowings availed from banks. Refer note 15 for details.
- The Company's exposure to credit and currency risk details are disclosed in note 28.3 and 28.7.

Note 9: Cash and bank balances

	As at December 31, 2023	As at December 31, 2022
A. Cash and cash equivalents		
Balances with banks:		
- in current accounts	33.87	46.13
- in deposit accounts (with original maturity of 3 months or less)	-	101.67
	33.87	**147.80**
B. Bank balances other than cash and cash equivalents		
Unpaid dividend accounts	24.15	27.24
Bank deposits with original maturity of more than 3 months but less than 12 months	1,003.00	39.80
	1,027.15	**67.04**
Total [A+B]	**1,061.02**	**214.84**

Note 10: Current loans

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties (Refer note 31)	166.23	827.86
Loan to employees	2.11	2.23
Total	**168.34**	**830.09**

The Company's exposure to credit and currency risks related to current loans are disclosed in Note 28.3 and 28.7

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 11: Other current financial assets

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Interest accrued on deposits	3.23	0.56
Other receivables	-	22.64
Total	**3.23**	**23.20**

Note 12: Other current assets

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Balances with statutory authorities	12.43	2.90
Advance to suppliers and service providers	12.32	6.75
Total	**24.75**	**9.65**

Note 13: Share capital

	As at December 31, 2023		As at December 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital:				
Equity shares of ₹ 2 each	590,000,000	1,180.00	590,000,000	1,180.00
Redeemable preference shares of ₹ 100 each	4,900,000	490.00	4,900,000	490.00
Total	594,900,000	1,670.00	594,900,000	1,670.00
Issued, subscribed and fully paid up share capital				
Equity shares of ₹ 2 each	336,345,679	672.69	336,345,679	672.69
Total	**336,345,679**	**672.69**	**336,345,679**	**672.69**

(i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at December 31, 2023		As at December 31, 2022	
	Number of shares	Amount	Number of shares	Amount
As at beginning of the year	336,345,679	672.69	336,345,679	672.69
Add/(Less): Changes in equity shares during the year	-	-	-	-
As at end of the year	**336,345,679**	**672.69**	**336,345,679**	**672.69**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a par value of ₹ 2 each per share. Each holder of equity shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. However, in case of interim dividend the profits are distributed based on approval of Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

The Board of Directors at its meeting held on May 09, 2023 has declared an interim dividend of 50% (₹ 1 per equity share of par value of ₹ 2 each amounting to ₹ 336.35) and no further dividend has been recommended for the financial year ended December 31, 2023. This dividend was paid during the year ended December 31, 2023.

The Board of Directors at its meeting held on July 29, 2022 has declared an interim dividend of 50% (₹ 1 per equity share of par value of ₹ 2 each amounting to ₹ 336.35) and no further dividend has been recommended for the financial year ended December 31, 2022. This dividend was paid during the year ended December 31, 2022.

(iii) Shareholders holding more than 5% of the equity shares

Name of the shareholder	As at December 31, 2023		As at December 31, 2022	
	Number of shares	%	Number of shares	%
Sujala Investments Private Limited	37,766,675	11.23	37,766,675	11.23
N. Anupama Reddy	27,300,669	8.12	27,300,669	8.12
Rain Enterprises Private Limited	25,316,465	7.53	25,316,465	7.53

(iv) Shares held by Promoters

As at December 31, 2023

Name of the Promoter	Number of shares	Percentage of total shares	Percentage of change during the year
Sujala Investments Private Limited	37,766,675	11.23%	0%
N. Anupama Reddy	27,300,669	8.12%	0%
Rain Enterprises Private Limited	25,316,465	7.53%	0%
Mr. N. Radhakrishna Reddy	10,383,730	3.09%	0%
Mr. N. Sujith Kumar Reddy	10,028,770	2.98%	0%
Nivee Holdings Private Limited	8,143,250	2.42%	0%
Ms. N. Indira Reddy	7,513,100	2.23%	0%
Arunachala Holdings Private Limited	5,272,500	1.57%	0%
PCL Financial Services Private Limited	3,780,750	1.12%	0%
Ms. N. Akhila Reddy	1,869,315	0.56%	0%
Arunachala Logistics Private Limited	989,245	0.29%	0%
Ms. K. V. Arundhathi Reddy	14,285	0.00%	0%
Mr. Jagan Mohan Reddy Nellore	100	0.00%	0%

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

As at December 31, 2022

Name of the Promoter	Number of shares	Percentage of total shares	Percentage of change during the year
Sujala Investments Private Limited	37,766,675	11.23%	0%
N. Anupama Reddy	27,300,669	8.12%	0%
Rain Enterprises Private Limited	25,316,465	7.53%	0%
Mr. N. Radhakrishna Reddy	10,383,730	3.09%	0%
Mr. N. Sujith Kumar Reddy	10,028,770	2.98%	0%
Nivee Holdings Private Limited	8,143,250	2.42%	0%
Ms. N. Indira Reddy	7,513,100	2.23%	0%
Arunachala Holdings Private Limited	5,272,500	1.57%	0%
PCL Financial Services Private Limited	3,780,750	1.12%	0%
Ms. N. Akhila Reddy	1,869,315	0.56%	0%
Arunachala Logistics Private Limited	989,245	0.29%	0%
Ms. K. V. Arundhathi Reddy	14,285	0.00%	0%
Mr. Jagan Mohan Reddy Nellore	100	0.00%	0%

(v) There are no shares issued pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date.

Note 14: Other equity

	As at December 31, 2023	As at December 31, 2022
Reserves and Surplus:		
(a) Capital reserve		
Balance at the beginning and end of the year	4,319.91	4,319.91
(b) Securities premium		
Balance at the beginning and end of the year	516.67	516.67
(c) Capital redemption reserve		
Balance at the beginning and end of the year	47.66	47.66
(d) General reserve		
Balance at the beginning and end of the year	860.08	860.08
(e) Retained earnings		
Opening balance	394.37	453.25
Add: Profit for the year	530.57	277.47
Less: Dividend paid	(336.35)	(336.35)
Closing balance	**588.59**	**394.37**
(f) Foreign currency translation reserve (OCI)		
Balance at the beginning and end of the year	2,219.36	2,219.36
(g) Remeasurements of defined benefit plans		
Opening balance	2.55	2.56
Add: Actuarial gain/(loss) on remeasurements of defined benefit plans	(1.83)	(0.01)
Closing balance	**0.72**	**2.55**
Total	**8,552.99**	**8,360.60**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 15: Non-current borrowings

	As at December 31, 2023	As at December 31, 2022
A. Term loans		
From banks		
- Secured (Refer note (i) and (iii)	1,700.00	1,655.72
Less: Current maturities of non-current borrowings disclosed under note 17 - Current borrowings	-	1,655.72
B. Loans and advances from related parties		
- Unsecured (Refer note (ii)	500.00	-
Total [A+B]	**2,200.00**	**-**

Notes:

(i) During the financial year ended December 31, 2023, the Company has availed a credit facility of ₹ 2,000.00 from a bank which includes Term loan of ₹ 1,700.00 and non-fund based limit of ₹ 300.00.

I) Term loan of ₹ 1,700.00 is secured by:

a) First charge over the movable fixed assets of the Company, present and future;

b) Second pari-pass charge over current assets of the Company, both present and future;

c) Pledge over 1,000,000 equity shares of ₹ 10 each held by the Company in Rain CII Carbon (Vizag) Limited (RCCVL), a wholly owned step-down subsidiary.

d) Corporate guarantee of RCCVL, a wholly owned step-down subsidiary, in favour of the bank.

II) Non-find based limit of ₹ 300.00 (derivative) is secured by

a) Corporate guarantee of RCCVL, a wholly owned step-down subsidiary, in favour of the bank.

No guarantee commission has been charged by RCCVL based on the requirements of the bank. It carries interest of I-MCLR-1Y plus spread of 25 basis points.The loan shall be repaid as Bullet repayment at the end of 24 months from November 30, 2023. Balance as at December 31, 2023 is ₹ 1,700.00 (December 31,2022: ₹ Nil).

As on December 31, 2023, available limit under the non-fund based facility amounts to ₹ 300.00 (December 31,2022: ₹ Nil).

(ii) During the financial year ended December 31, 2023, the Company has taken unsecured loan of an amount ₹ 500.00 from Rain Cements Limited and it carries an interest of 8.25%.The loan along with accrued interet is repayable on June 08, 2025. Balance as at December 31,2023 is ₹ 500.00 (December 31,2022: ₹ Nil).

(iii) During the financial year ended December 31, 2021, the Company had borrowed Term loan of US$ 20 Million from a bank and was secured by :

a) Pari passu first charge by way of hypothecation on all movable assets both present and future of the Company;

b) Corporate guarantee of Rain CII Carbon (Vizag) Limited (RCCVL) in favour of the bank

c) Pledge over 1,000,000 equity shares of ₹ 10 each held by the Company in RCCVL, a wholly owned step-down subsidiary.

No guarantee commission was charged by RCCVL based on the requirements of the bank. It carried interest of SOFR + margin of 310 basis points payable monthly. The loan was repayable on November 30, 2023 and was repaid during the year. Balance (gross of transaction costs) as at December 31, 2023 is ₹ Nil and as at December 31, 2022: ₹ 1,655.72 (USD 20 million).

The term loan post its disbursal in the previous year, was utilised for the purpose for which it was borrowed. As on the Balance Sheet date the Overseas Direct Investments (ODI) in the form of investments in and loans to overseas subsidiaries exceeds the term loans obtained for ODI purposes.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(iv) The aggregate amount of loans outstanding (including current maturities of non-current borrowings) guaranteed by subsidiaries is ₹ 1,700.00 (December 31, 2022 : ₹ 1,655.72) (Refer note 31).

(v) Reconciliation of liabilities arising from financing activities*

Particulars	As at December 31, 2023	As at December 31, 2022
Opening balance at the beginning of the year	1,655.72	2,020.33
Borrowings made during the year	2,200.00	-
Borrowings repaid during the year	(1,668.45)	(553.68)
Exchange loss on monetary items	12.73	189.07
Closing balance at the end of the year	**2,200.00**	**1,655.72**

*Aforesaid reconciliation includes current maturities of non-current borrowings

(vi) The Company's exposure to liquidity, interest rate and currency risk is included in note 28.4, 28.6 and 28.7.

(vii) The Company has not defaulted on payment of principal and interest thereon on the above term loans

Note 16: Non-current provisions

	As at December 31, 2023	As at December 31, 2022
Provision for employee benefits:		
- Compensated absences (Refer note 30 (c))	-	7.64
- Gratuity (Refer note 30 (b))	1.95	-
Total	**1.95**	**7.64**

Note 17: Current borrowings

	As at December 31, 2023	As at December 31, 2022
Current maturities of non-current borrowings (Refer note 15)	-	1,655.72
Total	**-**	**1,655.72**

Note 18: Trade payables

	As at December 31, 2023	As at December 31, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	67.07	52.25
Total	**67.07**	**52.25**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Trade payables ageing schedule as at December 31, 2023:

Particulars		Unbilled dues	Not due	Outstanding for following periods from due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i.	MSME*	-	-	-	-	-	-	-	**-**
ii.	Others	35.06	12.40	19.61	-	-	-	-	**67.07**
iii.	Disputed dues-MSME	-	-	-	-	-	-	-	-
iv.	Disputed dues-Others	-	-	-	-	-	-	-	-

Trade payables ageing schedule as at December 31, 2022:

Particulars		Unbilled dues	Not due	Outstanding for following periods from due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i.	MSME*	-	-	-	-	-	-	-	**-**
ii.	Others	44.56	7.00	0.65	0.02	0.02	-	-	**52.25**
iii.	Disputed dues-MSME	-	-	-	-	-	-	-	-
iv.	Disputed dues-Others	-	-	-	-	-	-	-	-

Disclosures of dues to Micro Enterprises and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

		As at December 31, 2023	As at December 31, 2022
(a)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	-	-
(b)	the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*Micro, Small and Medium Enterprises

The Company's exposure to liquidity risk related to trade payables is disclosed in note 28.4

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at December 31, 2023 has been made in the financial statements based on information received and available with the Company. Further, in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 19: Other current financial liabilities

	As at December 31, 2023	As at December 31, 2022
Interest accrued but not due on borrowings	20.70	10.45
Employee payables	4.06	3.92
Unpaid dividends*	24.15	27.24
Total	**48.91**	**41.61**

*There is no amount due and outstanding to be credited to Investor Education and Protection fund as at December 31, 2023 and December 31, 2022.

The Company's exposure to liquidity, interest rate and currency risk is included in note 28.4, 28.6 and 28.7

Note 20: Other current liabilities

	As at December 31, 2023	As at December 31, 2022
Other payables		
- Statutory liabilities	8.80	5.42
Total	**8.80**	**5.42**

Note 21: Current provisions

	As at December 31, 2023	As at December 31, 2022
Provision for employee benefits:		
- Compensated absences (Refer note 30 (c))	15.56	4.57
Total	**15.56**	**4.57**

Note 22: Revenue from operations

	For the year ended December 31, 2023	For the year ended December 31, 2022
Sale of products and duty scrips (Refer note 31)	637.37	61.65
Sale of services (Refer note 31)	604.11	479.09
Revenue from operations	**1,241.48**	**540.74**

(i) Break up of revenue from operations based on timing of transfer of goods or services:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue from operations recognised at a point in time	637.37	61.65
Revenue from operations recognised over a period of time	604.11	479.09

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) Contract balances:

Particulars	As at December 31, 2023	As at December 31, 2022
Contract liabilities recorded in balance sheet	-	-

(iii) Reconciliation of revenue from operations with contract price:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue as per contracted price (A)	1,241.48	540.74
Less - Reductions towards variable consideration components (B)	-	-
Revenue recognised (A-B)	**1,241.48**	**540.74**

Note 23: Other income

	For the year ended December 31, 2023	For the year ended December 31, 2022
Interest income		
Interest from banks on deposits	17.44	5.71
Interest on loans and advances (Refer note 31)	62.68	46.71
Interest on income tax refund	0.56	18.86
Interest on income-tax under Section 234B refund	-	22.64
Dividend income from non-current investments (Refer note 31)	693.69	393.37
Other non-operating income		
Rental income from operating leases (Refer note 31)	17.02	15.47
Profit on sale of property,plant and equipment, net	0.23	0.02
Miscellaneous income	0.34	0.20
Total	**791.96**	**502.98**

Note 24: Employee benefits expense

	For the year ended December 31, 2023	For the year ended December 31, 2022
Salaries, wages and bonus	276.48	237.27
Contributions to provident and other funds (Refer note 30)	20.46	16.76
Staff welfare expenses	24.75	19.48
Total	**321.69**	**273.51**

Note 25: Finance costs

	For the year ended December 31, 2023	For the year ended December 31, 2022
Interest expense on borrowings	135.76	79.22
Other borrowing costs	23.81	0.94
Total	**159.57**	**80.16**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 26: Other expenses

	For the year ended December 31, 2023	For the year ended December 31, 2022
Repairs and maintenance	17.48	7.53
Insurance	15.76	9.34
Rent	8.95	5.61
Rates and taxes	4.31	4.72
Communication expenses	3.19	5.43
Travelling and conveyance	21.75	13.71
Printing and stationery	0.32	1.72
Advertisement expense	0.71	0.93
Corporate Social Responsibility (Refer note 35)	1.00	1.00
Consultancy charges	27.89	22.83
Payment to auditors (Refer note below)	36.10	5.25
Directors' sitting fees (Refer note 31)	3.72	4.60
Commission to directors (Refer note 31)	2.99	3.00
Assets written off	0.05	-
IT infrastructure expenses and licenses	151.52	135.04
Miscellaneous expenses	13.97	9.88
Total	**309.71**	**230.59**
Note:		
Payment to auditors comprises (excluding GST):		
Statutory audit	19.60	3.18
Limited review	16.04	1.32
Other services	0.25	0.26
Reimbursement of expenses	0.21	0.49
Total	**36.10**	**5.25**

Note 27: Income Taxes

(i) Income tax expense / (benefit) recognised in statement of profit and loss:

Particulars	For the year ended December 31	
	2023	2022
Current tax		
(i) Tax for current year	60.21	47.38
(ii) Tax relating to earlier years (Refer note (iii) below)	6.33	-
	66.54	**47.38**
Deferred tax		
(i) Attributable to the origination and reversal of temporory differences	0.08	(0.98)
Total	**66.62**	**46.40**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) Income tax expense/(benefit) recognised in other comprehensive income:

Particulars	For the year ended December 31	
	2023	2022
(a) Remeasurment of the defined benefit plans	(0.62)	-

(iii) Reconciliation of Effective tax rate:

Particulars	For the year ended December 31	
	2023	2022
Income tax expense for the year to be reconciled to the accounting profit:		
Profit before taxes	**597.19**	**323.87**
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	150.30	81.51
Effect off:		
Effects of tax-exempt income and other deductions	(101.91)	(5.11)
Effect of income charged at special rate (Dividend income)	-	(37.27)
Tax related to prior years	6.33	-
Others, net	11.90	7.27
Total income taxes expenses	**66.62**	**46.40**
Effective tax rate	**11.2%**	**14.3%**

(iv) Recognised deferred tax assets and liabilities:

Particulars	As at December 31, 2023	As at December 31, 2022
Deferred tax assets		
Employee benefits	4.41	3.07
Land indexation	-	1.77
Total deferred tax assets	**4.41**	**4.84**
Deferred tax liabilities		
Basis difference of property, plant, and equipment	(8.29)	(9.25)
Total deferred tax liabilities	**(8.29)**	**(9.25)**
Deferred tax liability, net	**(3.88)**	**(4.41)**

(v) Movement in temporary differences:

Particulars	Balance as at January 1, 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	Balance as at December 31, 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	Any other adjustment	Balance as at December 31, 2023
On account of depreciation and amortisation	(8.59)	(0.66)	-	(9.25)	0.96	-	-	(8.29)
On account of employee benefits	1.54	1.53	-	3.07	0.72	0.62	-	4.41
On account of land indexation	1.66	0.11	-	1.77	(1.77)	-	-	-
Total	**(5.39)**	**0.98**	**-**	**(4.41)**	**(0.08)**	**0.62**	**-**	**(3.88)**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(vi) Unrecognised Deferred tax assets:

Particulars	As at December 31, 2023		As at December 31, 2022	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses carry forward	192.63	48.48	220.54	55.50
Unabsorbed depreciation	43.74	11.01	43.74	11.01
Total	**236.37**	**59.49**	**264.28**	**66.51**

Particulars	As at December 31, 2023	Expiry date	As at December 31, 2022	Expiry date
To expire under current tax legislation	192.63	FY 2023-30	220.54	FY 2022-30
Not to expire under current tax legislation	43.74		43.74	-

(vii) Non-current tax assets and current tax liabilities

Particulars	As at	
	December 31, 2023	December 31, 2022
Non-current tax assets, net	114.47	73.91
Current tax liabilities, net	29.45	29.45

(viii) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

Note 28: Financial instruments disclosure:

Note 28.1: Fair valuation measurement hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The following table shows the carrying amounts and fair values of financial assets and liabilities including their levels of fair value hierarchy:

Sl. No.	Particulars	As at December 31, 2023				As at December 31, 2022			
		Carrying value	Level of inputs used in			Carrying value	Level of inputs used in		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
I	**Financial assets at amortised cost**								
	Non-current investments	9,986.12	-	-	-	9,493.26	-	-	-
	Current loans	168.34	-	-	-	830.09	-	-	-
	Trade receivables	166.00	-	-	-	114.58	-	-	-
	Cash and cash equivalents	33.87	-	-	-	147.80	-	-	-
	Bank balances other than cash and cash equivalents	1,027.15	-	-	-	67.04	-	-	-
	Other financial assets (includes current and non-current)	4.90	-	-	-	24.47	-	-	-
		11,386.38	**-**	**-**	**-**	**10,677.24**	**-**	**-**	**-**
II	**Financial liabilities at amortised cost**								
	Borrowings (includes current and non-current)	2,200.00	-	-	-	1,655.72	-	-	-
	Trade payables	67.07	-	-	-	52.25	-	-	-
	Other current financial liabilities	48.91	-	-	-	41.61	-	-	-
		2,315.98	**-**	**-**	**-**	**1,749.58**	**-**	**-**	**-**

Valuation Techniques:

(a) **Borrowings** (at amortised cost): The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

(b) The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, bank balances other than cash and cash equivalents, trade payables and other current financial liabilities approximate their carrying amount largely due to short-term nature of these instruments.

Note 28.2: Financial risk management

The Company has put in place risk management systems as applicable to the respective operations. The following explains the objective and processes of the Company: The Company has a system based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Note 28.3: Credit risk:

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

receivables, loans receivables, investments, cash and cash equivalents. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations
- actual or expected significant changes in the operating results of the customer
- significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers in the Company and changes in the operating results of the customer

Based on the above analysis, the Company does not expect any credit risk from its trade receivables for any of the years reported in this financial statements.

The age wise break up of receivables, net of allowances is given below:

Particulars	As at December 31, 2023	As at December 31, 2022
Financial assets that are neither past due not impaired	166.00	114.58
Total	**166.00**	**114.58**

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	Carrying amount as at	
	December 31, 2023	December 31, 2022
United States	129.55	103.84
Asia	36.45	10.74
Total	**166.00**	**114.58**

At December 31, 2023, the carrying amount of the Company's most significant customer is ₹ 110.79 (December 31, 2022: ₹ 103.84).

The Company's exposure to credit risk for current loans by geographic region is as follows:

Particulars	Carrying amount as at	
	December 31, 2023	December 31, 2022
United States	166.23	827.86
Asia	2.11	2.23
Total	**168.34**	**830.09**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Investments

The Company has investments in wholly-owned and step down subsidiaries, thereby limiting the exposure to credit risk. All the counterparties have sound financial position with positive net worth. The Company does not expect any losses from non-performance by these counter parties.

Cash and bank balances:

Credit risk on cash and bank balances is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Other financial assets:

There is no significant loss allowance for other financial assets.

Note 28.4: Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of December 31, 2023, cash and cash equivalents are held with major banks.

Maturity of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payment and excludes impact of netting arrangements (if any):

As at December 31, 2023

Contractual cash flows	Carrying value	Less than 1 year	1-2 years	2-5 years	5-10 years	Later	Total
Non-derivative financial liabilities							
Borrowings	2,200.00	-	2,200.00	-	-	-	2,200.00
Trade payables	67.07	67.07	-	-	-	-	67.07
Other current financial liabilities	48.91	48.91	-	-	-	-	48.91

As at December 31, 2022

Contractual cash flows	Carrying value	Less than 1 year	1-2 years	2-5 years	5-10 years	Later	Total
Non-derivative financial liabilities							
Borrowings	1,655.72	1,655.72	-	-	-	-	1,655.72
Trade payables	52.25	52.25	-	-	-	-	52.25
Other current financial liabilities	41.61	41.61	-	-	-	-	41.61

Note 28.5: Market risk:

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and borrowings.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 28.6: Interest rate risk:

Interest rate risk is measured by using the cashflow sensitivity for change in variable interest rates. Any movement in the market interest rates could have an impact on the Company's cash flows as well as costs. In order to manage the Company's position with regard to interest rate risk, it adopts a policy of ensuring an optimal mix of its interest rate risk exposure. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's borrowing with variable interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows.

Particulars	Interest rate exposure as at	
	December 31, 2023	December 31, 2022
Variable rate instruments		
Financial assets	166.23	827.86
Financial liabilities	(1,700.00)	(1,655.72)

Cash flow sensitivity for variable rate instruments:

Impact on Profit and loss due to 1% change in interest rate: A reasonably possible change of 1% in interest rates at the reporting date would have increased/(decreased) entities equity by the amounts shown below.This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	December 31, 2023		December 31, 2022	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Impact on Profit and loss (before tax)				
Variable-rate instruments	(15.34)	15.34	(8.28)	8.28

Note 28.7 Foreign Currency risk:

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, shared service arrangements with group entities, and advance to group entity. The currency in which these transactions are denominated are US dollar (USD). There are no outstanding balances in any other currency apart from USD. The Company evaluates exchange rate exposure arising from foreign currency transactions.

The following table analyses foreign currency risk from non derivative financial instruments as at December 31, 2023:

	Amount in ₹	Total
	USD	
Assets:		
Trade receivables (Refer note 28.3)	129.55	129.55
Loans to subsidiary (Refer note 31)	166.23	166.23
	295.78	**295.78**
Liabilities:		
Trade payables (Refer note 31)	2.68	2.68
	2.68	**2.68**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The following table analyses foreign currency risk from non derivative financial instruments as at December 31, 2022:

	Amount in ₹	Total
	USD	
Assets:		
Trade receivables (Refer note 28.3)	103.84	103.84
Loans to subsidiary (Refer note 31)	827.86	827.86
	931.70	**931.70**
Liabilities:		
Interest accrued but not due on borrowings	10.45	10.45
Borrowings	1,655.72	1,655.72
	1,666.17	**1,666.17**

Sensitivity Analysis:

A reasonably possible strengthening/weakening of the USD against all other currencies as at December 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Impact on Profit / (loss) before tax and equity before tax due to 1% change in foreign currency rates:

Particulars	As at December 31, 2023		As at December 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD	2.93	(2.93)	(7.34)	7.34

Note 29: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'Net debt' to 'equity'. For this purpose, adjusted net debt is defined as total interest-bearing loans and borrowings less cash and cash equivalents. The Company's Net debt to equity ratio is as follows.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The Company monitors capital on the basis of the following gearing ratio.

Particulars	As at December 31, 2023	As at December 31, 2022
Total borrowings, net of cash and cash equivalents	2,166.13	1,507.92
Equity	9,225.68	9,033.29
Net debt to equity ratio	**0.23**	**0.17**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 30: Assets and liabilities related to employee benefits

a) Contribution plans:

Amounts towards defined contribution plans have been recognised under "Contributions to provident and other funds" in Note 24: ₹ 17.00 (December 31, 2022 - ₹ 13.82).

b) Defined Benefit plans:

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

Inherent risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

(i) Amounts recognised in the Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligation	24.09	17.96
Less: Fair value of plan assets	22.14	21.49
Net liability/(excess contribution to plan assets)	**1.95**	**(3.53)**

(ii) Amounts recognised in the Statement of profit and loss account are as follows:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	3.34	3.00
Interest on net defined benefit liability/(asset)	(0.31)	(0.06)
Total	**3.03**	**2.94**

Amount recognised in other comprehensive income/(loss) for the year ended December 31, 2023 is ₹ (2.45) (December 31, 2022 - ₹ (0.01)).

(iii) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	As at December 31, 2023	As at December 31, 2022
Opening defined benefit obligation	17.96	16.56
Current service cost	3.34	3.00
Interest cost	1.12	0.95
Remeasurements due to:		
Changes in financial assumptions	0.86	(0.04)
Changes in demographic assumptions	-	(0.20)
Experience adjustments	1.59	0.32
Benefits paid	(0.78)	(2.63)
Closing defined benefit obligation	**24.09**	**17.96**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(iv) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	As at December 31, 2023	As at December 31, 2022
Opening fair value of plan assets	21.49	16.92
Employer contributions	-	6.12
Interest on plan assets	1.43	1.01
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	0.07
Benefits paid	(0.78)	(2.63)
Closing fair value of plan assets	22.14	21.49
Actual return on plan assets	**1.43**	**1.08**

(v) Major Category of plan assets as a percentage to fair value of plan assets:

Particulars	As at December 31, 2023	As at December 31, 2022
Insurer managed funds	100%	100%

(vi) Principal Actuarial assumptions used:

Particulars	As at December 31, 2023	As at December 31, 2022
Discount rates on benefit obligations	7.35%	7.50%
Expected salary increase rates	8.50%	8.00%
Retirement Age	58 Years	58 Years

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the Funds during the estimated term of the obligations.

Assumptions regarding future mortality and experience are set in accordance with published rates under Indian assured lives mortality 2012-2014. The discount rate is based on the prevailing market yield in Indian government securities as at balance sheet date for estimated term of obligation.

(vii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below:

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(0.78)	0.83
Future salary growth (0.5% movement)	0.66	(0.63)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below:

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(0.56)	0.61
Future salary growth (0.5% movement)	0.52	(0.49)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(viii) The Company expects to contribute a sum of ₹ 1.00 to the plan for the next annual reporting period (December 31, 2022: ₹ 1.00)

(ix) As at December 31, 2023 the weighted average duration of the defined benefit obligation is 6.68 years (December 31, 2022: 6.5 years)

(x) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	6.57	5.96
Year 2	2.47	0.70
Year 3	0.93	1.96
Year 4	1.35	0.69
Year 5	2.96	1.02
Thereafter	32.25	24.11

c) Compensated absences

The Company provides for accumulation of compensated absences to its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods or receive cash in lieu thereof as per Company policy. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded towards this benefit as at December 31, 2023 is ₹ 15.56 (December 31, 2022 - ₹ 12.21).

The principal assumptions used for computation of defined benefit plan equally apply to the computation of compensated absences and are accordingly considered in the estimation of benefits.

Note 31: Related Party Disclosures

a) Names of related parties and description of relationship

Sl. No	Relationship		Name
(a)	**List of related parties where control exists**		
(i)	Subsidiaries	1	Rain Cements Limited [RCL]
		2	Renuka Cement Limited [RenCL]
		3	Rain Verticals Limited [RVL]
		4	Rain Commodities (USA) Inc. [RCUSA]
		5	Rain Global Services LLC [RGS]
		6	Rain Carbon Inc. [RCI]
		7	Rain CII Carbon (Vizag) Limited [RCCVL]
		8	Rain CII Carbon LLC [RCC]
		9	Rain Carbon GmbH [RCG]
		10	Rain Carbon Canada Inc.
		11	Rain Carbon BV [RCBV]

Notes
forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Sl. No	Relationship		Name
		12	VFT France SA [VFSA]
		13	Rain Carbon Wohnimmobilien GmbH & Co. KG
		14	Rain Carbon Gewerbeimmobilien GmbH & Co. KG
		15	Rain Carbon Germany GmbH
		16	OOO Rain Carbon
		17	Rain Carbon Poland Sp. z. o. o
		18	RÜTGERS Resins BV [RRBV]*
		19	OOO RÜTGERS Severtar [OOOSevertar]
		20	Severtar Holding Ltd [Severtar]
		21	Rumba Invest BVBA & Co. KG [Rumba]
		22	Rain Carbon (Shanghai) Trading Co. Ltd.
		23	Rain Holding Limited [RHL]**
(b)	**Other related parties where transactions have taken place during the year/balances exist at year end**		
(i)	Enterprise where key managerial personnel along with their relatives exercise significant influence	1	Pragnya Priya Foundation (PPF)
		2	Sujala Investments Private Limited
		3	Rain Enterprises Private Limited
		4	Nivee Holdings Private Limited
		5	Arunachala Holdings Private Limited
		6	PCL Financial Services Private Limited
		7	Arunachala Logistics Private Limited
(ii)	Key Managerial Personnel (KMP)	1	Mr. N. Radha Krishna Reddy Managing Director
		2	Mr. T. Srinivasa Rao Chief Financial Officer
		3	Mr. S. Venkat Ramana Reddy Company Secretary
(iii)	Relatives of KMP and Non-executive director	1	Ms. N Anupama Reddy Relative of KMP
		2	Ms. N. Indira Reddy Relative of KMP
		3	Ms. N. Akhila Reddy Relative of Non-executive director
(iv)	Non-executive directors	1	Mr. Brian Jude Mc Namara -Chairman (Independent Director)
		2	Mr. Jagan Mohan Reddy Nellore - Vice Chairman (Non-Executive Director)
		3	Mr. N. Sujith Kumar Reddy - Non-Executive Director
		4	Mr. Varun Batra - Independent Director
		5	Mr. Robert Thomas Tonti - Independent Director
		6	Ms. B. Shanti Sree - Independent Director (with effect from February 28, 2023)
		7	Ms. Nirmala Reddy - Independent Director (till February 28, 2023)
		8	Ms. Radhika Vijay Haribhakti - Independent Director (till June 11, 2023)

* Liquidated on November 13, 2023

** Incorporated on June 30, 2023

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

b) Transactions with related parties for the year ended December 31, 2023

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/ (From)
Sales					
- RCL	288.86	-	-	-	-
- RCCVL	340.84	-	-	-	(26.35)
Purchases					
- OOOSevertar	7.67	-	-	-	2.68
Revenue from Services *					
- RCCVL	115.90	-	-	-	-
- RCL	103.65	-	-	-	-
- RCI	360.55	-	-	-	(110.79)
Loans Given					
- RCUSA	-	-	-	-	(166.23)
Loans Repaid					
- RCUSA	666.32	-	-	-	-
Loans Taken					
- RCL	500.00	-	-	-	500.00
Interest Income					
- RCUSA	62.68	-	-	-	-
Interest Expense					
- RCL	23.00	-	-	-	20.70
Rental Income					
- RCCVL	8.51	-	-	-	-
- RCL	8.51	-	-	-	-
Remuneration * (Short term employee benefits)**					
- T Srinivasa Rao	-	-	22.01	-	-
- S Venkat Ramana Reddy	-	-	7.01	-	-
Dividend Paid					
- Sujala Investments Private Limited	-	37.77	-	-	-
- Rain Enterprises Pvt Ltd	-	25.32	-	-	-
- Nivee Holdings Pvt Limited	-	8.14	-	-	-
- Arunachala Holdings Private Limited	-	5.27	-	-	-
- PCL Financial Services Pvt Limited	-	3.78	-	-	-
- Arunachala Logistics (P) Limited	-	0.99	-	-	-
- Mr. N. Radha Krishna Reddy	-	-	10.38	-	-
- Mr. T. Srinivasa Rao	-	-	0.09	-	-
- Mr. N. Sujith Kumar Reddy	-	-	-	10.03	-
- Ms. N Anupama Reddy	-	-	27.30	-	-
- Ms. N. Indira Reddy	-	-	7.51	-	-
- Ms. N. Akhila Reddy	-	-	-	1.87	-
- Mr. Jagan Mohan Reddy Nellore****	-	-	0.00	-	-

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/ (From)
Corporate Social Responsibility expenditure					
- PPF	-	1.00	-	-	-
Dividend Income Received from					
- RCL	77.49	-	-	-	-
- RCUSA	327.72	-	-	-	-
- RCLLC	16.48	-	-	-	-
- RCCVL	272.00	-	-	-	-
Sitting Fees to Non-executive directors of the company (Refer note (d) below)	-	-	-	3.72	-
Commission to Non-executive directors of the company (Refer note (d) below)		-	-	2.99	2.99
Corporate Guarantee (released)/ given on behalf of the company by **					
- RCCVL	-	-	-	-	2,000.00

*Transactions are disclosed on billed basis, hence unbilled revenue amounting to ₹ 28.86 (December 31, 2022: ₹ 4.85) has not been included above.

**(i) The corporate guarantee given by RCCVL towards credit facility of ₹ 2,000.00 from a bank which includes Term loan of ₹ 1,700.00 and non-fund based limit of ₹ 300.00.The term loan outstanding as on December 31, 2023 is ₹ 1,700.00.

***** Long term employee benefits paid to Key managerial personnel:**

The managerial personnel are covered by the Company's gratuity policy, personal accident insurance policy, mediclaim insurance policy taken and are eligible for leave encashment along with other employees of the Company. The proportionate premium paid towards these policies and provision made for leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are not determined on an individual basis.

****Rounding off norm adopted by the company. The actual amount is ₹ 100 in absolute terms.

c) Transactions with related parties for the year ended December 31, 2022

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/ (From)
Sales					
- RCCVL	61.65	-	-	-	(5.81)
Purchase of Assets					
- RCCVL	0.56	-	-	-	-
Revenue from Services *					
- RCCVL	87.00	-	-	-	-
- RCL	77.77	-	-	-	(0.08)
- RCI	316.74	-	-	-	(103.84)
Loans Given					
- RCUSA	-	-	-	-	(827.86)
Loans Repaid					
- RCUSA	863.63	-	-	-	-

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/ (From)
Interest Income					
- RCUSA	46.71	-	-	-	-
Rental Income					
- RCCVL	7.74	-	-	-	-
- RCL	7.73	-	-	-	-
Remuneration * (Short term employee benefits)**					
- T Srinivasa Rao	-	-	20.62	-	-
- S Venkat Ramana Reddy	-	-	6.20	-	-
Dividend Paid					
- Sujala Investments Private Limited	-	37.77	-	-	-
- Rain Enterprises Pvt Ltd	-	25.32	-	-	-
- Nivee Holdings Pvt Limited	-	8.14	-	-	-
- Arunachala Holdings Private Limited	-	5.27	-	-	-
- PCL Financial Services Pvt Limited	-	3.78	-	-	-
- Arunachala Logistics (P) Limited	-	0.99	-	-	-
- Mr. N. Radha Krishna Reddy	-	-	10.38	-	-
- Mr. T. Srinivasa Rao	-	-	0.09	-	-
- Mr. N. Sujith Kumar Reddy	-	-	-	10.03	-
- Ms. N Anupama Reddy	-	-	27.30	-	-
- Ms. N. Indira Reddy	-	-	7.51	-	-
- Ms. N. Akhila Reddy	-	-	-	1.87	-
- Mr. Jagan Mohan Reddy Nellore****	-	-	0.00	-	-
Corporate Social Responsibility expenditure					
- PPF	-	1.00	-	-	-
Dividend Income Received from					
- RCL	77.49	-	-	-	-
- RCUSA	315.88	-	-	-	-
Sitting Fees to Non-executive directors of the company (Refer note (d) below)	-	-	-	4.60	-
Commission to Non-executive directors of the company (Refer note (d) below)	-	-	-	3.00	-
Reimbursement of payments made to Subsidiary					
- RCL	2.35	-	-	-	-
- RCCVL	0.09	-	-	-	-
Reimbursements of payments made on behalf of					
- RCCVL	9.56	-	-	-	-

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/ (From)
Corporate Guarantee (released)/ given on behalf of the company by **					
- RCL	(534.98)	-	-	-	-
- RCCVL	-	-	-	-	1,655.72

*Transactions are disclosed on billed basis, hence unbilled revenue amounting to ₹ 4.85 (December 31, 2021: ₹ 7.27) has not been included above.

**(i) The corporate guarantee given amounted to ₹ 2,229.08 (US$ 30 million). However considering the borrowing outstanding as on December 31, 2022 is Nil, accordingly the corporate guarantee amount received from RCL has been released

(ii) The corporate guarantee was given by RCCVL towards borrowings of US$ 20 million. This borrowing was outstanding as on December 31, 2022, which amounted to ₹ 1,655.72 post the forex adjustment.

***** Long term employee benefits paid to Key managerial personnel:**

The managerial personnel are covered by the Company's gratuity policy, personal accident insurance policy, mediclaim insurance policy taken and are eligible for leave encashment along with other employees of the Company. The proportionate premium paid towards these policies and provision made for leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are not determined on an individual basis.

****Rounding off norm adopted by the company. The actual amount is ₹ 100 in absolute terms.

Terms and conditions of transactions with related parties: All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in case within 60 days of the reporting date. None of the balance is secured.

No trade or other receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due from firms or private limited companies respectively in which any director is a partner or a director or a member.

Reconciliation of opening and closing balances of loans to related parties as per the requirement of scetion 186(4) of Companies Act 2013:

Loans to Rain Commodities (USA) Inc.

Particulars	For the year ended	
	December 31, 2023	December 31, 2022
As at the beginning of the year	827.86	1,575.22
Given during the year	-	-
Repaid during the year	(666.32)	(863.63)
Exchange gain / (loss)	4.69	116.27
As at the end of the year	**166.23**	**827.86**

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Information pursuant to Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	As at	
	December 31, 2023	December 31, 2022
Loans to subsidiaries		
Loan to Rain Commodities (USA) Inc.:		
Amount outstanding as at the year ended	166.23	827.86
Maximum amount outstanding	**827.86**	**1,575.22**

d) Sitting fees and Commission to Non-executive directors

Name of the Director	Sitting fees		Commission	
	For the year ended		For the year ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Ms. Radhika Vijay Haribhakti	0.38	0.92	0.34	0.60
Ms. Nirmala Reddy	0.16	0.74	0.14	0.60
Mr. Varun Batra	0.76	0.92	0.68	0.60
Mr. Robert Thomas Tonti	0.82	0.92	0.67	0.60
Mr. Brian Jude Mcnamara	1.06	1.10	0.68	0.60
Ms. B. Shanti Sree	0.54	-	0.48	-
Total	**3.72**	**4.60**	**2.99**	**3.00**

Note 32: Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at December 31, 2023	As at December 31, 2022
(I) Contingent liabilities		
(a) In respect of demands/ claims arising on account of:		
- Income tax	2.69	38.05

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account.

The Company has reviewed all its pending litigations including legal proceedings initiated in the ordinary course of business except as disclosed above. The Company does not expect the outcome of these proceedings to have a material and adverse effect on its financial position and accordingly no adjustment in respect thereof is expected.

Note 33: Additional Regulatory Information

(i) The title deeds of immovable properties are held in the name of the Company. Further, the property held at Srinagar Colony, Hyderabad is held in the name of Priyadarshini Cement Limited which is the erstwhile name of the Company.

(ii) The Company has not revalued its Property, plant and equipment and intangible assets during the year.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) During the year there are no loans or advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are repayable on demand.

(v) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vii) Details of Key Financial Ratios:

Key Financial Ratios	2023	2022	Variance	Reason for variance
(a) Current Ratio	8.38	0.67	1151%	Reduction in current liabilities has resulted in increase incurrent ratio.
(b) Debt-Equity Ratio	0.24	0.18	33%	Increase in debt has resulted in increase in debt-equity ratio.
(c) Debt Service Coverage Ratio	0.38	0.57	-33%	Higher debt repayment has resulted in decrease in debt service coverage ratio.
(d) Return on Equity Ratio	5.81%	3.06%	90%	Increase in profit during the year has resulted in increase in Return on Equity Ratio.
(e) Trade Receivables turnover ratio	8.85	3.74	137%	Increase in revenue during the year has resulted in increase in Trade receivable turnover ratio.
(f) Trade payables turnover ratio	10.54	0.69	1436%	Increase in purchases during the year has resulted in increase in Trade payable turnover ratio.
(g) Net capital turnover ratio	3.78	(2.73)	238%	Reduction in current borrowings has resulted in increase in capital turnover ratio.
(h) Net profit ratio	42.74%	51.31%	-17%	Not Applicable
(i) Return on Capital employed	6.62%	3.78%	75%	Increase in earnings before interest during the year has resulted in increase in Return on capital employed.
(j) Return on investment	7.49%	3.92%	91%	Increase in interest rates and deposit balances has resulted in increase in return on investment.

The company does not have any opening or closing inventory and hence Inventory turnover ratio is not applicable.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Definition of Ratios:

(a) **Current Ratio:** The numerator consists of current assets and the denominator consists of current liabilities.

(b) **Debt-Equity Ratio:** The numerator consists of Borrowings and the denominator consists of Equity.

(c) **Debt Service Coverage Ratio:** The numerator consists of Earnings before interest, depreciation, profit or loss on sale of fixed assets and assets written off and the denominator consists of borrowings repaid during the year including interest thereon.

(d) **Return on Equity Ratio:** The numerator consists of Profit after tax and the denominator consists of Average Equity.

(e) **Trade Receivables Turnover Ratio:** The numerator consists of Revenue from operations and the denominator consists of Average Trade receivables.

(f) **Trade Payables Turnover Ratio:** The numerator consists of total purchases of stock-in-trade and the denominator consists of Average Trade payables.

(g) **Net Capital Turnover Ratio:** The numerator consists of Revenue from operations and the denominator consists of average working capital (current assets minus current liabilities).

(h) **Net Profit Ratio:** The numerator consists of Profit after tax and the denominator consists of Revenue from operations.

(i) **Return on Capital employed:** The numerator consists of Earnings before interest and taxes and the denominator consists of equity,total borrowings and deferred tax liabilities, net of intangible assets.

(j) **Return on Investment:** The numerator consists of interest income earned on fixed deposits and loans and the denominator consists of average fixed deposits held and loans given.

(viii) The Company has not advanced or loaned or invested funds, to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company have not received any fund, from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(x) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(xi) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

(xii) The Company has not traded or invested in Cryptocurrency or Virtual Currency during the year.

Notes

forming part of the Standalone Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 34: Earnings per Share (EPS)

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
a. Profit for the year	530.57	277.47
b. Weighted average number of equity shares of ₹ 2/- each outstanding during the year (Nos.)	336,345,679	336,345,679
Earnings per Share		
c. Basic and Diluted - [a]/[b] - (₹)	1.58	0.82

Note 35: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social responsibility (CSR) Committee has been formed by the Company. The proposed areas for CSR activities, as per the CSR policy of the Company are promotion of education, rural development activities, medical facilities, employment and ensuring environmental sustainability which are specified in Schedule VII of the Companies Act, 2013. Expenditure incurred under Section 135 of the Companies Act, 2013 on CSR activities are as below:

Gross amount required to be spent by the Company during the year ended December 31, 2023 is Nil (December 31, 2022: Nil)

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Amount to be spent	-	-
Amount of expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On Purposes other than (i) above	1.00	1.00
Shortfall at the end of the year	-	-
Previous year shortfall	-	-
Reason for shortfall	Not Applicable	
Related party transaction Name of the entity: Pragnya Priya Foundation	1.00	1.00

The CSR amount is incurred towards Promotion of Health and Education

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 36: The Company has leased its assets to its wholly owned subsidiaries in India. The leases are operating and cancellable in nature. There are no finance leases.

Note 37: The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to building lease that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Note 38: Segment Reporting

In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Independent Auditor's Report

To the Members of Rain Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Rain Industries Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its associate comprising of the Consolidated Balance Sheet as at December 31, 2023, the Consolidated Statement of Profit and Loss, including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at December 31, 2023, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill (as described in note 5 and 40 of the consolidated financial statements)	
As at December 31, 2023, the Group has a goodwill of ₹ 62,645.85 million (net of impairment loss) which includes goodwill of ₹ 61,493.26 million allocated to Carbon Calcination, Carbon Distillation (other than OOO RÜTGERS Severtar) and Advanced Material cash generating units (CGUs)/group of CGUs. As per the requirements of Ind AS 36 'Impairment of Assets', the Group performs an annual impairment assessment of Goodwill, by determining the recoverable value using discounted cash flow models of CGUs or group of CGUs compared to the carrying value of the assets. Significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as: • Projected net operating cash-flows in the years 1-5; • Stable long-term growth rates beyond five years and in perpetuity; and • Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money. The impairment testing includes sensitivity testing of key assumptions, including net operating cash flows, long term growth rates and discount rate. During the year, the Group has recorded an impairment of ₹ 5,606.74 million and ₹ 1,712.24 million on Carbon Calcination and Carbon Distillation CGU. The impairment testing is considered a key audit matter because the assumptions involved are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balance to the Group's financial statements as a whole.	Our audit procedures included, among others the following: • Assessed the Group's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets". • Obtained an understanding of the process, tested the design, implementation and operating effectiveness of key internal controls related to CGU/goodwill impairment assessment. • We assessed the methodology applied by the Group in its impairment analysis. In making this assessment, we also evaluated the competence, objectivity and professional qualification of Group's specialists involved in the process. • With the assistance of a specialist engaged by us, we assessed the assumptions around the key drivers of the net operating cash flows, discount rates and terminal growth rates used in consideration of the current and estimated future economic conditions. • We discussed the potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions such as discount rates and terminal growth rates used in the cash flow forecasts were suitable. • Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. • We assessed the adequacy of the disclosures in relation to the impairment testing as described in the consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Determination of net realisable value for inventory valuation in Calcination segment (as described in note 11 of the consolidated financial statements)	
As at December 31, 2023, the Group has inventory of ₹ 31,764.67 million which includes inventory of calcination segment of ₹ 12,275.48 million. Inventory is valued at lower of cost and net realisable value. For this purpose, management estimates the net realisable value of the inventory after making significant judgements and assumptions such as future commodity prices, forecast sales volume and price, expected production blend, historical production data etc., which involves inherent uncertainty since they are based on future business prospects and economic outlook. We have considered the determination of net realisable value for inventory valuation as key audit matter given the relative size of the balance in the consolidated financial statements and significant judgements and assumptions involved in determining net realisable value.	Our audit procedures included, among others the following: • Read the Group's inventory valuation policy and assessed its compliance in accordance with Ind AS 2 'Inventories'. • Tested the design, implementation and operating effectiveness of key internal controls related to the Group's inventory valuation process. • Obtained and tested the carrying value of inventory including assessing the cost composition in accordance with Ind AS 2 on test check basis. • Assessed the assumptions around the key factors determining the net realisable value computation including estimation of future commodity prices, forecast sales volume and prices, expected production blend etc. • We compared the actual results with the estimates for the previous periods to evaluate whether the inputs and assumptions used in the determination of net realisable value were reasonable. • Performed sensitivity on the key assumptions used such as projected selling price, expected production blend in determining the net realisable value. • Tested the arithmetical accuracy of the computation of net realisable value of inventory. • Assessed the disclosures made in the financial statements in accordance with Ind AS 2 "Inventories" and Schedule III to Companies Act, 2013.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose financial statements include total assets of ₹ 30,468.57 as at December 31, 2023, and total revenues of ₹ 14,126.45 and net cash inflows of ₹ 3,722.31 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The consolidated financial statements of the Company for the year ended December 31, 2022, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on February 27, 2023.

(c) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 7 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 4,596.99 million as at December 31, 2023, and total revenues of ₹ 899.94 million and net cash inflows of ₹ 93.27 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 11.85 million for the year ended December 31, 2023, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on December 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on December 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended December 31, 2023, has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer note 45(l) to the consolidated financial statements.

ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended December 31, 2023.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India during the year ended December 31, 2023. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies, incorporated in India during the year ended December 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend declared and paid during the year by the Holding Company and its subsidiaries companies incorporated in India and until the date of the respective audit reports of such Holding Company and subsidiaries is in accordance with section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. financial years beginning April 1, 2023 for the Holding Company and its subsidiaries companies incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 24093649BKGPPR8535

Place of Signature: Mumbai
Date: February 23, 2024

Annexure 1

referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date.

Re: Rain Industries Limited (“the Holding Company”)

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and on the consideration of report on separate financial statements and the other financial information of the subsidiary companies, incorporated in India and to the best of our knowledge and belief, we state the following qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S No.	Name	CIN	Holding Company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	Rain CII Carbon (Vizag) Limited	U11100TG2008PLC058785	Subsidiary	(vii)(a)

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 24093649BKGPPR8535

Place of Signature: Mumbai
Date: February 23, 2024

Annexure 2

to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Rain Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Rain Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended December 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at December 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 24093649BKGPPR8535

Place of Signature: Mumbai
Date: February 23, 2024

Consolidated Balance Sheet

as at December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	Note	As at December 31, 2023	As at December 31, 2022
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	46,097.97	46,586.50
(b) Capital work in progress	3	4,319.41	4,669.22
(c) Right of use asset	4	4,757.85	4,669.21
(d) Goodwill	5	62,645.85	68,426.47
(e) Other intangible assets	5	67.41	85.79
(f) Investment in equity accounted investees	6	110.41	94.29
(g) Financial assets			
(i) Investments	7	31.45	46.13
(ii) Loans	8	4.39	6.80
(iii) Other financial assets	9	315.60	454.58
(h) Deferred tax asset, net	35 (iv)	223.58	2,283.24
(i) Non-current tax assets, net	35 (vii)	1,451.85	1,073.61
(j) Other non-current assets	10	975.27	855.71
2. Current assets			
(a) Inventories	11	31,764.67	45,146.98
(b) Financial assets			
(i) Investments	12	29.25	-
(ii) Trade receivables	13	21,701.00	24,940.84
(iii) Cash and cash equivalents	14A	14,051.51	11,676.89
(iv) Bank balances other than (iii) above	14B	6,004.17	5,029.25
(v) Loans	15	8.37	1,179.09
(vi) Other financial assets	16	2,490.77	323.00
(c) Current tax assets, net	35 (vii)	487.84	282.36
(d) Other current assets	17	2,550.32	3,904.13
TOTAL ASSETS (1+2)		**200,088.94**	**221,734.09**
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	18	672.69	672.69
(b) Other equity	19	72,752.68	83,595.68
Equity attributable to owners of the Company		**73,425.37**	**84,268.37**
(c) Non-controlling interests		4,229.04	3,560.83
Total equity		**77,654.41**	**87,829.20**
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	73,177.09	77,954.93
(ia) Lease liabilities	20 & 47	4,038.99	4,098.40
(ii) Other financial liabilities	21	49.97	48.64
(b) Provisions	22	10,160.07	8,883.17
(c) Deferred tax liability, net	35 (iv)	2,565.37	3,730.73
(d) Other non-current liabilities	23	23.26	5.46
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	8,557.29	14,296.34
(ia) Lease liabilities	20 & 47	1,128.40	964.50
(ii) Trade payables	25		
(A) total outstanding dues of micro enterprises and small enterprises		44.41	46.53
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		13,449.50	15,435.82
(iii) Other financial liabilities	26	5,706.60	5,003.21
(b) Other current liabilities	27	1,740.86	1,345.07
(c) Provisions	28	1,237.19	932.06
(d) Current tax liabilities, net	35 (vii)	555.53	1,160.03
TOTAL EQUITY AND LIABILITIES (1+2)		**200,088.94**	**221,734.09**
Corporate information	1		
Significant accounting policies	2		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Consolidated Statement of Profit and Loss

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

		Note	For the year ended December 31, 2023	For the year ended December 31, 2022
1	**Income**			
	Revenue from operations	29	181,414.85	210,109.97
	Other income	30	1,786.79	1,051.33
	Total income		**183,201.64**	**211,161.30**
2	**Expenses**			
	Cost of materials consumed		72,647.39	88,707.34
	Purchases of stock-in-trade		33,568.70	30,330.99
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	4,801.30	(6,148.40)
	Employee benefits expense	32	13,256.45	13,520.73
	Finance costs	33	8,191.33	5,237.40
	Depreciation and amortisation expense	5A	7,762.68	7,903.10
	Impairment loss	3 & 5	7,506.15	465.64
	Loss on foreign currency transactions and translations, net		82.33	648.29
	Other expenses	34	40,221.06	47,226.37
	Total expenses		**188,037.39**	**187,891.46**
3	**Profit / (loss) before share of profit of associate and tax (1-2)**		**(4,835.75)**	**23,269.84**
4	Share of profit of associate (net of income tax)	37	11.85	2.83
5	**Profit / (loss) before tax (3+4)**		**(4,823.90)**	**23,272.67**
6	**Tax expense**	35 (i)		
	1. Current tax		2,269.14	5,295.23
	2. Deferred tax		868.95	2,208.47
7	**Profit / (loss) for the year (5-6)**		**(7,961.99)**	**15,768.97**
8	**Other comprehensive income / (loss)**			
A.	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans		(892.44)	5,752.44
	- Income tax relating to items that will not be reclassified to profit or loss	35 (ii)	10.31	(138.69)
B.	Items that will be reclassified to profit or loss			
	- Gain / (loss) on translating the financial statements of foreign operations		(393.71)	3,860.76
	- Exchange difference arising on net investment in foreign operation		(600.62)	-
	- Income tax relating to items that will be reclassified to profit or loss		-	-
	Other comprehensive income / (loss) for the year, net of tax		**(1,876.46)**	**9,474.51**
9	**Total comprehensive income / (loss) for the year (7+8)**		**(9,838.45)**	**25,243.48**
	Attributable to:			
	- Owners of the Company		(10,506.66)	23,512.59
	- Non-controlling interests		668.21	1,730.89
10	**Of the Total comprehensive income / (loss) above:**			
	Profit / (loss) for the year attributable to:			
	- Owners of the Company		(9,379.06)	14,386.45
	- Non-controlling interests		1,417.07	1,382.52
	Other comprehensive income / (loss) attributable to:			
	- Owners of the Company		(1,127.60)	9,126.14
	- Non-controlling interests		(748.86)	348.37
11	**Earnings / (loss) per equity share (face value of ₹ 2/- each)**			
	Basic and Diluted (₹ in absolute terms)	48	(27.89)	42.77
Corporate information		1		
Significant accounting policies		2		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Consolidated Statement of changes in Equity

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(i)

Particulars	Equity Share Capital	Attributable to Owners of the Company						Other Comprehensive Income / (loss)	Attributable to Non-controlling interest	Total
		Reserves and Surplus								
		Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Remeasurements of defined benefit plans	Foreign currency translation reserve		
Balance as on January 1, 2023	672.69	43.98	516.67	47.66	1,605.01	70,780.72	3,835.04	6,766.60	3,560.83	87,829.20
Profit / (loss) for the year	-	-	-	-	-	(9,379.06)	-	-	1,417.07	(7,961.99)
Other comprehensive income / (loss) for the year										
- Gain / (loss) on translating the financial statements of foreign operations	-	-	-	-	-	-	-	355.15	(748.86)	(393.71)
- Exchange difference arising on net investment in foreign operation	-	-	-	-	-	-	-	(600.62)	-	(600.62)
- Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	-	(882.13)	-	-	(882.13)
Total Comprehensive Income / (loss) for the year	**-**	**-**	**-**	**-**	**-**	**(9,379.06)**	**(882.13)**	**(245.47)**	**668.21**	**(9,838.45)**
Dividend paid during the year (Refer Note 18(ii) & 41)	-	-	-	-	-	(336.35)	-	-	-	(336.35)
Balance as on December 31, 2023	**672.69**	**43.98**	**516.67**	**47.66**	**1,605.01**	**61,065.32**	**2,952.91**	**6,521.13**	**4,229.04**	**77,654.41**

Particulars	Equity Share Capital	Attributable to Owners of the Company						Other Comprehensive Income (loss)	Attributable to Non-controlling interest	Total
		Reserves and Surplus								
		Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Remeasurements of defined benefit plans	Foreign currency translation reserve		
Balance as on January 1, 2022	672.69	43.98	516.67	47.66	1,605.01	56,730.62	(1,778.71)	3,254.21	2,561.16	63,653.29
Profit for the year	-	-	-	-	-	14,386.45	-	-	1,382.52	15,768.97
Other comprehensive income for the year										
- Gain / (loss) on translating the financial statements of foreign operations	-	-	-	-	-	-	-	3,512.39	348.37	3,860.76
- Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	-	5,613.75	-	-	5,613.75
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**14,386.45**	**5,613.75**	**3,512.39**	**1,730.89**	**25,243.48**
Dividend paid during the year (Refer Note 18(ii) & 41)	-	-	-	-	-	(336.35)	-	-	(731.22)	(1,067.57)
Balance as on December 31, 2022	**672.69**	**43.98**	**516.67**	**47.66**	**1,605.01**	**70,780.72**	**3,835.04**	**6,766.60**	**3,560.83**	**87,829.20**

Consolidated Statement of changes in Equity (contd.)

for the year ended December 31, 2023

(ii) Description of the purposes of each reserve within equity:

Reserves and Surplus:

(a) **Capital reserve:** It consists of pre-acquisition profits. During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

(b) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, to write-off equity related expenses like underwriting costs etc.

(c) **Capital redemption reserve:** It consists of reserves on the buyback of equity shares from its retained earnings. The amount represents nominal amount of the equity shares bought back.

(d) **General reserve:** It represents the portion of the net profit which the Group has transferred, before declaring dividend. Mandatory transfer to general reserve is not required under the Companies Act 2013.

(e) **Retained earnings:** Retained earnings are the net profits after all distributions and transfers to other reserves.

(f) **Remeasurements of defined benefit plans:** Remeasurements of defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

Items of Other Comprehensive income / (loss):

Foreign currency translation reserve (FCTR): Represents the FCTR of a foreign subsidiary. For the purpose of consolidation of subsidiaries financial statements with the financial statement of the parent company, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. Use of such different rates for translation gives rise to exchange difference which is accumulated in Foreign Currency Translation Reserve. The movement in this reserve is due to fluctuation in exchange rates of currencies in the current year. Refer note 2(a)(vii).

It includes exchange differences arising on net investment in foreign operation (Refer note 50).

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Consolidated Statement of Cash Flows

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

		For the year ended December 31, 2023	For the year ended December 31, 2022
A.	**Cash flow from operating activities**		
	Profit / (loss) before tax	(4,823.90)	23,272.67
	Adjustments for :		
	Depreciation and amortisation expense	7,762.68	7,903.10
	Loss / (profit) on sale of property, plant and equipment (net)	(40.54)	6.84
	Loss / (gain) on repurchase of Senior Secured Notes	27.82	(38.12)
	Interest and other borrowing costs	8,191.33	5,237.40
	Interest income	(1,262.65)	(497.80)
	Fair value gain from current investments	(29.14)	-
	Gain on sale of subsidiaries	-	(32.47)
	Interest on income-tax under Section 234B refund	-	(22.64)
	Loss on transfer of investment	139.53	-
	Provision for advances	-	50.00
	Assets written off	84.24	114.71
	Impairment loss	7,506.15	465.64
	Provision created on investment	16.00	-
	Liabilities / provisions no longer required written back	(100.23)	(244.16)
	Bad debts written off	-	0.49
	Provision for loss allowance on trade receivables	63.08	25.74
	Share of profit of associate (net of income tax)	(11.85)	(2.83)
	Loss on foreign currency transactions and translations (net)	37.22	137.25
	Operating profit before working capital changes	**17,559.74**	**36,375.82**
	Adjustments for changes in working capital:		
	Inventories	13,908.22	(17,815.09)
	Trade receivables	3,280.06	(6,102.41)
	Financial assets and other assets	891.70	2,779.28
	Trade payables	(2,529.20)	267.08
	Financial and other liabilities and provisions	968.59	419.39
	Cash generated from operations	**34,079.11**	**15,924.07**
	Income taxes paid, net	(3,444.23)	(5,565.55)
	Net cash generated from operating activities	**30,634.88**	**10,358.52**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and intangible assets, including capital advances and capital creditors	(5,958.03)	(6,691.40)
	Proceeds from sale of property, plant and equipment	18.63	25.66
	Inter corporate deposits placed	-	(2,536.01)
	Inter corporate deposits redeemed	1,169.28	4,481.24
	Proceeds from sale of investment in subsidiaries	-	32.47
	Proceeds / (redemption) of current investments, net	10.52	0.05
	Share application money paid	(16.40)	(49.48)
	Investment in fixed/restricted deposits with banks	(26,854.81)	(27,562.52)
	Maturity of fixed/restricted deposits with banks	23,394.15	25,173.95
	Interest received	1,277.10	496.30
	Net cash used in investing activities	**(6,959.56)**	**(6,629.74)**

Consolidated Statement of Cash Flows (contd.)

for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	For the year ended December 31, 2023	For the year ended December 31, 2022
C. Cash flow from financing activities		
Proceeds from non-current borrowings	70,208.76	-
Repayment of non-current borrowings	(77,587.81)	(1,804.52)
Proceeds / (repayments) of current borrowings, net	(4,342.08)	5,154.48
Sales tax deferment paid	(100.84)	(138.92)
Payment of lease liabilities	(881.52)	(900.13)
Payment of interest on lease liabilities	(228.89)	(219.80)
Interest and other borrowing costs paid	(7,877.83)	(4,980.40)
Dividend paid to owners of the Company	(336.35)	(336.35)
Dividend paid to non-controlling interests	-	(731.22)
Net cash used in financing activities	**(21,146.56)**	**(3,956.86)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**2,528.76**	**(228.08)**
Cash and cash equivalents at the beginning of the year	11,676.89	11,031.21
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(154.14)	873.76
Cash and cash equivalents at the end of the year	**14,051.51**	**11,676.89**

Notes:

(i) The above consolidated cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

(ii) **Components of Cash and cash equivalents**

	As at December 31, 2023	As at December 31, 2022
Cash on hand	0.30	0.29
Cheques/ drafts on hand	-	0.05
Balances with banks:		
- in current accounts	12,795.61	9,208.92
- in exchange earners foreign currency (EEFC) accounts	-	0.37
- in deposit accounts (with original maturity of three months or less)	1,255.60	2,467.26
	14,051.51	**11,676.89**

(iii) Refer note 20 (vii), 24(iv) and 26 for reconciliation of liabilities arising from financing activities.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

Note 1: Corporate Information

Rain Industries Limited ("RIL" or "the Company" or the "Parent Company" or the "Holding Company") was incorporated on March 15, 1974 under the Companies Act, 1956 (erstwhile Companies Act) domiciled in India. The registered office of the Company is "Rain Center", 34, Srinagar Colony, Hyderabad - 500073, Telangana. The Company along with its subsidiaries and associates ("the Group" or "Rain Group") is engaged in the business of manufacture and sale of Carbon, Advanced Materials and Cement. The Company's equity shares are listed at BSE Limited and National Stock Exchange of India Limited in India.

Carbon comprises of Calcined Petroleum Coke ("CPC"), Green Petroleum Coke ("GPC"), Coal Tar Pitch ("CTP"), Energy produced through Waste-heat recovery and other derivates of Coal Tar distillation. Advanced Materials represent the downstream operations of Coal Tar distillation and comprises of Engineered Products, Chemical Intermediates and Resins. The manufacture and sale of Cement has been classified as Cement.

Note 2: Significant Accounting Policies

a) Basis of preparation of Consolidated Financial Statements

(i) Statement of Compliance

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The consolidated financial statements have been prepared on a going concern basis. Relevant Ind AS effective as on Company's annual reporting date December 31, 2023 have been applied. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

The consolidated financial statements were approved for issue in accordance with a resolution of the Directors on February 23, 2024.

(ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All amounts have been rounded-off to the nearest millions with 2 decimals, unless otherwise indicated.

(iii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Derivative financial instruments	Fair value
Certain financial assets and liabilities (refer accounting policy regarding financial instruments)	Fair value
Net defined benefit asset/ liability	Fair value of plan assets less present value of defined benefit plan obligation
Inventories	Lower of cost or net realisable value
Investment in Associates	Equity method
Borrowings	Amortised cost using effective interest rate method

(iv) Use of estimates

In preparing these Consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates could change from period to period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and appropriate changes are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are reflected in the period in which such changes are made and if material, their effects are disclosed in the financial statements.

Assumptions and estimation uncertainties

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations: key actuarial assumptions used in measurement. (Refer note 42)
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources (Refer note 45 and 52)
- Recognition and recoverability of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used & utilisation of Minimum Alternate Tax and Foreign Tax Credits (Refer note 35)
- Useful life of property, plant and equipment and Intangible Assets (Refer note 2(e))
- Determination of cost for right-of-use assets and lease term (Refer note 2(k))
- Impairment of non-financial assets. (Refer note 40 and 53)
- Provision for inventories
- Provision for loss allowance on trade receivables (Refer note 36.4)
- Assessment of functional currency (Refer note 2(a)(ii))

(v) Current and Non-current classification

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

ii. It is held primarily for the purpose of being traded;

iii. It is expected to be realised within 12 months after the reporting date; or

iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Group's normal operating cycle;

ii. It is held primarily for the purpose of being traded;

iii. It is due to be settled within 12 months after the reporting date; or

iv. The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's operating cycle is within a period of 12 months.

(vi) Measurement of Fair value

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets. Fair value is the price

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For changes that have occurred between levels in the hierarchy during the year, the Group re-assesses categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in Note 36.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

(vii) Principles of Consolidation

Business Combination

In accordance with Ind AS 103- “Business Combinations”, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether the control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The consideration transferred for the business combination is generally measured at fair value as at the acquisition date, as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income ("OCI") and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in consolidated statement of profit and loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in consolidated statement of profit and loss.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

A cash generating unit is defined as an operating segment or a component of an operating segment. Accordingly, the following are considered as reporting units for the above assessment:

a. Calcination business forming part of Carbon Segment

b. Carbon distillation business forming part of Carbon Segment

c. Advanced materials business

d. Cements business

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

Subsidiaries

Subsidiary entities are controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that gives the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interest and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement of profit and loss.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Non-controlling interest ("NCI")

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the reporting date and are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases.

Unrealized gains arising from the transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

Foreign Currency Transactions

For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to consolidated statement of profit and loss on disposal of the net investment or disposal of operations.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to consolidated statement of profit and loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences are recognised in consolidated statement of profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI.

- equity investments at fair value through OCI (FVOCI);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective (see (iii)); and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in consolidated statement of profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to consolidated statement of profit and loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate while retaining significant influence the relevant proportion of the cumulative amount is reclassified to consolidated statement of profit and loss.

Hedge of a net investment in a foreign operation

The Group applies hedge accounting to exchange differences arising between the functional currency of the foreign operation and the Group's functional currency (₹). To the extent that the hedge is effective, exchange differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in OCI and accumulated under other equity. Any remaining differences are recognised in consolidated statement of profit and loss.

Preparation of consolidated financial statements

The Financial Statements of the subsidiaries and associates used in consolidation are drawn up to the same reporting date as that of the Parent Company i.e. year ended December 31, 2023 and are audited. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Ind AS 12 – "*Income Taxes*" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Companies considered in the consolidated financial statements along with Rain Industries Limited are:

S. No	Name of the Company	Relationship	Country of Incorporation	Group's proportion of Ownership Interest (%)	
				December 31, 2023	December 31, 2022
1	Rain Cements Limited (RCL)	Subsidiary of RIL	India	100	100
2	Rain Verticals Limited (RVL)	Subsidiary of RIL	India	100	100
3	Rain Commodities (USA) Inc. (RCUSA)	Subsidiary of RIL	United States of America (U.S.A.)	100	100
4	Renuka Cement Limited (RenCL)	Subsidiary of RCL	India	100	100
5	Rain Global Services LLC (RGS)	Subsidiary of RCUSA	U.S.A.	100	100
6	Rain Carbon Inc. (RCI)	Subsidiary of RCUSA	U.S.A.	100	100

S. No	Name of the Company	Relationship	Country of Incorporation	Group's proportion of Ownership Interest (%)	
				December 31, 2023	December 31, 2022
7	Rain CII Carbon (Vizag) Limited (RCCVL)	Subsidiary of RCI	India	100	100
8	Rain CII Carbon LLC (RCC)	Subsidiary of RCI	U.S.A.	100	100
9	Rain Holding Limited (RHL)*	Subsidiary of RIL	U.A.E	100	-
10	Rain Carbon GmbH (RCG)	Subsidiary of RCC	Germany	100	100
11	Rain Carbon Canada Inc. (RCCan)	Subsidiary of RCC	Canada	100	100
12	Rain Carbon BV (RCBV)	Subsidiary of RCI**	Belgium	100	100
13	OOO Rain Carbon LLC	Subsidiary of RIL	Russia	100	100
14	VFT France S.A (VFSA)	Subsidiary of RCBV	France	100	100
15	Rumba Invest BVBA & Co. KG (Rumba)	Subsidiary of RCG	Germany	94.9	94.9
16	Rain Carbon Germany GmbH	Subsidiary of RCG	Germany	99.7	99.7
17	Severtar Holding Ltd. (Severtar)	Subsidiary of RHL*	Cyprus	65.3	65.3
18	OOO RÜTGERS Severtar (OOO Severtar)	Subsidiary of Severtar	Russia	65.3	65.3
19	Rain Carbon Wohnimmobilien GmbH & Co. KG	Subsidiary of RGmbH	Germany	100	100
20	Rain Carbon Gewerbeimmobilien GmbH & Co. KG	Subsidiary of RGmbH	Germany	100	100
21	Rain Carbon Poland Sp. z. o. o	Subsidiary of RGmbH	Poland	100	100
22	RÜTGERS Resins BV (RRBV)***	Subsidiary of RGmbH	The Netherlands	-	100
23	Rain Carbon (Shanghai) Trading Co. Ltd. (formerly known as RÜTGERS (Shanghai) Trading Co. Ltd.)	Subsidiary of RGmbH	China	100	100
24	InfraTec Duisburg GmbH (IDGmbH)	Investment in Associates by RGmbH	Germany	30	30

*RHL is a newly incorporated entity in UAE and is holding Investments in Severtar Holding Limited, which was earlier held by RCG..

** RCBV which was earlier held by RCG which now has been transferred to RCI.

*** RRBV has been liquidated during the year

b) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of products is recognised at the point in time when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions.

Revenue from sale of carbon products also include sale of co-generated energy generated in the process which is sold to industrial consumers in accordance with the underlying contract terms and is recorded exclusive of electricity duty payable to Government authorities.

Revenue from services rendered is recognised when the related services are performed in accordance with contract terms.

Revenues which arise from the Group's operating activities, principal or ancillary, but which are not arising from sale of products/services rendered are included as other operating revenues.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

Income from sale of Certified Emission Reduction (CER's) are recognised on conclusion of CER sale to ultimate buyers.

Rental income is recognised on a time-apportioned basis in accordance with the underlying substance of the relevant contract.

Dock revenue is accrued on completion of the service in line with terms of the contract.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

c) Other income

Interest income is recognised using the time proportion method, based on the underlying interest rates.

Dividend income is recognised when the Group's right to receive dividend is established, which is generally when shareholders approve the dividend.

d) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Accordingly, government grants:

- Related to or used for assets, are deducted from the carrying amount of the asset.
- Related to incurring specific expenditures are taken to the consolidated statement of profit and loss on the same basis and in the same periods as the expenditures incurred.
- By way of financial assistance on the basis of certain qualifying criteria are recognised in other income as they become receivable.

e) Property, plant and equipment

Property, plant and equipment are stated at cost/ deemed cost less accumulated depreciation and impairment loss, if any. Cost includes directly attributable to the acquisition of the items including its purchase price, import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure related to an item of tangible fixed asset is capitalised only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown under other non-current assets as capital advances.

Depreciation for companies in India are provided at the rates specified in the Schedule II to the Companies Act, 2013 for all blocks of assets except as mentioned below:

a) In respect of Rain Cements Limited, Plant and machinery is depreciated based on the technical evaluation and assessment. The Management believes that the useful lives adopted (2 - 25 years) by it best represent the period over which an asset is expected to be available for use.

b) In respect of Rain CII Carbon (Vizag) Limited, the Management is using lower of useful life of asset and the leasehold period of land for calculating depreciation for plant and equipment and buildings, as the assets are constructed over leasehold land.

c) For other entities, wherever the useful life of property, plant and equipment is not in line with

Schedule II to the Act, the Group depreciates certain items of building, plant and equipment, office equipment over useful life which is based on technical assessment made by technical expert and management estimate, which the management believes are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives are as follows:

Items	Useful life (in years)
Buildings	2-77
Furniture and Fixtures	1-20
Land held under limestone mining lease	125
Office equipment	1-20
Plant and equipment	1-50
Vehicles	3-24

Freehold land is not depreciated.

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

The cost of land used for mining is amortised over the estimated period of mining rights granted and leasehold land is amortised over the lease period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of tangible assets are determined as the difference between net sales proceeds and the carrying amount, and are presented in the consolidated statement of profit and loss.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Capital work-in-progress are carried at cost less impairment, if any. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use such as costs of site preparation and remediation, and estimated costs of dismantling and removing/disposal of the item and restoring the site on which it is located.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in consolidated statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Provision for site restoration

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated site is recognised as and when as the site is used and related restoration or environmental obligations occur. The provision is measured at the present value of the best estimate of the cost of restoration or agreed redemption plan.

f) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in consolidated statement of profit and loss in the period in which the expenditure is incurred.

The estimated useful lives are as follows:

Items	Years
Licenses and franchise	2-10
Other intangibles assets	5

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

Intangible assets which are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

g) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGU (or a group of CGUs)to which the corporate asset belongs.An impairment loss recognised in respect of Goodwill is not subsequently reversed. For other assets, at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortised historical cost as per requirement of Ind AS 36 - "*Impairment of Assets*".

h) Inventories

Inventories are valued at lower of cost (including prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition) and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Raw materials, goods in transit, packing materials and stores and spares are valued at cost computed on moving weighted average basis, after providing for obsolescence, if any. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

Cost of finished goods and work in progress is determined on a weighted average basis and comprises material, labour and applicable overhead expenses including depreciation. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Traded goods are valued at lower of weighted average cost and net realisable value.

i) Retirement and other employee benefits

Defined contribution plans

Contributions paid/payable under defined contribution plans are recognised in the consolidated statement of profit and loss each year. The Group makes the contributions and has no further obligations under the plan beyond its contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

Past service costs are recognised in consolidated statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. On amendment, curtailment and settlement of a defined benefit plan, entities should use the updated assumptions to determine the current service cost and net interest for the reminder of the annual reporting period.

Other long-term employee benefits

The employees of the Group entitled to Compensated absences. The employees can carry forward the portion of unutilised accumulated compensated absences and utilise it in future periods or encash the leave balance during the period of employment or termination or retirement of the employment. The Group records an obligation for compensated absences in the period in which the employee renders services that increased this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of reporting year, based on actuarial valuation using projected unit credit method carried out in accordance with Ind AS-19 "*Employee Benefits*" at the end of the year. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

j) Segment Reporting

An operating segment is the component of the Group that engages in business activities from which it

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

may earn revenues and incur expenses, includes revenue and expenses that relate to transactions with any of the Group's other components and for which discreet financial information is available. All operating segments' operating results are reviewed regularly by Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess the performance. The business segments have been identified based on the nature of products, risks and return, organisation structure and internal financial reporting.

The Group currently has the following reportable segments:

- Carbon
- Advanced Materials
- Cement

These have been defined as the operating segments of the Group because they are the segments that

(1) engage in business activities from which revenue is earned and expenses are incurred;

(2) whose operating results are regularly reviewed by the Group's CODM to make decisions about resources to be allocated to the segment and assess its performance; and

(3) for which discrete financial information is available.

k) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of- use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has opted the exemption provided under Ind AS 116 Leases for low value and short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognised when they are originated. All other assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) as described above are measured at fair value through profit or loss (FVTPL). This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at an individual asset level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets:

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Equity Investments:

All equity investments within the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made upon initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

However, on sale, the Group may transfer the cumulative gain or loss within equity. Equity investments designated as FVTOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit and loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in consolidated statement of profit and loss.

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit and loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

m) Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due over a reasonable period of credit
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

The Group assumes that the credit risk on the financial asset has increased significantly if there is an indication that the financial asset is outstanding significantly beyond the usual credit period. The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); and
- the financial asset past due over its normal credit period.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities:

Initial recognition and measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Classification and Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. Financial liabilities carried at fair value through consolidated statement of profit and loss are measured at fair value with all changes in fair value recognised in the consolidated statement of profit and loss.

All other financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

Derivative Financial Instruments and Hedge Accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to consolidated statement of profit and loss when the hedge item affects consolidated statement of profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The Group has designated certain foreign currency loans availed as a hedging instrument to hedge its net investment in non-integral foreign operations. Accordingly, the translation gain/(loss) on such foreign currency loans, determined as an effective net investment hedge through the designated period is recognised in Foreign Currency Translation Reserve (FCTR) included under OCI and would be transferred to the consolidated statement of profit and loss either upon sale or disposal of the investment or repayment of designated loans in the non-integral foreign operations.

n) Earnings Per Share

The earnings considered in ascertaining the Group's Earnings Per Share (EPS) comprise net profit after tax (and includes the post-tax effect of any extra ordinary items). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date. The number of shares used for computing the diluted EPS is the weighted average number of shares outstanding during the year after considering the dilutive potential equity shares.

o) Tax Expense

Income tax expenses comprises of current tax and deferred tax. It is recognised in consolidated statement of profit and loss except to the extent that it relates to an item recognised directly in equity or other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and associates when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- taxable temporary differences arising on the initial recognition of goodwill.

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside consolidated statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in consolidated statement of profit and loss.

p) Borrowing Costs

Borrowing costs include interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

Deferred finance consists of loan financing fees, which are being amortised over the estimated life of the loan. Such life of the loan is reviewed by management on an ongoing basis. The Group considers its plans to repay the borrowings in determining the life of the asset. Amortisation of deferred finance cost is included in other borrowing costs of consolidated statement of profit and loss. Other borrowings costs including redemption premium are recognised in the period in which they are incurred.

q) Statement of Cash Flows and Cash and cash equivalents

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined below, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term, highly liquid investments with an original maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

r) Provisions and Contingencies

A provision is recognised when the Group has a present, legal and constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are disclosed in the notes to the consolidated financial statements, when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amount of income recognized in accordance with the requirements of revenue recognition.

s) Dividend declared

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Interim dividend is recorded as a liability on the date of declaration by the Board of Directors.

t) Accounting Standards adopted in Current year:

The Group has adopted, with effect from January 1, 2023, the following new and revised standards. Their adoption did not have any significant impact

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

on the amounts reported in the consolidated financial statements.

1. Amendment to Ind AS 37 regarding costs that an entity needs to include when assessing whether a contract is onerous or loss-making.
2. Amendment to Ind AS 109 Financial Instrument regarding inclusion of fees in the '10 per cent' test for derecognition of financial liabilities.
3. Amendment to Ind AS 103 Business Combination, Reference to the Conceptual Framework for Financial Reporting.
4. Amendment to Ind AS 16 Property, Plant and Equipment regarding proceeds before intended use.

Recent Accounting pronouncements not yet adopted:

On March 31, 2023, MCA has amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable for annual periods beginning on or after April 1, 2023, as below:

1. Amendments to Ind AS 12 Income Taxes:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Group does not expect this amendment to have any impact in its consolidated financial statements.

2. Amendments to Ind AS 1, Presentation of Financial Statements:

Paragraph 10 which states the complete set of Financial Statements, in item (e), for the words "significant accounting policies", the words "material accounting policy information", has been substituted.

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107 'Financial Instruments: Disclosures'.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

3. Amendment to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 3: Property, plant and equipment and Capital work in progress

	Land - freehold	Land - leasehold (Refer note (iv) below)	Buildings (Refer note (ii) below)	Plant and equipment (Refer note (ii) below)	Furniture and fixtures	Office equipments	Vehicles	Total	Capital work-in-progress (Refer note (vi) & (vii) below)	Total
Gross block										
As at January 1, 2022	1,012.93	44.31	8,762.83	59,432.41	1,761.79	1,203.32	999.78	**73,217.37**	7,907.63	**81,125.00**
Add: Additions	10.91	6.96	792.98	7,890.55	127.63	122.48	172.73	**9,124.24**	4,191.92	**13,316.16**
Less: Deletions / adjustments	-	-	211.25	990.42	232.46	221.34	57.25	**1,712.72**	7,196.82	**8,909.54**
Less: Impairment losses (Refer note (vi) below)	-	-	-	-	-	-	-	**-**	465.64	**465.64**
Add: Effect of changes in foreign exchange rates	59.84	-	673.69	4,352.04	71.41	65.08	81.56	**5,303.62**	232.13	**5,535.75**
As at December 31, 2022	**1,083.68**	**51.27**	**10,018.25**	**70,684.58**	**1,728.37**	**1,169.54**	**1,196.82**	**85,932.51**	**4,669.22**	**90,601.73**
Add: Additions	-	-	293.89	5,238.18	141.08	206.99	11.44	**5,891.58**	3,599.18	**9,490.76**
Less: Deletions / adjustments (Refer note (v) below)	-	-	103.26	2016.22	27.44	185.72	23.34	**2,355.98**	3,857.18	**6,213.16**
Less: Impairment losses (Refer note (vi) below)	-	-	-	-	-	-	-	**-**	187.17	**187.17**
Add: Effect of changes in foreign exchange rates	11.19	-	(458.86)	1,014.53	72.80	30.48	(106.63)	**563.51**	95.36	**658.87**
As at December 31, 2023	**1,094.87**	**51.27**	**9,750.02**	**74,921.07**	**1,914.81**	**1,221.29**	**1,078.29**	**90,031.62**	**4,319.41**	**94,351.03**
Accumulated depreciation and impairment										
As at January 1, 2022	9.82	2.14	2,930.28	26,459.56	1,175.37	681.87	105.49	**31,364.53**	-	**31,364.53**
Add: Depreciation for the year	-	0.38	560.32	5,968.66	150.53	141.55	93.03	**6,914.47**	-	**6,914.47**
Less: Deletions / Adjustments	-	-	201.27	975.68	194.21	204.90	48.06	**1,624.12**	-	**1,624.12**
Add: Effect of changes in foreign exchange rates	0.48	-	282.79	2,303.15	51.11	32.35	21.25	**2,691.13**	-	**2,691.13**
As at December 31, 2022	**10.30**	**2.52**	**3,572.12**	**33,755.69**	**1,182.80**	**650.87**	**171.71**	**39,346.01**	**-**	**39,346.01**
Add: Depreciation for the year	-	0.43	465.62	5,872.54	151.95	152.64	76.95	**6,720.13**	-	**6,720.13**
Less: Deletions / Adjustments (Refer note (v) below)	-	-	110.72	2,020.46	10.36	121.02	19.26	**2,281.82**	-	**2,281.82**
Add: Effect of changes in foreign exchange rates	0.45	-	(300.05)	404.62	54.93	14.31	(24.93)	**149.33**	-	**149.33**
As at December 31, 2023	**10.75**	**2.95**	**3,626.97**	**38,012.39**	**1,379.32**	**696.80**	**204.47**	**43,933.65**	**-**	**43,933.65**
Net carrying amount										
As at December 31, 2022	**1,073.38**	**48.75**	**6,446.13**	**36,928.89**	**545.57**	**518.67**	**1,025.11**	**46,586.50**	**4,669.22**	**51,255.72**
As at December 31, 2023	**1,084.12**	**48.32**	**6,123.05**	**36,908.68**	**535.49**	**524.49**	**873.82**	**46,097.97**	**4,319.41**	**50,417.38**

Note:

(i) Certain movable and immovable property, plant and equipment are hypothecated against the non-current and current borrowings availed by the Group. Refer note 20 and 24.

(ii) Includes buildings constructed and plant and equipment installed on leasehold land and depreciated over lease period.

(iii) For contractual commitments relating to capital work-in-progress, refer note 45 (II).

(iv) Leasehold land pertains to limestone mining leases in Rain Cements Limited

(v) Deletions/Adjustments include derecognition of assets on liquidation of subsidiary

(vi) For details regarding impairment refer note 53.

(vii) Refer note 46(v) for disclosure relating to capital-work-in progress

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 4: Right of use asset

	Land - leasehold	Buildings	Plant and equipment	Office equipments	Vehicles	Total
Gross block						
As at January 1, 2022	594.08	1,039.25	2,911.40	22.68	1,692.26	**6,259.67**
Add: Additions	734.52	175.54	328.41	18.46	81.88	**1,338.81**
Less: Deletions / adjustments	-	20.88	29.43	15.70	19.51	**85.52**
Add: Effect of changes in foreign exchange rates	0.63	162.91	272.85	3.61	86.66	**526.66**
As at December 31, 2022	**1,329.23**	**1,356.82**	**3,483.23**	**29.05**	**1,841.29**	**8,039.62**
Add: Additions	52.59	334.68	730.61	10.55	89.76	**1,218.19**
Less: Deletions / adjustments	25.88	317.28	208.76	2.53	2.23	**556.68**
Add: Effect of changes in foreign exchange rates	2.16	19.65	129.22	1.02	83.70	**235.75**
As at December 31, 2023	**1,358.10**	**1,393.87**	**4,134.30**	**38.09**	**2,012.52**	**8,936.88**
Accumulated amortisation						
As at January 1, 2022	101.98	347.88	1,125.91	12.38	592.90	**2,181.05**
Add: Amortisation for the year	47.68	212.05	440.51	6.98	198.51	**905.73**
Less: Deletions / adjustments	-	-	21.33	11.43	17.69	**50.45**
Add: Effect of changes in foreign exchange rates	0.49	107.98	182.80	2.01	40.80	**334.08**
As at December 31, 2022	**150.15**	**667.91**	**1,727.89**	**9.94**	**814.52**	**3,370.41**
Add: Amortisation for the year	54.16	216.75	487.82	7.94	222.76	**989.43**
Less: Deletions / adjustments	7.51	125.49	164.77	2.33	2.00	**302.10**
Add: Effect of changes in foreign exchange rates	1.76	11.45	65.52	0.38	42.18	**121.29**
As at December 31, 2023	**198.56**	**770.62**	**2,116.46**	**15.93**	**1,077.46**	**4,179.03**
Net carrying amount						
As at December 31, 2022	**1,179.08**	**688.91**	**1,755.34**	**19.11**	**1,026.77**	**4,669.21**
As at December 31, 2023	**1,159.54**	**623.25**	**2,017.84**	**22.16**	**935.06**	**4,757.85**

Note:

(i) For details regarding future minimum lease payments at the end of the year, Refer note 47.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 5: Goodwill and Other intangible assets:

	Goodwill (A)	Other Intangible assests (B)			Total (A+B)
		Licenses and franchise	Other intangible assets	Total	
Gross block					
As at January 1, 2022	63,306.14	524.99	54.66	579.65	**63,885.79**
Add: Additions	-	7.28	-	7.28	**7.28**
Less: Deletions	-	6.00	-	6.00	**6.00**
Add: Effect of changes in foreign exchange rates	5,120.33	25.58	8.69	34.27	**5,154.60**
As at December 31, 2022	**68,426.47**	**551.85**	**63.35**	**615.20**	**69,041.67**
Add: Additions	-	27.60	7.81	35.41	**35.41**
Less: Deletions	-	27.94	2.92	30.86	**30.86**
Add: Effect of changes in foreign exchange rates	1,524.30	27.73	(10.29)	17.44	**1,541.74**
As at December 31, 2023	**69,950.77**	**579.24**	**57.95**	**637.19**	**70,587.96**
Accumulated amortisation and impairment					
As at January 1, 2022	-	400.78	24.04	424.82	**424.82**
Add: Amortisation for the year	-	70.61	12.29	82.90	**82.90**
Less: Deletions	-	5.98	-	5.98	**5.98**
Add: Effect of changes in foreign exchange rates	-	23.94	3.73	27.67	**27.67**
As at December 31, 2022	**-**	**489.35**	**40.06**	**529.41**	**529.41**
Add: Amortisation for the year	-	44.05	9.07	53.12	**53.12**
Less: Deletions	-	27.94	0.08	28.02	**28.02**
Add: Impairment losses	7,318.98	-	-	-	**7,318.98**
Add: Effect of changes in foreign exchange rates	(14.06)	23.98	(8.71)	15.27	**1.21**
As at December 31, 2023	**7,304.92**	**529.44**	**40.34**	**569.78**	**7,874.70**
Net carrying amount					
As at December 31, 2022	68,426.47	62.50	23.29	85.79	**68,512.26**
As at December 31, 2023	**62,645.85**	**49.80**	**17.61**	**67.41**	**62,713.26**

Note:

(i) For impairment analysis performed for goodwill on consolidation, Refer note 40.

Note 5A: Depreciation and amortisation expense

	For the year ended December 31, 2023	For the year ended December 31, 2022
Depreciation on Property, plant and equipment (Refer note 3)	6,720.13	6,914.47
Amortisation of Right of use asset (Refer note 4)	989.43	905.73
Amortisation of Intangible assets (Refer note 5)	53.12	82.90
Total	**7,762.68**	**7,903.10**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 6: Investment in equity accounted investees

	As at December 31, 2023	As at December 31, 2022
Associates (unquoted):		
- InfraTec Duisburg GmbH – 7,500 (December 31, 2022: 7,500) ordinary shares with no par value (Refer note 37)	110.41	94.29
Total	**110.41**	**94.29**

Note 7: Non-current investments

	As at December 31, 2023	As at December 31, 2022
A. Investment in equity shares		
(i) in other entities		
At Fair value through Other comprehensive income (FVTOCI) (unquoted)		
- Arsol Aromatics GmbH & Co. – 1,365,860 (December 31, 2022: 1,365,860) ordinary shares with no par value	31.36	30.04
At Fair value through Profit and loss (FVTPL) (unquoted)		
- Andhra Pradesh Gas Power Corporation Limited - 134,000 (December 31, 2022: 134,000) equity shares of ₹ 10 each fully paid up	16.00	16.00
Less: Impairment in value of Investment	(16.00)	-
B. Investment in Government securities carried at Fair value through Profit and loss (FVTPL) (unquoted)		
- National Savings Certificates	0.09	0.09
Total	**31.45**	**46.13**
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amount of unquoted investments	31.45	46.13
(c) Aggregate amount of impairment in value of investments	(16.00)	-

Note 8: Non-current loans

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good unless otherwise stated		
Loans and advances		
- to employees	4.39	6.80
Total	**4.39**	**6.80**

- The Group's exposure to credit risks is included in note 36.4

Note 9: Other non-current financial assets

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good unless otherwise stated)		
Security deposits	86.60	125.82
Electricity deposit	216.78	199.97
Bank deposits with original and remaining maturity more than 12 months*	12.22	126.73
Interest accrued on deposits	-	0.06
Balances held as margin money against guarantees and other commitments	-	2.00
Total	**315.60**	**454.58**

* Represents lien marked deposits with government authorities and customers.

- The Group's exposure to credit risks is included in note 36.4

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 10: Other non-current assets

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good unless otherwise stated)		
Capital advances	777.69	815.99
Prepaid expenses	110.10	-
Balances with Statutory authorities	87.48	36.19
Excess contribution to Plan assets for Defined benefit plan (Refer note 42)	-	3.53
Total	**975.27**	**855.71**

Note 11: Inventories

		As at December 31, 2023	As at December 31, 2022
(At lower of cost or net realisable value)			
a)	Raw materials	12,668.15	21,638.09
b)	Work-in-progress	2,250.65	2,847.21
c)	Finished goods	10,244.09	13,109.61
d)	Stock-in-trade	2,127.75	3,228.17
e)	Stores and spares	3,388.12	2,900.39
f)	Packing materials	133.15	177.20
g)	Fuel	952.76	1,246.31
Total		**31,764.67**	**45,146.98**
Goods-in-transit, included above			
a)	Raw materials	1,624.19	3,150.87
b)	Stock-in-trade	76.66	532.76
c)	Stores and spares	7.52	1.87
d)	Fuel	78.11	188.48
Total		**1,786.48**	**3,873.98**

During the year ended December 31, 2023, ₹ 784.70 (December 31, 2022: ₹ 393.02) was recognised as an expense for inventories carried at net realisable value. The write-down and reversal are included in cost of materials consumed or changes in inventories of finished goods, work-in-progress and stock-in-trade.

For details of inventories hypothecated against the non-current and current borrowings availed by the Group. Refer note 20 and 24.

Note 12: Current investments

		As at December 31, 2023	As at December 31, 2022
Investment in mutual funds of (quoted, at Fair value through Profit and loss):			
a)	Money market funds (Goldman FS Gov Inst 465 scheme of 351,873 units (December 31, 2022: Nil))	29.25	-
Total		**29.25**	**-**
(a)	Aggregate amount of quoted investments and market value thereof	29.25	-
(b)	Aggregate amount of unquoted investments	-	-

- For details of current investments secured against borrowings, refer note 20 and 24.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 13: Trade receivables

	As at December 31, 2023	As at December 31, 2022
Trade receivables considered good - secured	83.10	138.84
Trade receivables considered good - unsecured*	21,617.90	24,802.00
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	187.99	131.45
	21,888.99	**25,072.29**
Less: Allowance for expected credit losses	187.99	131.45
Total	**21,701.00**	**24,940.84**

Trade receivables ageing schedule as at December 31, 2023:

Particulars	Contract asset	Trade receivables - Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables considered good	147.61	18,271.78	2,988.87	276.51	14.41	1.35	0.47	21,701.00
ii. Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables - credit impaired	-	-	47.00	27.99	10.47	6.08	96.45	187.99
iv. Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
v. Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi. Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
SUB-TOTAL	**147.61**	**18,271.78**	**3,035.87**	**304.50**	**24.88**	**7.43**	**96.92**	**21,888.99**
Less: Allowance for expected credit losses								187.99
Total								**21,701.00**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Trade receivables ageing schedule as at December 31, 2022:

Particulars	Contract asset	Trade receivables - Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables considered good	112.17	21,715.28	2,996.54	51.22	19.58	12.35	33.70	24,940.84
ii. Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables - credit impaired	-	4.05	17.85	0.53	9.36	11.06	88.60	131.45
iv. Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
v. Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi. Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
SUB-TOTAL	**112.17**	**21,719.33**	**3,014.39**	**51.75**	**28.94**	**23.41**	**122.30**	**25,072.29**
Less: Allowance for expected credit losses								131.45
Total								**24,940.84**

* The balance includes amounts receivable amounting to ₹ 1,642.07 (December 31, 2022: ₹ 2,215.75) for which the Group has received security in the form of Letters of Credit.

- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- For details of trade receivables hypothecated against the non-current and current borrowings, refer note 20 and 24.
- Refer note 43 (b) for amounts receivable from related parties
- The Group's exposure to credit and currency risks related to trade receivables are disclosed in note 36.4 and 36.8.

Note 14: Cash and bank balances

	As at December 31, 2023	As at December 31, 2022
A. Cash and cash equivalents		
Cash on hand	0.30	0.29
Cheques/ drafts on hand	-	0.05
Balances with banks:		
- in current accounts	12,795.61	9,208.92
- in exchange earners foreign currency (EEFC) accounts	-	0.37
- in deposit accounts (with original maturity of three months or less)	1,255.60	2,467.26
	14,051.51	**11,676.89**
B. Bank balances other than cash and cash equivalents		
Balances held as margin money against guarantees and other commitments	232.72	323.15
Unpaid dividend accounts	24.15	27.24
Bank deposits with original maturity of more than 3 months but less than 12 months*	5,747.30	4,678.86
	6,004.17	**5,029.25**
Total [A+B]	**20,055.68**	**16,706.14**

* Out of above deposits ₹ 146.85 (December 31, 2022: ₹ 1,526.35) are lien marked with government authorities and customers.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 15: Current loans

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good unless otherwise stated)		
Inter-corporate deposits with financial institutions (HDFC Ltd which is merged with HDFC Bank Ltd in 2023)	-	1,169.29
Loan to employees	8.37	9.80
Total	**8.37**	**1,179.09**

- The Group's exposure to credit and currency risks related to current loans are disclosed in note 36.4 and 36.8.

Note 16: Other current financial assets

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good unless otherwise stated)		
Security deposits	27.66	31.65
Bank deposits with original maturity more than 12 months but remaining maturity less than 12 months	2,143.35	-
Interest accrued on deposits	177.35	171.59
Advance to employees	3.61	2.65
Other receivables	138.80	117.11
Total	**2,490.77**	**323.00**

Note 17: Other current assets

	As at December 31, 2023	As at December 31, 2022
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	739.51	455.01
Balances with statutory authorities	972.40	1,328.50
Advance to suppliers and service providers	806.24	2,090.23
Advance to employees	11.88	9.08
Others	20.29	21.31
Total	**2,550.32**	**3,904.13**

Note 18: Equity share capital

	As at December 31, 2023		As at December 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital:				
Equity shares of ₹ 2 each	590,000,000	1,180.00	590,000,000	1,180.00
Redeemable preference shares of ₹ 100 each	4,900,000	490.00	4,900,000	490.00
Total	**594,900,000**	**1,670.00**	**594,900,000**	**1,670.00**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	As at December 31, 2023		As at December 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Issued, subscribed and fully paid up share capital				
Equity shares of ₹ 2 each	336,345,679	672.69	336,345,679	672.69
Total	**336,345,679**	**672.69**	**336,345,679**	**672.69**

Notes:

(i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

	As at December 31, 2023		As at December 31, 2022	
	Number of shares	Amount	Number of shares	Amount
As at beginning of the year	336,345,679	672.69	336,345,679	672.69
Add/(Less): Changes in equity shares during the year	-	-	-	-
As at end of the year	**336,345,679**	**672.69**	**336,345,679**	**672.69**

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 2 each per share. Each holder of equity shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. However, in case of interim dividend, the profits are distributed based on approval of Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

The Board of Directors at its meeting held on May 09, 2023 declared an interim dividend of 50% (₹ 1 per equity share of par value of ₹ 2 each amounting to ₹ 336.35) and no further dividend has been recommended for the financial year ended December 31, 2023. This dividend was paid during the year ended December 31, 2023.

The Board of Directors at its meeting held on July 29, 2022 had declared an interim dividend of 50% (₹ 1 per equity share of par value of ₹ 2 each amounting to ₹ 336.35) and no further dividend was recommended for the financial year ended December 31, 2022. This dividend was paid during the year ended December 31, 2022.

(iii) Shareholders holding more than 5% of the equity shares

Name of the shareholder	As at December 31, 2023		As at December 31, 2022	
	Number of shares	%	Number of shares	%
Sujala Investments Private Limited	37,766,675	11.23	37,766,675	11.23
Rain Enterprises Private Limited	25,316,465	7.53	25,316,465	7.53
N. Anupama Reddy	27,300,669	8.12	27,300,669	8.12

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(iv) Shares held by Promoters

As at December 31, 2023

Name of the Promoter	Number of shares	Percentage of total shares	Percentage of change during the year
Mr. N. Radhakrishna Reddy	10,383,730	3.09	0%
Mr. N. Sujith Kumar Reddy	10,028,770	2.98	0%
Mr. Jagan Mohan Reddy Nellore	100	0.00	0%
Ms. N. Indira Reddy	7,513,100	2.23	0%
Ms. N. Akhila Reddy	1,869,315	0.56	0%
Ms. K. V. Arundhathi Reddy	14,285	0.00	0%
Ms. N. Anupama Reddy	27,300,669	8.12	0%
Sujala Investments Private Limited	37,766,675	11.23	0%
Rain Enterprises Private Limited	25,316,465	7.53	0%
Nivee Holdings Private Limited	8,143,250	2.42	0%
Arunachala Holdings Private Limited	5,272,500	1.57	0%
PCL Financial Services Private Limited	3,780,750	1.12	0%
Arunachala Logistics Private Limited	989,245	0.29	0%

As at December 31, 2022

Name of the Promoter	Number of shares	Percentage of total shares	Percentage of change during the year
Mr. N. Radhakrishna Reddy	10,383,730	3.09	0%
Mr. N. Sujith Kumar Reddy	10,028,770	2.98	0%
Mr. Jagan Mohan Reddy Nellore	100	0.00	0%
Ms. N. Indira Reddy	7,513,100	2.23	0%
Ms. N. Akhila Reddy	1,869,315	0.56	0%
Ms. K. V. Arundhathi Reddy	14,285	0.00	0%
Ms. N. Anupama Reddy	27,300,669	8.12	0%
Sujala Investments Private Limited	37,766,675	11.23	0%
Rain Enterprises Private Limited	25,316,465	7.53	0%
Nivee Holdings Private Limited	8,143,250	2.42	0%
Arunachala Holdings Private Limited	5,272,500	1.57	0%
PCL Financial Services Private Limited	3,780,750	1.12	0%
Arunachala Logistics Private Limited	989,245	0.29	0%

(v) There are no shares issued pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 19: Other equity

		As at December 31, 2023	As at December 31, 2022
(i)	**Reserves and Surplus:**		
	(a) Capital Reserve (Balance at the beginning and end of the year)	**43.98**	**43.98**
	(b) Securities premium (Balance at the beginning and end of the year)	**516.67**	**516.67**
	(c) Capital redemption reserve (Balance at the beginning and end of the year)	**47.66**	**47.66**
	(d) General reserve (Balance at the beginning and end of the year)	**1,605.01**	**1,605.01**
	(e) Retained earnings		
	Opening balance	70,780.72	56,730.62
	Add: Profit / (loss) for the year	(9,379.06)	14,386.45
	Less: Dividend for the year	336.35	336.35
	Closing balance	**61,065.32**	**70,780.72**
	(f) Remeasurements of defined benefit plans		
	Opening balance	3,835.04	(1,778.71)
	Add: Actuarial gain/(loss) on remeasurements of defined benefit plans	(882.13)	5,613.75
	Closing balance	**2,952.91**	**3,835.04**
(ii)	**Items of other comprehensive income:**		
	(a) Foreign currency translation reserve		
	Opening balance	6,766.60	3,254.21
	Add: Exchange differences in translating the financial statements of foreign operation	355.15	3,512.39
	Add: Exchange difference arising on net investment in foreign operation	(600.62)	-
	Closing balance	**6,521.13**	**6,766.60**
Total		**72,752.68**	**83,595.68**

Note 20: Non-current borrowings

		As at December 31, 2023	As at December 31, 2022
A.	**Bonds**		
	- Secured (Refer note (i))		
	12.25% Senior secured notes (due for repayment in November 2029)	36,817.21	-
	7.25% Senior secured notes (due for repayment in April 2025)	4,126.84	43,558.72
		40,944.05	**43,558.72**
B.	**Term loans**		
	From banks and other parties		
	- Secured (Refer note (ii) to (iv))	32,151.75	35,864.13
	- Unsecured	0.31	0.31
	Less: Current maturities of non-current borrowings disclosed under Note 24 - Current Borrowings	-	(1,655.72)
		32,152.06	**34,208.72**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	As at December 31, 2023	As at December 31, 2022
C. Deferred payment liabilities		
- Unsecured (Refer note (v))	182.51	288.34
Less: Current maturities of non-current borrowings disclosed under Note 24 - Current Borrowings	(101.53)	(100.85)
	80.98	**187.49**
Total [A+B+C]	**73,177.09**	**77,954.93**

Notes:

(i) On March 31, 2017, Rain Carbon Inc (“”RCI””), a subsidiary in the United States issued USD 550.0 million of 7.25% Senior Secured Notes maturing in April 2025 (the “2025 Notes”). The 2025 Notes contain covenants that limit the RCI group’s (RCI and its subsidiaries) ability to, among other things, pay cash dividends, incur additional debt and make investments. RCI has the option to redeem some or all of the 2025 Notes at any time on or after April 1, 2020 up to March 31, 2023 at specified redemption premium prices. The 2025 Notes are secured by substantially all of the assets of the RCI Group and are guaranteed by the RCI subsidiaries incorporated in United States on a joint and several basis.

RCI repurchased 2025 notes amounting to USD 20.2 million during the years ended December 31, 2022 and 2021 and have been cancelled during the year ended December 31, 2023.

During August 2023, RCI issued Senior Secured Notes maturing in September 2029 (“2029 Notes”) for USD 450.0 million. RCI used the proceeds from 2029 Notes together with existing cash to repay 2025 Notes of USD 480.0 million with offered tender price leaving USD 49.8 million outstanding.

The 2029 Notes are issued at an interest rate of 12.25% (fixed) and are guaranteed by RCI and its subsidiaries in Belgium, Canada, Germany and the USA. The 2029 Notes and 2025 Notes have second-lien priority on assets after Revolving Credit Facilities and Euro Term loan B (“”TLB””) as explained in note (iv) below.

2025 Notes balance (gross of transaction costs) as at December 31, 2023 was ₹ 4,142.95 (USD 49.8 million) and as at December 31, 2022 was ₹ 43,865.70 (USD 529.8 million).

2029 Notes balance (gross of transaction costs) as at December 31, 2023 was ₹ 37,404.00 (USD 450.0 million).

(ii) During the financial year ended December 31, 2023, the Company has availed a credit facility of ₹ 2,000.00 from a bank which includes Term loan of ₹ 1,700.00 and non-fund based limit of ₹ 300.00.

I) Term loan of ₹ 1,700.00 is secured by:

a) First charge over the movable fixed assets of the Company, present and future;

b) Second pari-pass charge over current assets of the Company, both present and future;

c) Pledge over 1,000,000 equity shares of ₹ 10 each held by the Company in Rain CII Carbon (Vizag) Limited (RCCVL), a wholly owned step-down subsidiary.

d) Corporate guarantee of RCCVL, a wholly owned step-down subsidiary, in favour of the bank.

II) Non-find based limit of ₹ 300.00 (derivative) is secured by

a) Corporate guarantee of RCCVL, a wholly owned step-down subsidiary, in favour of the bank.

No guarantee commission has been charged by RCCVL based on the requirements of the bank. It carries interest of I-MCLR-1Y plus spread of 25 basis points.The loan shall be repaid as Bullet repayment at the end of 24 months from November 30, 2023. Balance as at December 31, 2023 is ₹ 1,700.00 (December 31, 2022: ₹ Nil).

As on December 31, 2023, available limit under the non-fund based facility amounts to ₹ 300.00 (December 31, 2022: ₹ Nil).

(iii) During the financial year ended December 31, 2021, the Company had borrowed Term loan of USD 20 Million from a bank and was secured by :

a) Pari passu first charge by way of hypothecation on all movable assets both present and future of the Company

b) Corporate guarantee of Rain CII Carbon (Vizag) Limited (RCCVL) in favour of the bank

c) Pledge over 1,000,000 equity shares of ₹ 10 each held by the Company in RCCVL, a wholly owned step-down subsidiary

No guarantee commission was charged by RCCVL based on the requirements of the bank. It carried interest of SOFR + margin of 310 basis points payable monthly. The loan was repayable on November 30, 2023 and was repaid during the year. Balance (gross of transaction costs) as at December 31, 2023 is ₹ Nil and as at December 31, 2022: ₹ 1,655.72 (USD 20 million).

The term loan post its disbursal in the previous year, was utilised for the purpose for which it was borrowed. As on the Balance Sheet date the Overseas Direct Investments (ODI) in the form of investments in and loans to overseas subsidiaries exceeds the term loans obtained for ODI purposes.

(iv) On January 16, 2018, Rain Carbon GmbH (“”RCG””), a subsidiary of the Group in Europe issued TLB of EUR 390.0 million with a maturity date of January 2025. Interest rate on the TLB was EURIBOR (subject to a 0.0% floor) plus 3% (floating). The TLB is First Lien Debt having priority over 2025 Notes. The TLB included certain covenants and conditions that limit the RCI group’s ability to, among other things, pay cash dividends, incur additional debt and make investments. The TLB was secured by substantially all of the assets of RCI and was guaranteed by RCI and its subsidiaries in Belgium, Canada, Germany and the USA.

During August 2023, RCG amended and extended the maturity of the TLB amounting to EUR 353.5 million from January 2025 to October 2028 and repaid the balance principal of EUR 36.5 million. The amended TLB is issued at an interest rate of EURIBOR (subject to a 0.0% floor) plus 5% (floating) and is secured by substantially all of the assets of RCI and was guaranteed by RCI and its subsidiaries in Belgium, Canada, Germany and the USA. The amended TLB has mandatory amortization payments of 2.5% - 5% in subsequent years along with additional payments in case of excess cash flows.

Balance (gross of transaction costs) as at December 31, 2023 was ₹ 31,602.18 (EUR 343.5 million) and as at December 31, 2022: ₹ 34,378.50 (EUR 390.0 million).

(v) Sales tax deferment represents interest free liability in Rain Cements Limited. Balance outstanding is repayable in 18 monthly instalments based on deferment schedule.

(vi) The Group has not defaulted on payment of principal and interest thereon on above term loans.

(vii) Reconciliation of liabilities arising from financing activities

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(a) Non-current borrowings (including current maturities of non-current borrowings included in current borrowings):

Particulars	As at December 31, 2023	As at December 31, 2022
Opening balance at the beginning of the year	79,711.50	75,183.29
Borrowings made during the year	70,208.76	-
Borrowings repaid during the year	(77,587.81)	(1,804.52)
Deferred finance cost paid (included in Interest and other borrowing costs paid)	(1,149.49)	-
Sales tax deferment paid	(100.84)	(138.92)
Effect of changes in foreign exchange rates (non-cash changes)	1,577.10	6,400.12
Amortisation of deferred finance cost (non-cash changes)	619.40	71.53
Closing balance at the end of the year	**73,278.62**	**79,711.50**

(b) Lease liabilities (including current maturities):

Particulars	As at December 31, 2023	As at December 31, 2022
Opening balance at the beginning of the year	5,062.90	4,409.00
Additions during the year	1,138.35	1,338.81
Accretion of interest	256.65	225.19
Deletions during the year	(275.16)	(33.11)
Lease principal payments during the year	(881.52)	(900.13)
Lease interest payments during the year	(228.89)	(219.80)
Effect of changes in foreign exchange rates	95.06	242.94
Closing balance at the end of the year	**5,167.39**	**5,062.90**

Particulars	As at December 31, 2023	As at December 31, 2022
Net Lease Liability		
- Current	1,128.40	964.50
- Non-current	4,038.99	4,098.40
Total	**5,167.39**	**5,062.90**

- The Group's exposure to liquidity and currency risk related to borrowings is disclosed in note 36.5 and 36.8

Note 21: Other non-current financial liabilities

	As at December 31, 2023	As at December 31, 2022
Employee payables	49.97	48.64
Total	**49.97**	**48.64**

- The Group's exposure to liquidity risks and currency risks are disclosed in note 36.5 and 36.8, respectively.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 22: Non-current provisions

	As at December 31, 2023	As at December 31, 2022
Provision for employee benefits:		
- Compensated absences (Refer note 42)	-	320.40
- Defined benefit plans (net) (Refer note 42)	8,757.03	7,260.82
Provision - others		
- Provision for environment liabilities (Refer note 51)	1,339.79	1,221.72
- Other provisions (Refer note 52)	63.25	80.23
Total	**10,160.07**	**8,883.17**

Note 23: Other non-current liabilities

	As at December 31, 2023	As at December 31, 2022
Unearned revenue (Refer note 29)	23.22	5.42
Others	0.04	0.04
Total	**23.26**	**5.46**

Note 24: Current borrowings

	As at December 31, 2023	As at December 31, 2022
From banks - Secured		
- Packing credit foreign currency loan (Refer note (i))	635.76	2,203.22
- Supplier's credit facility (Refer note (i))	-	1,038.14
- Revolver credit facility (Refer note (ii))	7,820.00	9,298.41
Current maturities of non-current borrowings (Refer note 20)	101.53	1,756.57
Total	**8,557.29**	**14,296.34**

Notes:

(i) During 2013, one of the subsidiary incorporated in India, entered into agreements with four banks for an aggregated facility amount of ₹ 7,505.96 (USD 90.3 million) (December 31, 2022: ₹ 8,592.92 (USD 103.8 million)) which can be utilized for cash drawings in the form of cash credit, packing credit, suppliers credit or working capital demand loan or for issuance of letter of credits and bank guarantees. Outstanding letters of credit issued under these facilities are subject to a fee of 0.75% per annum. Cash drawings under these facilities are subject to interest rate of SOFR plus 55 - 135 basis points per annum (December 31, 2022: SOFR plus 50 - 135 basis points per annum) and are repayable on demand or for a period of six to twelve months as per the facility utilised.

These facilities are secured by pari-passu first charge over current assets and movable assets comprising of all inventories and book debts both present and future of the said company.

At December 31, 2023, cash drawings outstanding under packing credit foreign currency loan aggregated to ₹ 635.76 (USD 7.7 million) (December 31, 2022: ₹ 2,203.22 (USD 26.7 million)).

At December 31, 2023, cash drawings outstanding under suppliers credit facility aggregated to ₹ Nil (USD Nil) (December 31, 2022: ₹ 1,038.14 (USD 12.5 million)).

At December 31, 2023, letters of credit outstanding were ₹ 1,501.27 (USD 18.1 million) (December 31, 2022: ₹ 1,229.38 (USD 14.9 million)) and bank guarantees outstanding were ₹ 189.56 (USD 2.3 million) (December 31, 2022: ₹ 186.71 (USD 2.3 million)) under the facility.

As at December 31, 2023, available limit under both facilities amounts to ₹ 5,179.37 (USD 62.2 million) (December 31, 2022: ₹ 3,935.47 (USD 47.4 million)).

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) On January 16, 2018, certain Group Companies in North America and Europe entered into a Revolver Credit Facility (RCF) Agreement with three banks. During the year 2023, the Group amended the credit agreement and increased the commitment amount from ₹ 16,558.00 (USD 200.0 million) to ₹ 21,611.20 (USD 260.0 million) and added a fourth bank. The commitment has a sub-limit of ₹ 8,312.00 (USD 100.0 million) towards Letter of Credit and Bank Guarantee with an option to use entire commitment towards cash drawings. The facility is extended till January 2027. The interest rates are variable and depend on currency of the borrowing and financial leverages. As at December 31, 2023 interest rate for USD borrowings was SOFR plus 250 basis points (December 31, 2022: SOFR plus 250 basis points) and for EUR borrowings is EURIBOR plus 250 basis points (December 31, 2022: EURIBOR plus 250 basis points).

The RCF is secured by substantially all of the assets of the Group Company in United States and guaranteed by RCI and its subsidiaries in Belgium, Canada, Germany and the USA.

At December 31, 2023 cash drawings outstanding under the RCF aggregated to ₹ 7,820.00 (USD 94.1 million) (December 31, 2022: ₹ 9,298.41 (USD 112.3 million)) of which USD borrowings aggregated to ₹ Nil (USD Nil) (December 31, 2022: ₹ 1,655.80 (USD 20.0 million)) and EUR borrowings aggregated to ₹ 7,820.00 (EUR 85.0 million) (December 31, 2022: ₹ 7,642.61 (EUR 86.7 million)). Variable interest rate depends on the type of borrowing.

At December 31, 2023, letters of credit outstanding aggregated ₹ 2,044.75 (USD 24.6 million) (December 31, 2022: ₹ 2,996.94 (USD 36.2 million)).

As at December 31, 2023, available limit under the facility amounts to ₹ 11,746.45 (USD 141.3 million) (December 31, 2022: ₹ 4,262.65 (USD 51.5 million)).

(iii) The Group has not defaulted on payment of principal and interest thereon on above loans.

(iv) **Reconciliation of liabilities arising from financing activities (excluding current maturities of non-current borrowings):**

Particulars	As at December 31, 2023	As at December 31, 2022
Opening balance at the beginning of the year	12,539.77	5,302.03
Borrowings made during the year	11,185.86	11,929.47
Borrowings repaid during the year	(15,527.94)	(6,774.99)
Effect of changes in foreign exchange rates (non-cash changes)	258.07	2,083.26
Closing balance at the end of the year	**8,455.76**	**12,539.77**

- The Group's exposure to liquidity, interest and currency risks related to borrowings is disclosed in note 36.5, 36.7 and 36.8.

Note 25: Trade payables

	As at December 31, 2023	As at December 31, 2022
Total outstanding dues of micro enterprises and small enterprises	44.41	46.53
Total outstanding dues of creditors other than micro enterprise and small enterprises	13,449.50	15,435.82
Total	**13,493.91**	**15,482.35**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Trade payables ageing schedule as at December 31, 2023:

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME*	-	27.51	16.90	-	-	-	**44.41**
ii. Others	2,275.07	9,282.79	1,324.11	300.64	44.23	222.66	**13,449.50**
iii. Disputed dues-MSME	-	-	-	-	-	-	**-**
iv. Disputed dues-Others	-	-	-	-	-	-	-
Balance as at December 31, 2023	**2,275.07**	**9,310.30**	**1,341.01**	**300.64**	**44.23**	**222.66**	**13,493.91**

Trade payables ageing schedule as at December 31, 2022:

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME*	6.17	29.54	2.03	0.77	2.17	5.85	46.53
ii. Others	3,652.10	9,527.01	1,755.13	89.95	253.50	158.13	15,435.82
iii. Disputed dues-MSME	-	-	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-	-	-
Balance as at December 31, 2022	**3,658.27**	**9,556.55**	**1,757.16**	**90.72**	**255.67**	**163.98**	**15,482.35**

* Micro, Small and Medium Enterprises

The Group's exposure to liquidity and currency risks related to trade payables is disclosed in note 36.5 and 36.8.

Note 26: Other current financial liabilities

	As at December 31, 2023	As at December 31, 2022
Interest accrued but not due on borrowings	2,168.16	1,042.84
Trade and security deposits	118.66	325.42
Employee payables	755.75	1,279.32
Deposits from contractors	685.12	397.61
Discounts payable	112.73	283.51
Unpaid dividends*	24.15	27.24
Others		
- Payables on purchase of property, plant and equipment**	842.74	1,103.70
- Retention money**	23.62	48.37
- Others	975.67	495.20
Total	**5,706.60**	**5,003.21**

* There are no amounts due and outstanding to be credited to Investor Education and Protection fund as at December 31, 2023 and December 31, 2022.

** Total outstanding dues of micro enterprises and small enterprises for the year ended December 31, 2023 is ₹ 5.93 (December 31, 2022: ₹ Nil)

- The Group's exposure to liquidity and currency risks related to other current financial liabilities is disclosed in note 36.5 and 36.8.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Reconciliation of liabilities (interest accrued) arising from financing activities:

	As at December 31, 2023	As at December 31, 2022
Opening balance at the beginning of the year	1,042.84	934.64
Interest accrued during the year (non-cash changes)	7,309.48	5,004.18
Interest paid during the year	(6,728.34)	(4,980.40)
Effect of changes in foreign exchange rates (non-cash changes)	544.18	84.42
Closing balance at the end of the year	**2,168.16**	**1,042.84**

Note 27: Other current liabilities

	As at December 31, 2023	As at December 31, 2022
Unearned revenue (Refer note 29)	2.28	6.69
Other payables		
- Statutory liabilities	1,484.65	1,169.37
- Advances from customers (Refer note 29)	163.82	158.02
- Others	90.11	10.99
Total	**1,740.86**	**1,345.07**

Note 28: Current provisions

	As at December 31, 2023	As at December 31, 2022
Provision for employee benefits:		
- Compensated absences (Refer note 42)	428.55	82.19
- Defined benefit plans, net (Refer note 42)	30.77	12.33
- Other provisions (Refer note 52)	35.67	13.80
Provision - Others:		
- Provision for environment liabilities (Refer note 51)	197.35	320.20
- Other provisions* (Refer note 52)	544.85	503.54
Total	**1,237.19**	**932.06**

*Includes provisions primarily towards expenses for plant shutdowns

Note 29: Revenue from operations

	For the year ended December 31, 2023	For the year ended December 31, 2022
Sale of products	180,494.40	209,042.61
Sale of services	23.74	19.36
Other operating revenues [Refer note below]	896.71	1,048.00
Total	**181,414.85**	**210,109.97**
Note:		
(i) Other operating revenues comprises:		
Scrap sales	35.92	22.01
Rental income	314.82	214.36
Insurance claims	254.02	219.49
Dock revenue	190.00	203.13
Others	101.95	389.01
Total	**896.71**	**1,048.00**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) Break up of sale of products and sale of services based on timing of transfer of goods or services:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Sale of products recognised at a point in time	180,494.40	209,042.61
Sale of services recognised over a period of time	23.74	19.36
Total	**180,518.14**	**209,061.97**

(iii) Contract balances:

Particulars	As at December 31, 2023	As at December 31, 2022
Contract liabilities recorded in balance sheet (Refer note 23 and 27)	189.32	170.13

The Contract liabilities are primarily related to advance from customers for sale of products, for which revenue is recorded at a point in time. The amount of ₹ 158.02 included in contract liablities as at December 31, 2022 has been recognised as revenue in the current year.

(iv) Reconciliation of revenue from sale of products with contract price:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Contract price (A)	182,873.66	211,619.97
Less - Reductions towards variable consideration components: (B)		
Discounts	2,366.29	2,491.97
Rebates	12.97	42.06
Other such reductions	-	43.33
Revenue recognised (A-B)	**180,494.40**	**209,042.61**

(v) Refer note 39 for geographical segment wise revenue and product wise revenue

Note 30: Other income

	For the year ended December 31, 2023	For the year ended December 31, 2022
Interest income		
Interest from banks on deposits including inter-corporate deposits	1,211.84	465.46
Interest on income tax refund	4.17	24.60
Other interest	46.64	7.74
Interest on income-tax under Section 234B refund	-	22.64
Fair value gain from current investments	29.14	-
Other non-operating income		
Gain on sale of investment in subsidiary	-	32.47
Insurance claims	12.43	26.50
Liabilities / provisions no longer required written back	100.23	244.16
Gain on redemption of senior secured notes	-	38.12
Reversal of provision for loss allowance on trade receivables (Refer note 36.4)	9.65	-
Profit on sale of property, plant and equipment (net)	40.54	-
Government grant income	228.78	26.41
Miscellaneous income	103.37	163.23
Total	**1,786.79**	**1,051.33**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 31: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening Stock		
Finished goods	13,109.61	8,035.70
Work-in-progress	2,847.21	1,990.44
Stock-in-trade	3,228.17	2,129.50
	19,184.99	**12,155.64**
Closing Stock		
Finished goods	10,244.09	13,109.61
Work-in-progress	2,250.65	2,847.21
Stock-in-trade	2,127.75	3,228.17
	14,622.49	19,184.99
Decrease / (Increase) in stock	**4,562.50**	**(7,029.35)**
Foreign currency translation adjustment	238.80	880.95
Net decrease / (increase) in stock	**4,801.30**	**(6,148.40)**

Note 32: Employee benefits expense

	For the year ended December 31, 2023	For the year ended December 31, 2022
Salaries and wages	10,387.67	11,974.06
Contributions to provident and other funds (Refer note 42)	2,153.95	974.93
Staff welfare expenses	714.83	571.74
Total	**13,256.45**	**13,520.73**

Note 33: Finance costs

	For the year ended December 31, 2023	For the year ended December 31, 2022
Interest expense on borrowings	7,679.32	4,560.10
Interest expense on lease liabilities	256.65	225.19
Interest on income tax	5.80	8.03
Other borrowing costs	248.47	315.44
Exchange differences regarded as an adjustment to borrowing cost	1.09	128.64
Total	**8,191.33**	**5,237.40**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 34: Other expenses

	For the year ended December 31, 2023	For the year ended December 31, 2022
Consumption of stores and spares	2,554.58	3,110.54
Consumption of packing materials	1,012.96	1,264.04
Power and fuel	11,548.57	17,124.75
Repairs and maintenance		
- Plant and machinery	2,766.55	2,876.49
- Buildings	157.13	124.70
- Others	2,180.08	1,141.85
Insurance	1,361.44	1,059.17
Rent (Refer note 47)	773.44	606.48
Rates and taxes	604.98	404.73
Travelling and conveyance	272.98	200.90
Selling and distribution expense	2,245.88	2,592.84
Freight expense	9,705.90	10,043.88
Corporate social responsibility and other donations	231.79	202.24
Consultancy charges	2,793.06	2,409.87
Payment to auditors	96.83	68.62
Directors' sitting fees	19.98	20.56
Commission to directors	12.99	18.00
Provision for loss allowance on trade receivables (Refer note 36.4)	72.73	25.74
Provision for impairment on investment	16.00	-
Loss on redemption of senior secured notes	27.82	-
Provision for advances	-	50.00
Assets written off	84.24	114.71
Bad debts written off	-	0.49
Loss on sale of property, plant and equipment	-	6.84
Miscellaneous expenses	1,681.13	3,758.93
Total	**40,221.06**	**47,226.37**

Note 35: Income taxes

(i) Income tax expense/(benefit) recognised in consolidated statement of profit and loss:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current tax:		
Tax for current year	2,242.03	5,705.72
Tax relating to earlier years (Refer (iii) below)	27.11	(410.49)
	2,269.14	**5,295.23**
Deferred tax:		
Attributable to the origination and reversal of temporary differences	889.90	2,203.34
Tax rate change (Refer (iii) below)	(20.95)	5.13
	868.95	**2,208.47**
Total	**3,138.09**	**7,503.70**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) Income tax expense/(benefit) recognised in other comprehensive income:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of defined benefit plans	(10.31)	138.69
Total	**(10.31)**	**138.69**

(iii) Reconciliation of Effective tax rate:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Income tax expense for the year to be reconciled to the accounting profit:		
Profit / (loss) before tax	(4,823.90)	23,272.67
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	(1,214.08)	5,857.27
Effect off:		
Foreign-Derived Intangile Income (FDII) deduction	-	(167.12)
Global Intangible Low Taxed Income (GILTI)	59.83	-
Tax-exempt income and other deductions	-	(27.36)
Tax rate changes	(20.95)	5.13
Tax related to prior years	27.11	(410.49)
Permanent differences and non-deductible expenses	2,530.05	691.01
Deferred tax asset derecognised, net	1,243.29	2,485.86
Impact of differences in tax rates between jurisdictions	(389.41)	(1,009.37)
Tax effects on tax base transfers	211.49	(19.22)
Taxes on un-distributed foreign earnings	621.66	(154.82)
Others, net	69.10	252.81
Total income tax expense	**3,138.09**	**7,503.70**

(iv) Recognised deferred tax assets and liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	As at December 31, 2023	As at December 31, 2022
Property, plant and equipment and intangible assets	(3,360.86)	(3,429.11)
Employee benefits	358.88	433.85
Inventories	182.34	225.83
Interest carried forward	930.85	1,184.24
Tax losses carry forward	343.51	65.48
Unrealised forex	(28.26)	-
Foreign tax credit	125.84	623.96
Taxes on unremitted foreign earnings	(762.88)	(121.73)
Other	(131.21)	(430.01)
Deferred tax liability, net	**(2,341.79)**	**(1,447.49)**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Particulars	As at December 31, 2023	As at December 31, 2022
Deferred tax asset, net	223.58	2,283.24
Deferred tax liability, net	(2,565.37)	(3,730.73)
Deferred tax liability. net	**(2,341.79)**	**(1,447.49)**

(v) Movement in temporary differences:

Particulars	Balance as at January 1, 2023	Recognised in consolidated statement of profit and loss during 2023	Recognised in other comprehensive income during 2023	Impact of changes in tax rate	Exchange differences on translation/other adjustment	Balance as at December 31, 2023
Property, plant and equipment and Intangible assets	(3,429.11)	28.57	-	42.74	(3.06)	**(3,360.86)**
Employee benefits	433.85	(77.39)	10.31	(0.80)	(7.09)	**358.88**
Inventories	225.83	(61.28)	-	-	17.79	**182.34**
Interest carried forward	1,184.24	(235.65)	-	(20.26)	2.52	**930.85**
Tax losses carry forward	65.48	278.97	-	-	(0.94)	**343.51**
Unrealised forex	-	(28.52)	-	-	0.26	**(28.26)**
Foreign tax credit	623.96	(496.24)	-	-	(1.88)	**125.84**
Taxes on unremitted foreign earnings	(121.73)	(609.77)	-	-	(31.38)	**(762.88)**
Others	(430.01)	311.41	-	(0.73)	(11.88)	**(131.21)**
Total	**(1,447.49)**	**(889.90)**	**10.31**	**20.95**	**(35.66)**	**(2,341.79)**

Particulars	Balance as at January 1, 2022	Recognised in consolidated statement of profit and loss during 2022	Recognised in other comprehensive income during 2022	Impact of changes in tax rate	Exchange differences on translation/other adjustment	Balance as at December 31, 2022
Property, plant and equipment and Intangible assets	(2,538.35)	(632.12)	-	(18.12)	(240.52)	**(3,429.11)**
Employee benefits	468.59	(18.37)	(138.69)	1.43	120.89	**433.85**
Inventories	136.05	85.27	-	-	4.51	**225.83**
Interest carried forward	1,039.83	375.92	-	8.35	(239.86)	**1,184.24**
Tax losses carry forward	460.99	(722.34)	-	0.07	326.76	**65.48**
Foreign tax credit	1,719.95	(1,131.59)	-	-	35.60	**623.96**
Taxes on unremitted foreign earnings	(273.64)	165.90	-	-	(13.99)	**(121.73)**
Others	(193.99)	(326.01)	-	3.14	86.85	**(430.01)**
Total	**819.43**	**(2,203.34)**	**(138.69)**	**(5.13)**	**80.24**	**(1,447.49)**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(vi) Unrecognised deferred tax assets:

Particulars	As at December 31, 2023		As at December 31, 2022	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses carry forward	7,243.30	2,084.84	6,608.36	2,040.52
Interest losses carry forward	13,190.85	3,501.97	6,059.52	1,761.05
Property, plant and equipment and Intangible assets	2,158.55	718.94	3,460.22	1,158.31
Employee benefits	3,704.60	1,240.12	2,580.55	863.84
Inventories	235.31	78.77	213.37	71.42
Others	1,636.82	482.23	670.84	224.56
Total	**28,169.43**	**8,106.87**	**19,592.86**	**6,119.70**

Particulars	December 31, 2023	Expiry date	December 31, 2022	Expiry date
To expire under current tax legislation	7,243.30	FY 2023-2045	5,478.92	FY 2022-2031
Not to expire under current tax legislation	20,926.13	-	14,113.94	-

(vii) Non-current and current tax assets and liabilities

Particulars	As at December 31, 2023	As at December 31, 2022
Non-current tax assets, net	1,451.85	1,073.61
Current tax assets, net	487.84	282.36
Current tax liabilities, net	555.53	1,160.03

(viii) 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 to be recognised based on the scheduled reversal of deferred tax liabilities and projected future taxable income. Based on such assessment, the Group's German subsidiary derecognised the deferred tax assets amounting to ₹ 227.82 (December 31, 2022: ₹ 1,075.43) in consolidated statement of profit and loss.

During the year ended December 31, 2023, the Group's US subsidiary, based on its assessment of scheduled reversals of deferred tax liabilities, projected future taxable income and projected realisation of unrealised forex, has derecognised the deferred tax assets amounting to ₹ 880.24 (December 31, 2022: ₹ 246.71) towards interest carry-foward and ₹ 135.23 (December 31, 2022: Nil) towards unrealised foreign exchange loss.

(ix) During 2023, Rain Carbon Gmbh, Germany had transferred 65.3% shares in Severtar Holding Limited, Cyprus to Rain Holding Limited, UAE. Rain Carbon Gmbh, Germany had also transferred 100% interest in Rain Carbon BV, Belgium subsidiary to Rain Carbon Inc., USA. Due to these internal restructuring, the Rain US Tax Group has recorded an estimated tax expense of ₹ 59.83 (USD 0.7 million).

(x) The Group has recorded a deferred tax liability of ₹ 762.89 towards dividend distribution at various levels within the Group. The Group has recorded ₹ 71.32 for dividend distribution from Group's US Subsidiary, ₹ 160.00 for dividend distribution from Group's Indian Subsidiary and ₹ 531.57 for dividend distribution from Group's Russian Subsidiary.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Rain Carbon GmbH, Germany and Severtar Holding Ltd, Cyprus have planned fixed dividends from its foreign subsidiaries and had recorded certain deferred tax liabilities in previous years. During 2023, as a part of restructuring plan, Severtar Holding Ltd. was transferred to Rain Holdings Limited, UAE. Based on this change, the Group has reversed Deferred Tax Liability of ₹ 61.71 (EUR 0.7 million) on the estimated future dividends for the year ended December 31,2023.

Subject to above, the Company intends to indefinitely reinvest other earnings, as well as future earnings from its foreign subsidiaries, to fund international operations. In addition, they expect future U.S. cash generation will be sufficient to meet future U.S. cash needs.

The Group is subject to several income tax examinations by taxing authorities in various jurisdictions within which it operates. As of December 31, 2023, management does not anticipate the outcome of these examinations to result in a material change to its financial position.

(xi) The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations. Since the law in certain jurisdictions where the Group operates requires existence of such information and documentation to be contemporaneous in nature, the Group continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length and will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

Note 36: Financial instruments disclosure:

Note 36.1: Fair Valuation measurement hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and liabilities by class including their levels of fair value hierarchy:

Particulars	As at December 31, 2023				As at December 31, 2022			
	Carrying Amount	Level of inputs used in			Carrying Amount	Level of inputs used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised cost								
Trade receivables	21,701.00	-	-	-	24,940.84	-	-	-
Cash and cash equivalents	14,051.51	-	-	-	11,676.89	-	-	-
Bank balances other than cash and cash equivalents	6,004.17	-	-	-	5,029.25	-	-	-
Loans (includes current and non-current)	12.76	-	-	-	1,185.89	-	-	-
Other non-current financial assets	315.60	-	-	-	454.58	-	-	-
Other current financial assets	2,490.77	-	-	-	323.00	-	-	-

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Particulars	As at December 31, 2023				As at December 31, 2022			
	Carrying Amount	Level of inputs used in			Carrying Amount	Level of inputs used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
At Fair value through Profit and Loss (FVTPL)								
Non-current investments	0.09	-	-	0.09	16.09	-	-	16.09
Current investments	29.25	29.25	-	-	-	-	-	-
At Fair value through other comprehensive income (FVTOCI)								
Non-current investments	31.36	-	31.36	-	30.04	-	30.04	-
Financial Liabilities								
At Amortised cost								
Borrowings (includes current and non-current)	81,734.38	-	-	-	92,251.27	-	-	-
Lease liabililties (includes current and non-current)	5,167.39	-	-	-	5,062.90	-	-	-
Other non-current financial liabilities	49.97	-	-	-	48.64	-	-	-
Trade payables	13,493.91	-	-	-	15,482.35	-	-	-
Other current financial liabilities	5,706.60	-	-	-	5,003.21	-	-	-

There have been no transfers between Level 1 and Level 2 during the year.

Note 36.2: Valuation Techniques

(a) **Investments at FVTPL/FVTOCI:** The Group measures the fair values of such investments using expected cash flow model.

(b) **Borrowings including lease liabilities (at amortised cost):** The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

(c) The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, trade payables and other financial liabilities approximate their carrying amount largely due to short-term nature of these instruments.

Note 36.3: Financial risk management

The Group has put in place risk management systems as applicable to the respective operations. The following explains the objective and processes of the Group. The Group has a system based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 36.4: Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The entities within the Group have a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk.

Trade receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower

Based on the above analysis, the Group does not expect any credit risk from its trade receivables for any of the years reported in this financial statements except for the amounts disclosed as credit impaired in the below table.

The age wise break up of trade receivables, net of allowances is given below:

Particulars	As at December 31, 2023	As at December 31, 2022
Financial assets that are neither past due nor impaired	18,419.39	21,827.45
Financial assets that are past due but not impaired		
Past due 0-30 days	2,456.10	2,222.37
Past due 31-60 days	702.06	425.31
Past due 61-90 days	57.64	347.96
Past due over 90 days	65.81	117.75
Total past due but not impaired	**3,281.61**	**3,113.39**
Credit impaired	187.99	131.45
Less: Loss allowance	187.99	131.45
Total	**21,701.00**	**24,940.84**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Movement in loss allowance for doubtful trade receivables:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Balance at the beginning of the year	131.45	172.77
Additional provision	72.73	25.74
Provisions utilised/reversed	(15.32)	(59.40)
Foreign exchange fluctuation	(0.87)	(7.66)
Balance at the end of the year	**187.99**	**131.45**

The Group's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	Carrying amount	
	As at December 31, 2023	As at December 31, 2022
United States	2,665.71	3,486.40
North America excluding United States	6,310.05	7,731.88
South America	177.76	135.51
Europe including CIS	5,843.84	7,028.60
Middle East	2,011.99	2,091.90
Africa	396.20	55.03
Australia	4.23	5.24
Asia excluding Middle East	4,291.22	4,406.28
Total	**21,701.00**	**24,940.84**

At December 31, 2023, the carrying amount of trade receivable of the Group's most significant customer is ₹ 2,187.04 (December 31, 2022: ₹ 2,956.85).

The Group's exposure to credit risk for loans (both current and non-current) by geographic region is as follows:

Particulars	Carrying amount	
	As at December 31, 2023	As at December 31, 2022
United States	10.29	0.35
Europe including CIS	0.02	6.45
Asia excluding Middle East	2.45	1,179.09
Total	**12.76**	**1,185.89**

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Cash and bank balances:

Credit risk on cash and bank balances is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Other financial assets:

There is no significant loss allowance for other financial assets.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 36.5: Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. As of December 31, 2023, cash and cash equivalents are held with major banks.

Maturity of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payment and excludes impact of netting arrangements (if any):

As at December 31, 2023

Contractual cash flows	Carrying value*	Less than 1 year	1-2 years	2-5 years	5-10 years	Later	Total
Non-derivative financial liabilities:							
Borrowings	81,734.38	8,557.59	8,349.61	29,676.33	37,404.00	-	83,987.53
Lease liabilities	5,167.39	1,175.48	761.40	1,496.45	2,247.34	2,399.07	8,079.74
Other non-current financial liabilities	49.97	-	-	29.47	20.50	-	49.97
Trade payables	13,493.91	13,493.91	-	-	-	-	13,493.91
Other current financial liabilities	5,706.60	5,706.60	-	-	-	-	5,706.60

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payment and excludes impact of netting arrangements (if any):

As at December 31, 2022

Contractual cash flows	Carrying value*	Less than 1 year	1-2 years	2-5 years	5-10 years	Later	Total
Non-derivative financial liabilities:							
Borrowings	92,251.27	18,716.00	4,410.41	79,484.29	-	-	102,610.70
Lease liabilities	5,062.90	1,096.24	821.79	1,396.77	2,387.49	2,466.99	8,169.28
Other non-current financial liabilities	48.64	-	-	28.07	20.57	-	48.64
Trade payables	15,482.35	15,482.35	-	-	-	-	15,482.35
Other current financial liabilities	5,003.21	5,003.21	-	-	-	-	5,003.21

* Carrying value of borrowings is shown as net of deferred finance cost

Note 36.6: Market risk:

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and borrowings.

Note 36.7: Interest rate risk:

Interest rate risk is measured by using the cashflow sensitivity for change in variable interest rates. Any movement in the market interest rates could have an impact on the Group's cash flows as well as costs. In order to manage the Group's position with regard to interest rate risk, it adopts a policy of ensuring an optimal mix of its interest rate risk exposure. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's borrowing with variable interest rates.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to management is as follows:

Particulars	Interest rate exposure as at	
	December 31, 2023	December 31, 2022
Variable rate instruments		
Financial assets	767.91	1,705.59
Financial liabilities	(42,710.77)	(48,940.99)
	(41,942.86)	**(47,235.40)**

Cash flow Sensitivity for variable rate instruments:

Impact on Profit and loss due to 1% change in interest rate: A reasonably possible change of 1% in interest rates at the reporting date would have increased / (decreased) profit and loss on consolidated equity, by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	December 31, 2023		December 31, 2022	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Impact on profit and loss (before tax)				
Variable-rate instruments	(419.43)	419.43	(472.35)	472.35
Total Impact	**(419.43)**	**419.43**	**(472.35)**	**472.35**

Note 36.8 Currency risk:

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of individual entities in the Group.

The following table analyses foreign currency risk from non derivative financial instruments as at December 31, 2023:

Particulars*	Amount in ₹				Total
Foreign Currency involved	USD	EUR	CAD	Others**	
Assets:					
Cash and bank balances	457.93	80.45	539.66	378.80	1,456.84
EEFC balance	-	-	-	-	-
Trade receivables	7,856.10	274.00	234.62	148.55	8,513.27
Loans	2,596.83	-	-	383.71	2,980.54
Loans and advances to subsidiary	166.23	-	-	-	166.23
Other financial assets	-	161.00	-	-	161.00
	11,077.09	**515.45**	**774.28**	**911.06**	**13,277.88**
Liabilities:					
Trade payables	4,092.74	219.72	955.68	100.91	5,369.05
Borrowings	2,859.47	8,759.05	-	153.78	11,772.30
Other financial liabilities	-	980.80	-	12.08	992.88
Payables on purchase of fixed assets	133.09	-	-	-	133.09
	7,085.30	**9,959.57**	**955.68**	**266.77**	**18,267.32**

*Includes intercompany balances

**Others include RUB, GBP, CHF and others

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The following table analyses foreign currency risk from non derivative financial instruments as at December 31, 2022:

Particulars*	Amount in ₹				Total
Foreign Currency involved	USD	EUR	CAD	Others**	
Assets:					
Cash and bank balances	636.54	21.00	0.73	369.63	1,027.90
EEFC balance	0.37	-	-	-	0.37
Trade receivables	9,711.62	1.54	386.00	87.59	10,186.75
Loans	2,415.40	-	-	268.92	2,684.32
Loans and advances to subsidiary	827.86	-	-	-	827.86
	13,591.79	**22.54**	**386.73**	**726.14**	**14,727.20**
Liabilities:					
Trade payables	2,853.27	777.15	426.61	105.00	4,162.03
Borrowings	5,933.92	565.58	-	-	6,499.50
Other financial liabilities	10.45	-	-	-	10.45
Contractually reimbursable expenses	51.14	-	-	-	51.14
	8,848.78	**1,342.73**	**426.61**	**105.00**	**10,723.12**

*Includes intercompany balances

**Others include RUB, GBP, CHF and others

Sensitivity Analysis:

A reasonably possible strengthening/weakening of the US dollar (USD), Euro (EUR), Canadian Dollar (CAD) against all other currencies as at December 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected consolidated statement of profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Impact on Profit / (loss) before tax and equity before tax due to 1% change in foreign currency rates:

Particulars	December 31, 2023		December 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD	39.92	(39.92)	47.43	(47.43)
EUR	(94.44)	94.44	(13.20)	13.20
CAD	(1.81)	1.81	(0.40)	0.40
Others*	6.44	(6.44)	6.21	(6.21)

*Others include RUB, GBP, CHF and others

Note 37: Investment in equity accounted investees

The Group holds 30% equity in Infratec Duisburg GmbH (IDGmbH) which is involved in infrastructure services located in Germany.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Summary financial information of the equity accounted investees and not adjusted for the percentage of ownership held by the Group, is as follows:

Particulars	As at / For the year ended December 31	
	2023	2022
Total current assets	2,119.51	1,829.55
Total non-current assets	739.66	652.38
Total assets	**2,859.17**	**2,481.93**
Equity	368.03	301.11
Total current liabilities	635.88	587.50
Total non-current liabilities	1,855.26	1,593.32
Total equity and liabilities	**2,859.17**	**2,481.93**
Revenue	3,455.88	2,504.50
Expenses	3,416.39	2,495.07
Profit after tax for the year	**39.49**	**9.43**
Group's share in Profit of associate for the year	11.85	2.83

Note 38: Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity share holders of the parent. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Group monitors capital using a ratio of 'Net debt' to 'equity'. For this purpose, adjusted net debt is defined as total interest-bearing borrowings less cash and cash equivalents. Equity comprises all components of equity excluding non-controlling interest. The Group's Net debt to equity ratio is given below.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowing in the current period.

Particulars	As at December 31, 2023	As at December 31, 2022
Total borrowings, net of cash and cash equivalents	67,682.87	80,574.38
Equity	73,425.37	84,268.37
Net debt to equity ratio	**0.92**	**0.96**

Note 39: Segmental Information

a) Business Segment

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments as follows.

1. Carbon Segment - Carbon comprises of Calcined Petroleum Coke ("CPC"), Green Petroleum Coke ("GPC"), Coal Tar Pitch ("CTP"), Energy produced through Waste-heat recovery and other derivates of Coal Tar distillation.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

2. Advanced Materials Segment - Advanced Materials represent the downstream operations of Coal Tar distillation and comprises of Engineered Products, Chemical Intermediates and Resins.
3. Cement Segment - The manufacture and sale of Cement has been classified as Cement.

No operating segments have been aggregated to form the above reportable operarting segments

The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditures in individual segment, and are set out in significant accounting policies.

The Group evaluates performance and determines resource allocations based on a number of factors, the primary measure being operating profit. Operating profit does not include depreciation and amortization expense, impairment loss, finance costs, share of profit of associates, other income, gain / loss on foreign currency transactions, exceptional items and income taxes. All inter segment transactions are accounted for at agreed upon rates based on transfer pricing agreements.

Particulars	For the year ended December 31, 2023				For the year ended December 31, 2022			
	Carbon	Advanced Materials	Cement	Total	Carbon	Advanced Materials	Cement	Total
Revenue								
External Sales (including other operating revenue)	133,723.66	32,458.00	15,233.19	181,414.85	155,417.82	39,362.38	15,329.77	210,109.97
Inter- Segment Sales	7,233.12	5,431.90	1.15	12,666.17	8,948.39	4,095.10	13.69	13,057.18
Total	**140,956.78**	**37,889.90**	**15,234.34**	**194,081.02**	**164,366.21**	**43,457.48**	**15,343.46**	**223,167.15**
Less: Eliminations	(7,233.12)	(5,431.90)	(1.15)	(12,666.17)	(8,948.39)	(4,095.10)	(13.69)	(13,057.18)
Total Revenue from operations	**133,723.66**	**32,458.00**	**15,233.19**	**181,414.85**	**155,417.82**	**39,362.38**	**15,329.77**	**210,109.97**
Result								
Operating Profit	**14,541.60**	**1,358.98**	**1,019.37**	**16,919.95**	**34,305.27**	**960.19**	**1,214.32**	**36,479.78**
Less: Depreciation and amortisation expense				7,762.68				7,903.10
Less: Impairment loss (Refer note 40 and 53)				7,506.15				465.64
Less: Finance costs				8,191.33				5,237.40
Add: Interest income				1,262.65				497.80
Add/Less: Unallocable income / (expense)				441.81				(101.60)
Add: Share of profit of associate (net of income tax)				11.85				2.83
Profit / (loss) before taxation				**(4,823.90)**				**23,272.67**
Tax expense, net				3,138.09				7,503.70
Profit / (loss) after tax and before minority interest				**(7,961.99)**				**15,768.97**

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. Further, total assets and liabilities balance for each reportable segment is not reviewed by or provided to the CODM. Hence, the details for segment assets and liabilities have not been disclosed in the above table.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Inter-segment revenues are recognised on the basis of generally accepted accounting principles. These are eliminated upon consolidation which is reflected in 'Eliminations' above.

Since the information about material items of income and expense are not reviewed by Chief Operating Decision Maker (CODM), the Group has not presented such information as part of its segment disclosures which is in accordance with requirements of Ind AS 108 - "Operating Segments".

b) Geographical Segment (secondary segment information)

Particulars	Revenue from operations for the		Non-current assets as at*	
	Year ended December 31, 2023	Year ended December 31, 2022	December 31, 2023	December 31, 2022
India	31,607.84	35,695.66	14,697.11	13,305.74
Outside India	149,807.01	174,414.31	105,618.50	113,060.77
	181,414.85	**210,109.97**	**120,315.61**	**126,366.51**

*Non-current assets exclude financial assets, equity accounted investments and deferred tax assets.

Particulars	Revenue from operations for the		Non-current assets as at*	
	Year ended December 31, 2023	Year ended December 31, 2022	December 31, 2023	December 31, 2022
Europe including CIS	63,013.50	74,756.75	53,259.81	55,500.37
Asia excluding Middle East (Including India)	35,609.36	40,006.29	14,697.18	13,306.17
United States	30,293.94	35,157.08	45,030.18	51,131.51
North America excluding United States	35,261.84	38,532.71	7,328.44	6,428.46
Others	17,236.21	21,657.14	-	-
Total	**181,414.85**	**210,109.97**	**120,315.61**	**126,366.51**

*Non-current assets exclude financial instruments, equity accounted investments, deferred tax assets and post-employment benefit assets.

Note: Revenue by geographic area in the above table are attributed by the destination country of sale.

Revenue from major products:

Major product	For the year ended December 31	
	2023	2022
Calcined petroleum coke	59,804.00	75,681.00
Coal tar pitch	44,463.00	49,969.00
Other carbon products	27,353.00	26,741.00

Revenue from major customer:

The revenue from Group's one of the major customer (contributing more than 10% of revenue) amounting to ₹ 18,294.18 is reported in Carbon Segment. There were no major customers contrubuting more than 10% of Group revenue in previous year.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 40: Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. Accordingly, the following are considered as cash generating units (Refer note1 for description of above CGU's) for the impairment assessment and the aggregate carrying amount of goodwill (net of impairment) allocated to each unit are as follows:

		As at December 31, 2023	As at December 31, 2022
(a)	Carbon Calcination	29,442.52	34,899.38
(b)	Carbon Distillation - other than (c) below	29,666.05	30,101.90
(c)	Carbon Distillation - OOO RÜTGERS Severtar	951.22	937.81
(d)	Advanced Materials	2,384.69	2,286.01
(e)	Cement	201.37	201.37
		62,645.85	**68,426.47**

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

The recoverable amounts of the above cash generating units/group of cash generating units have been assessed being higher of fair value less cost of disposal and value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit/group of cash generating units to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. It was concluded that the fair value less costs of disposal approximates to the value in use.

During the recent period, the Group has seen confluence of geopolitical situations, macroeconomic factors, including rising interest rates and volatility in energy costs impacting the economic environment in all the Cash Generating Units ("CGUs"). In light of these uncertainties, the Group has undertaken assessment of its impact on each CGU/group of CGU's. Due to these macroeconomic factors, the recoverable values in two of its CGUs/group of CGU's (Carbon Calcination and Carbon Distillation - other than OOO RÜTGERS Severtar) are below their carrying-values due to significant increase in cost of capital during the current year and increase in operating costs.

Since Value in use was assessed to be higher than the fair value less cost of disposal the same has been considered as the recoverable value and accordingly, the Group has recognised a non-cash impairment charge towards Goodwill in the Consolidated statement of profit and loss amounting to ₹ 5,606.74 in Carbon – Calcination and ₹ 1,712.24 in Carbon – Distillation - other than OOO RÜTGERS Severtar, respectively, as on December 31, 2023.

Key assumptions on which the Group has based its determination of value-in-use include:

a) Estimated cash flows for five years based on approved budget and management estimates.

b) The net operating cashflows forecasts are based on historical trends, approved financial plan for the FY 2024 and adjusted to give effect of the geopolitical situations, macroeconomic factors including volatility in energy costs, expected plant capacity, revenue growth based on demand forecasts and effect of the order issued by Commission for Air Quality Management, New Delhi in its Order dated February 15, 2024 (Refer Note 54 for details).

c) Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity, using a constant long-term growth rate for various CGU's/group of CGU's. This long-term growth rate takes into consideration external macro-economic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

d) The post-tax discount rates used are based on the capital structure of a peer group in accordance with Ind AS 36.

e) Value-in-use is calculated using after tax assumptions. The use of after tax assumptions does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using before tax assumptions.

As at December 31, 2023

	Carbon Calcination	Carbon Distillation - OOO RÜTGERS Severtar	Carbon Distillation - other than OOO RÜTGERS Severtar	Advanced Materials	Cements
Discount rate	11.00% - 14.00%	19.00%	10.50%	11.00%	12.00%
Terminal value growth rate	2%	2%	0.75%	0.75%	2.00%

As at December 31, 2022

	Carbon Calcination	Carbon Distillation - OOO RÜTGERS Severtar	Carbon Distillation - other than OOO RÜTGERS Severtar	Advanced Materials	Cements
Discount rate	9.50% - 14.00%	20.90%	8.50%	9.50%	12.00%
Terminal value growth rate	2%	2%	0.75%	0.75%	2.00%

Sensitivity to changes in key assumptions is set out as below:

Particulars	Impact on impairment	
	Carbon Calcination	Carbon Distillation - other than OOO RÜTGERS Severtar
Change in discount rate		
- Increase by 0.5%	2,683.15	2,488.77
Change in net operating cash flows		
- Decrease by 5%	2,882.38	2,580.95
Change in terminal value growth rate		
- Decrease by 0.2%	749.61	553.06

The Group believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit pertaining to Carbon Distillation - OOO Rutgers Severtar and Cements. For Advanced Materials CGU, the recoverable value exceeds carrying value of the CGU by ~ ₹ 2,117.63 million and an increase in discount rate by ~ 1% and reduction in net operating cash flows by ~ 0.5% (estimated net operating cash flows 4.5% to 5.5%) for the said CGU would result carrying amount being equal to the recoverable value. Also, there would be no impairment in case of Terminal value growth rate considered as 0% retaining other assumptions constant.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 41: Non-controlling interest

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interests (NCI)

December 31, 2023	Severtar Holding Group
Non-controlling interest percentage	34.7%
Non-current assets	2,436.90
Current assets	10,610.60
Non-current liabilities	(397.30)
Current liabilities	(701.24)
Net assets	**11,948.96**
Net assets attributable to non-controlling interests	4,146.29
Revenue	12,221.26
Profit for the year	4,077.23
Other comprehensive loss	(2,157.96)
Total comprehensive income	**1,919.27**
Profit allocated to non-controlling interests	1,414.80
Other comprehensive loss allocated to non-controlling interests	(748.81)
Total comprehensive income allocated to non-controlling interests	**665.99**
Cash flows from operating activities	3,447.15
Cash flows from investing activities	383.58
Cash flows used in financing activities (Dividend to NCI: Nil)	(674.41)
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(1,065.06)
Net increase in cash and cash equivalents	2,091.26

December 31, 2022	Severtar Holding Group
Non-controlling interest percentage	34.7%
Non-current assets	3,039.15
Current assets	8,883.21
Non-current liabilities	(1,187.42)
Current liabilities	(835.11)
Net assets	**9,899.83**
Net assets attributable to non-controlling interests	3,435.25
Revenue	16,038.97
Profit for the year	3,996.16
Other comprehensive income	1,004.62
Total comprehensive income	**5,000.78**
Profit allocated to non-controlling interests	1,386.67
Other comprehensive income / (loss) allocated to non-controlling interests	348.60
Total comprehensive income allocated to non-controlling interests	**1,735.27**
Cash flows from operating activities	4,133.00
Cash flows used in investing activities	(848.08)
Cash flows used in financing activities (Dividend to NCI: ₹ 731.22)	(2,204.93)
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	552.53
Net increase in cash and cash equivalents	1,632.52

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 42: Assets and liabilities related to employee benefits

The Group has various employee benefit schemes covering different categories of employees based on their location of employment.

a) Contribution plans:

Amounts towards defined contribution plans have been recognised under "Contributions to provident and other funds" in Note 32 of ₹ 1,509.01 for the year ended December 31, 2023 (December 31, 2022 - ₹ 167.96).

b) Compensated absences:

The Group provides for accumulation of compensated absences to certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods or receive cash in lieu thereof as per the Group's policy. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded towards this benefit as at December 31, 2023 is ₹ 428.55 (December 31, 2022 - ₹ 402.59).

The following table sets forth the status of the compensated absences:

Particulars	As at December 31, 2023	As at December 31, 2022
Net Liability		
- Current	428.55	82.19
- Non-current	-	320.40
Total	**428.55**	**402.59**

c) Benefit plans:

The Group has various employee benefit plans covering different categories of employees based on their location of employment.

The various benefit plans are as follows:

(A) Gratuity plan in India

(B) Pension plan in United States of America

(C) Pension plan in Germany

(D) Pension plan in Belgium

(E) Pension plan in Canada

(F) Health care plan in Canada

Inherent risk:

The plans are defined benefit in nature which is sponsored by the Group and hence it underwrites all the risk pertaining to the plans. In particular, this exposes the Group, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plans are not subject to longevity risk.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

A. Gratuity plan in India:

In accordance with applicable Indian laws, the Company and its Indian subsidiaries have a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Vesting occurs on completion of 5 years of service. The Group makes annual contribution in Gratuity funds of Insurance companies. The Parent and its Indian subsidiaries account for the liability for gratuity benefits payable in the future based on an actuarial valuation. The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

(i) Amounts recognised in the Consolidated Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligation	233.73	200.16
Less: Fair value of plan assets	47.68	48.99
Net liability	**186.05**	**151.17**

(ii) Net employee benefits expense (recognised in employee benefits expense):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	16.64	17.19
Interest cost	10.83	10.61
Total	**27.47**	**27.80**

(iii) Net employee benefits expense / (benefit) (recognised in other comprehensive income):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of defined benefit plans	22.88	(18.09)

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening defined benefit obligation	200.16	207.17
Current service cost	16.64	17.19
Interest Cost	13.24	12.24
Actuarial loss/(gain)		
Changes in financial assumptions	12.36	(9.33)
Changes in demographic assumptions	0.10	(0.41)
Experience adjustments	11.19	(7.00)
Amount paid to employees	(19.96)	(19.70)
Closing defined benefit obligation	**233.73**	**200.16**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(v) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening fair value of plan assets	48.99	39.17
Interest on plan assets	2.41	1.63
Actuarial gain	0.77	1.35
Contribution by employer	15.47	26.54
Amount paid to employees	(19.96)	(19.70)
Closing fair value of plan assets	**47.68**	48.99
Actual return on plan assets	**3.18**	**2.98**

(vi) Major Category of plan assets as a percentage to fair value of plan assets:

Particulars	As at December 31, 2023	As at December 31, 2022
Insurer managed funds	100%	100%

(vii) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rates on benefit obligations	7.25%-7.35%	7.45%-7.50%
Expected salary increase rates	8.00% - 8.50%	7.00% - 8.00%

(viii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(5.45)	5.76
Future salary growth (0.5% movement)	5.32	(5.12)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(5.25)	5.57
Future salary growth (0.5% movement)	5.33	(5.08)

(ix) The expected contribution to be made by the Group during the next annual reporting period is ₹ 57.28 (December 31, 2022: ₹ 12.00).

(x) As at December 31, 2023, the weighted average duration of the defined benefit obligation is in the range of 3.73 to 6.68 years (December 31, 2022: 5.21 to 6.50 years).

(xi) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the Funds during the estimated term of the obligations.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(xii) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	62.85	45.76
Year 2	35.33	23.82
Year 3	31.04	26.67
Year 4	21.57	24.65
Year 5	24.20	17.43
Thereafter	203.38	205.28

(xiii) The following table sets forth the status of the benefit plans:

Particulars	As at December 31, 2023	As at December 31, 2022
Net Liability		
- Current	30.77	12.33
- Non-current	155.28	138.85
Total	**186.05**	**151.19**

B. Pension plan in United States of America:

The subsidiaries in the United States of America (USA) have a non-contributory defined benefit pension plan covering hourly employees in the USA. Benefits under the hourly employees' plan are based on years of service and age. Their funding policy is to contribute amounts to meet minimum funding requirements, plus additional amounts as the subsidiary companies may determine to be appropriate.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

(i) Amounts recognised in the Consolidated Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligation	947.99	888.66
Less: Fair value of plan assets	758.48	697.38
Net liability*	**189.51**	**191.28**

*Represents non-current portion

(ii) Net employee benefits expense (recognised in employee benefits expense):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	24.58	37.88
Past service cost	10.35	17.54
Interest cost	43.07	30.04
Interest on plan assets	(42.04)	(50.61)
Total	**35.96**	**34.85**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(iii) Net employee benefits expense / (benefit) (recognised in other comprehensive income):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of Defined Benefit Plans	(38.79)	(145.43)

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening defined benefit obligation	888.66	1,059.84
Current service cost	24.58	37.88
Past service cost	10.35	17.54
Interest Cost	43.07	30.04
Actuarial (gain) / loss	10.59	(349.53)
Amount paid to employees	(33.16)	(30.26)
Exchange differences	3.90	123.15
Closing defined benefit obligation	**947.99**	**888.66**

(v) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening fair value of plan assets	697.38	790.36
Interest on plan assets	42.04	50.61
Actuarial (loss) / gain	49.38	(204.10)
Amount paid to employees	(33.16)	(30.26)
Exchange differences	2.84	90.77
Closing fair value of plan assets	**758.48**	**697.38**
Actual return on plan assets	**91.42**	**(153.49)**

(vi) Major Category of plan assets as a percentage to fair value of plan assets:

Particulars	As at December 31, 2023	As at December 31, 2022
Equity securities	54%	50%
Debt securities	44%	45%
Others	2%	5%

(vii) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rates on benefit obligations	4.80%	4.99%
Expected rate of return on plan assets	6.25%	6.25%

Assumptions regarding future mortality and experience are set in accordance with Scale MP - 2022. The discount rate is based on the FTSE spot rates as at balance sheet date for estimated term of obligation.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(viii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	57.05	(71.72)
Attrition rate (0.5% movement)	0.92	(1.08)
Future mortality (0.5% movement)	(14.55)	15.07

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	50.51	(63.34)
Attrition rate (0.5% movement)	0.90	(1.07)
Future mortality (0.5% movement)	(13.09)	13.57

(ix) The expected contribution to be made by the Group during the next annual reporting period is ₹ 62.21 (December 31, 2022: ₹ Nil).

(x) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

(xi) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	45.12	44.84
Year 2	48.75	45.08
Year 3	51.01	48.14
Year 4	51.30	49.98
Year 5	52.50	49.97
Year 6 - Year 10	284.67	257.14

C. Pension plan in Germany:

In respect of subsidiary companies in Germany, the Group has defined benefit retirement plans covering its employees. Pension provisions are recognized for obligations due to benefit plans for old age, invalidity, and surviving dependent's benefits. Benefits vary according to the legal, tax, and economic circumstances prevailing in each relevant country. Benefits are usually based on the length of service and final salary of employees. The Pension plan in Germany is unfunded.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

(i) Amounts recognised in the Consolidated Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of unfunded obligation	8,009.67	6,506.67
Less: Fair value of plan assets	-	-
Net liability*	**8,009.67**	**6,506.67**

*Represents non-current portion

(ii) Net employee benefits expense (recognised in employee benefits expense):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	172.29	401.09
Interest cost	245.74	103.20
Total	**418.03**	**504.29**

(iii) Net employee benefits expense / (benefit) (recognised in other comprehensive income):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of Defined Benefit Plans	864.16	(5,185.91)

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening defined benefit obligation	6,506.67	10,762.49
Current service cost	172.29	401.09
Interest Cost	245.74	103.20
Actuarial (gain) / loss	864.16	(5,185.91)
Plan participant contributions	64.24	48.15
Amount paid to employees	(140.50)	(120.87)
Exchange differences	297.07	498.52
Closing defined benefit obligation	**8,009.67**	**6,506.67**

(v) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening fair value of plan assets		
Contribution by employer	76.26	72.72
Plan participant contributions	64.24	48.15
Amount paid to employees	(140.50)	(120.87)
Closing fair value of plan assets	**-**	**-**
Actual return on plan assets	**-**	**-**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(vi) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rates on benefit obligations	3.17%	3.77%
Expected salary increase rates	3.00%	3.00%

Assumptions regarding future mortality and experience are set in accordance with Heubeck 2018G. The discount rate is based on the IBoxx Corporate AA 10+ Indices as at balance sheet date for estimated term of obligation.

(vii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(734.66)	854.05
Future salary growth (0.5% movement)	11.13	(10.98)
Weighted average duration	19.9Years	20.86Years

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(574.53)	664.07
Future salary growth (0.5% movement)	10.88	(10.71)
Weighted average duration	18.48Years	19.43Years

(viii) The expected contribution to be made by the Group during the next annual reporting period is ₹ 143.55 (December 31, 2022: ₹ 147.13).

(ix) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

(x) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	171.32	147.13
Year 2	192.15	164.91
Year 3	209.26	180.86
Year 4	231.18	195.60
Year 5	253.26	216.39
Year 6 - Year 10	1,573.54	1,375.99

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

D. Pension plan in Belgium:

In respect of subsidiary companies in Belgium, the Group has defined benefit retirement plans covering its employees. Pension provisions are recognized for obligations due to benefit plans for old age, invalidity, and surviving dependents' benefits. Benefits vary according to the legal, tax, and economic circumstances prevailing in each relevant country. Benefits are usually based on the length of service and final salary of employees. Pension plan in Belgium is funded.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

(i) Amounts recognised in the Consolidated Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligation	1,859.63	1,638.41
Less: Fair value of plan assets	1,630.83	1,425.70
Net liability*	**228.80**	**212.71**

*Represents non-current portion

(ii) Net employee benefits expense (recognised in employee benefits expense):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	99.74	120.44
Interest cost	61.01	16.78
Interest on plan assets	(55.50)	(12.49)
Total	**105.25**	**124.73**

(iii) Net employee benefits expense / (benefit) (recognised in other comprehensive income):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of Defined Benefit Plans	102.89	(318.75)

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening defined benefit obligation	1,638.41	1,773.42
Current service cost	99.74	120.44
Interest Cost	61.01	16.78
Actuarial (gain) / loss	93.42	(292.47)
Administrative expenses, taxes and insurance premiums	(62.14)	(43.16)
Plan participant contributions	30.57	21.97
Amount paid to employees	(74.84)	(46.55)
Exchange differences	73.46	87.98
Closing defined benefit obligation	**1,859.63**	**1,638.41**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(v) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening fair value of plan assets	1,425.70	1,246.43
Interest on plan assets	55.50	12.49
Actuarial gain / (loss)	(9.47)	26.28
Contribution by employer	198.84	141.51
Plan participant contributions	30.57	21.97
Administrative expenses, taxes and insurance premiums	(62.14)	(43.16)
Amount paid to employees	(74.84)	(46.55)
Exchange differences	66.67	66.73
Closing fair value of plan assets	**1,630.83**	**1,425.70**
Actual return on plan assets	**46.03**	**38.77**

(vi) Major Category of plan assets as a percentage to fair value of plan assets:

Particulars	As at December 31, 2023	As at December 31, 2022
Insurer managed funds	100%	100%

(vii) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rates on benefit obligations	3.17%	3.77%
Expected rate of return on plan assets	2.20%	2.20%
Expected salary increase rates	2.50%	2.50%

Assumptions regarding future mortality and experience are set in accordance with MR/FR-5. The discount rate is based on the IBoxx Corporate AA 10+ Indices as at balance sheet date for estimated term of obligation.

(viii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(101.58)	110.76
Future salary growth (0.5% movement)	-	-
Weighted average duration	11.62Years	11.91Years

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(88.63)	96.86
Future salary growth (0.5% movement)	(3,276.81)	(3,276.81)
Weighted average duration	11.12Years	11.48Years

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ix) The expected contribution to be made by the Group during the next annual reporting period is ₹ 146.20 (December 31, 2022: ₹ 140.10).

(x) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

(xi) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	61.49	65.00
Year 2	7.54	48.80
Year 3	73.06	7.26
Year 4	109.66	82.57
Year 5	187.91	109.34
Year 6 - Year 10	807.39	855.39

E. Pension plan in Canada:

In respect of subsidiary companies in Canada, the Group has defined benefit retirement plans covering its employees. Pension provisions are recognized for obligations due to benefit plans for old age, invalidity, and surviving dependents benefits. Benefits vary according to the legal, tax, and economic circumstances prevailing in each relevant country. Benefits are usually based on the length of service and final salary of employees.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

(i) Amounts recognised in the Consolidated Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligation	1,979.63	1,803.81
Less: Fair value of plan assets	2,285.87	2,049.64
Net asset*	**(306.24)**	**(245.83)**

*Represents non-current portion

(ii) Net employee benefits expense (recognised in employee benefits expense):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	13.70	26.85
Past service cost	-	41.91
Interest cost	91.95	65.93
Interest on plan assets	(105.29)	(77.41)
Administrative expenses	10.71	6.04
Total	**11.07**	**63.32**

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(iii) Net employee benefits expense / (benefit) (recognised in other comprehensive income):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of Defined Benefit Plans	(43.98)	63.94

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening defined benefit obligation	1,803.81	2,038.86
Current service cost	13.70	26.85
Past service cost	-	41.91
Interest Cost	91.95	65.93
Actuarial (gain) / loss	116.86	(391.28)
Plan participant contributions	3.32	3.55
Amount paid to employees	(102.84)	(90.86)
Exchange differences	52.83	108.85
Closing defined benefit obligation	**1,979.63**	**1,803.81**

(v) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening fair value of plan assets	2,049.64	2,364.14
Interest on plan assets	105.29	77.41
Actuarial gain / (loss)	160.84	(455.22)
Contribution by employer	19.98	30.60
Plan participant contributions	3.32	3.55
Administrative expenses, taxes and insurance premiums	(10.71)	(6.04)
Amount paid to employees	(102.84)	(90.86)
Exchange differences	60.35	126.06
Closing fair value of plan assets	**2,285.87**	**2,049.64**
Actual return on plan assets	**266.13**	**(377.81)**

(vi) Major Category of plan assets as a percentage to fair value of plan assets:

Particulars	As at December 31, 2023	As at December 31, 2022
Others	100%	100%

(vii) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rates on benefit obligations	4.65%	5.25%
Expected rate of return on plan assets	4.80%	4.40%
Expected salary increase rates	3.00%	4.00%

The discount rate is based on the Mercer Yield Curve Indices as at balance sheet date for estimated term of obligation.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(viii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(121.98)	133.68
Future salary growth (0.5% movement)	0.67	(0.62)
Weighted average duration	10.67Years	11.05Years

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below.

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(117.46)	128.82
Future salary growth (0.5% movement)	1.64	(1.43)
Weighted average duration	10.67Years	11.13Years

(ix) The expected contribution to be made by the Group during the next annual reporting period is ₹ 43.02 (December 31, 2022: ₹ 41.22).

(x) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

(xi) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	119.62	114.02
Year 2	128.30	116.21
Year 3	134.90	124.46
Year 4	134.29	132.05
Year 5	139.35	131.24
Year 6 - Year 10	718.34	702.26

F. Health care plan in Canada:

One of the subsidiaries in Canada have non-pension post-employment benefit plans funded on a cash basis by contribution from the subsidiaries. The plan is for the purpose of providing medical and dental benefits for retirees and eligible dependents and life insurance for retirees. The plan is funded on a pay-as-you-go basis. The subsidiary funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide for the plan. The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2023. The following table sets forth the status of the various defined benefit plans of the Group and the amounts recognised in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(i) Amounts recognised in the Consolidated Balance Sheet are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Present value of funded obligation	480.01	453.62
Less: Fair value of plan assets	-	-
Net liability*	**480.01**	**453.62**

*Represents non-current portion

(ii) Net employee benefits expense (recognised in employee benefits expense):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	21.93	32.67
Interest cost	23.41	17.46
Total	**45.34**	**50.13**

(iii) Net employee benefits expense / (benefit) (recognised in other comprehensive income):

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Remeasurements of Defined Benefit Plans	(14.72)	(148.20)

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Opening defined benefit obligation	453.62	535.48
Current service cost	21.93	32.67
Interest Cost	23.41	17.46
Actuarial loss/(gain)	(14.72)	(148.20)
Amount paid to employees	(18.33)	(14.56)
Exchange differences	14.10	30.77
Closing defined benefit obligation	**480.01**	**453.62**

(v) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rates on benefit obligations	4.65%	5.25%
Annual increase in health cost		
Initial trend rate	5.65%	5.65%
Ultimate trend rate	4.00%	4.00%
Year ultimate trend rate is reached	2040	2040

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Assumptions regarding future mortality and experience are set in accordance with 2014 Private Sector Canadian Pensioners Mortality Table (CPM2014Priv) with projection scale CPM-B. The discount rate is based on the Mercer Yield Curve as at balance sheet date for estimated term of obligation.

(vi) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2023 shown below.

Particulars	Increase	Decrease
Health care cost trend rates (0.5% movement)	24.99	(20.46)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2022 shown below.

Particulars	Increase	Decrease
Health care cost trend rates (0.5% movement)	24.38	(18.16)

(vii) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

(viii) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2023	As at December 31, 2022
Year 1	18.40	18.25
Year 2	20.92	20.01
Year 3	22.42	22.21
Year 4	23.78	23.62
Year 5	25.85	25.03
Year 6 - Year 10	144.16	148.09

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 43: Related Party Disclosures

a) Names of related parties and description of relationship

Key Managerial Personnel (KMP) and their relatives	1. Mr. N. Radha Krishna Reddy Managing Director
	2. Mr. Jagan Mohan Reddy Nellore Non-Executive Director
	3. Mr. N. Sujith Kumar Reddy Non-Executive Director
	4. Mr. N. Venkata Pranav Reddy Relative of Managing Director
	5. Mr. N. Shiv Keshav Reddy Relative of Managing Director
	6. Mr. N. Sridutt Reddy Relative of Managing Director
	7. Mr. T. Srinivasa Rao Chief Financial Officer
	8. Mr. S. Venkat Ramana Reddy Company Secretary
	9. Ms. N Indira Reddy Relative of Managing Director
	10. Ms. N Anupama Reddy Relative of Non-Executive Director
Enterprise where key managerial personnel along with their relatives exercise significant influence	1. Rain Entertainments Private Limited (REPL)
	2. Rain Enterprises Private Limited (REnPL)
	3. Nivee Holdings Private Limited
	4. Nivee Property Developers Private Limited (NPDPL)
	5. Sujala Investments Private Limited
	6. Pragnya Priya Foundation (PPF)
	7. Arunachala Holdings Private Limited
	8. Arunachala Logistics Private Limited
	9. PCL Financial Services Private Limited
	10. Protector Facilities Management Private Limited
Non-executive directors and their relatives	1. Mr. Jagan Mohan Reddy Nellore - Vice Chairman (Non-Executive Director)
	2. Mr. N. Sujith Kumar Reddy - Non-Executive Director
	3. Mr. Brian Jude McNamara - Independent Director (Chairman)
	4. Mr. Varun Batra - Independent Director
	5. Mr. Robert Thomas Tonti - Independent Director
	6. Ms. B. Shanti Sree - Independent Director (with effect from February 28, 2023)
	7. Ms. Nirmala Reddy - Independent Director (till February 28, 2023)
	8. Ms. Radhika Vijay Haribhakti - Independent Director (till June 11, 2023)
	9. Ms. N Akhila Reddy - Relative of Non-executive Director
Equity accounted investees	1. InfraTec Duisburg GmbH (IDGmbH) (Investment by Rain Carbon Germany GmbH)

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

b) Transactions with related parties:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Purchases and services (net of reimbursements) from :		
a) InfraTec Duisburg GmbH	761.94	881.63
b) Protector Facilities Management Private Limited	1.22	-
c) Arunachala Logistics Private Limited	5,602.10	5,471.61
Sale of cement:		
a) Rain Entertainments Private Limited	0.04	0.05
b) Pragnya Priya Foundation	0.16	0.02
c) Nivee Property Developers Private Limited	0.95	2.81
d) Arunachala Logistics Private Limited	57.39	38.77
Other operating income		
a) InfraTec Duisburg GmbH	114.76	107.79
b) Arunachala Logistics Private Limited - Rental Income	0.64	0.54
c) Arunachla Logistics Private Limited - Sale of Gypsum & Conveyor Belt	0.10	0.10
d) Pragnya Priya Foundation - Rental Income	0.06	0.06
Other operating expenses		
a) Arunachala Logistics Private Limited - Rental Expenses	4.12	4.04
b) Protector Facilities Management Private Limited - Man Power Services	88.06	71.49
Managerial remuneration (Short term employee benefits) (See Note (iii) below)		
a) T. Srinivasa Rao	22.01	20.62
b) S. Venkat Ramana Reddy	7.01	6.20
Remuneration, commission and sitting fees to relatives of KMP		
a) N. Sujith Kumar Reddy (managing director of a wholly owned subsidiary)	32.36	37.33
b) N. Venkata Pranav Reddy (son of managing director of a wholly owned subsidiary)	6.68	2.32
c) N. Shiv Keshav Reddy (son of managing director of a wholly owned subsidiary)	0.15	0.06
d) N. Sridutt Reddy (relative of managing director)	9.55	2.70
Sitting fees to Non-executive directors of the Company (Refer note (iv) below)	4.59	5.55
Commission to Non-executive directors of the Company (Refer note (iv) below)	2.99	3.00
Dividend paid		
a) Enterprise where key managerial personnel along with their relatives exercise significant influence		
- Sujala Investments Private Limited	37.77	37.77
- Rain Enterprises Private Limited	25.32	25.32
- Nivee Holdings Private Limited	8.14	8.14
- Arunachala Holdings Private Limited	5.27	5.27
- PCL Financial Services Private Limited	3.78	3.78
- Arunachala Logistics Private Limited	0.99	0.99
b) Key Managerial Personnel and their relatives		
- N. Radha Krishna Reddy	10.38	10.38
- T. Srinivasa Rao	0.09	0.09
- N Indira Reddy	7.51	7.51
- N Anupama Reddy	27.30	27.30
- Jagan Mohan Reddy Nellore*	-	-
c) Non-executive directors		
- N. Sujith Kumar Reddy	10.03	10.03
- N Akhila Reddy	1.87	1.87
Corporate social responsibility expense		
a) Pragnya Priya Foundation	126.98	71.20

*Rounding off norm adopted by the company. The actual amount is ₹ 100 in absoulte terms

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The Group has the following dues from / to related parties:

Particulars	As at December 31, 2023	As at December 31, 2022
Advances paid to		
a) InfraTec Duisburg GmbH	-	245.99
b) Arunachala Logistics Private Limited	73.90	252.85
Amounts receivable from		
a) Pragnya Priya Foundation	0.06	0.06
b) InfraTec Duisburg GmbH	109.12	-
Amounts payable to		
a) InfraTec Duisburg GmbH	112.28	-
b) Commission payable to Non-executive directors	2.99	3.00
c) Protector Facilities Management Private Limited	2.43	1.40
d) N. Sujith Kumar Reddy (managing director of a wholly owned subsidiary)	10.00	15.00

(i) No trade or other receivables are due from directors or other officers of the Group or any of them either severally or jointly with any other persons or amounts due from firms or private limited companies respectively in which any director is a partner or a director or a member other than disclosed above.

(ii) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end is unsecured and settlement occurs in cash.

(iii) **Long term employee benefits for Key Managerial Personnel:**
The managerial personnel are covered by Company's gratuity policy and are eligible for compensated absences along with the employees of the Company. The proportionate amount of gratuity and compensated absences cost pertaining to managerial remuneration have not been included in aforementioned disclosures as these are not determined on individual basis.

(iv) **Sitting fees and commission to Non-executive directors of the Company:**

Name of the Director	Sitting fees		Commission	
	For the year ended		For the year ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Ms. Radhika Vijay Haribhakti	0.38	0.92	0.34	0.60
Ms. Nirmala Reddy	0.32	1.14	0.14	0.60
Mr. Varun Batra	0.76	0.92	0.68	0.60
Mr. Robert Thomas Tonti	0.91	0.92	0.67	0.60
Mr. Brian Jude Mcnamara	1.50	1.65	0.68	0.60
Ms. B. Shanti Sree	0.72	-	0.48	-
Total	**4.59**	**5.55**	**2.99**	**3.00**

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 44: Additional information to Consolidated Financial Statements

S. No	Name of the Company	As at December 31, 2023		For the year ended December 31, 2023					
		Net Assets i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Other comprehensive income (OCI)		Total comprehensive income (TCI)	
		As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
	Parent								
	Rain Industries Limited	4.86	9,225.69	8.82	530.57	0.30	(1.83)	9.77	528.74
	Subsidiaries								
	Indian								
1	Rain Cements Limited	4.56	8,651.90	8.04	484.14	1.09	(6.64)	8.83	477.50
2	Renuka Cement Limited	0.14	261.82	0.07	4.20	-	-	0.08	4.20
3	Rain CII Carbon (Vizag) Limited	10.87	20,613.39	(4.49)	(270.50)	1.42	(8.64)	(5.16)	(279.14)
4	Rain Verticals Limited	-	0.45	-	(0.13)	-	-	-	(0.13)
	Foreign								
5	Rain Commodities (USA) Inc.	12.04	22,846.63	19.51	1,174.26	1.07	(6.49)	21.59	1,167.77
6	Rain Carbon Inc.	15.13	28,704.58	129.18	7,774.42	(1.30)	7.94	143.85	7,782.36
7	Rain Holding Limited[1]	5.24	9,944.88	(0.40)	(24.13)	14.30	(87.01)	(2.05)	(111.14)
8	Rain Global Services LLC	-	-	-	-	-	-	-	-
9	Rain CII Carbon LLC	14.48	27,476.45	(118.05)	(7,104.93)	(30.64)	186.41	(127.88)	(6,918.52)
10	Rain Carbon Canada Inc.	4.54	8,616.83	5.49	330.65	(46.88)	285.27	11.38	615.92
11	Rain Carbon BV[2]	7.04	13,356.69	17.52	1,054.61	(247.79)	1,507.72	47.36	2,562.33
12	VFT France S.A	0.75	1,430.92	0.87	52.16	(14.02)	85.33	2.54	137.49
13	Rumba Invest BVBA & Co. KG	-	(2.15)	1.80	108.33	0.01	(0.05)	2.00	108.28
14	Rain Carbon Germany GmbH	6.88	13,051.18	2.84	171.18	43.45	(264.40)	(1.72)	(93.22)
15	RÜTGERS Resins BV[3]	-	-	0.59	35.25	(23.20)	141.18	3.26	176.43
16	Severtar Holding Ltd.[4]	1.26	2,390.92	(0.02)	(0.94)	(14.69)	89.39	1.63	88.45
17	OOO RÜTGERS Severtar	6.23	11,814.97	67.77	4,078.14	359.52	(2,187.59)	34.95	1,890.55
18	OOO Rain Carbon LLC	0.11	209.88	0.42	25.45	7.06	(42.94)	(0.33)	(17.49)
19	Rain Carbon Poland Sp. z. o. o	0.29	556.74	0.82	49.48	(7.02)	42.70	1.70	92.18
20	Rain Carbon (Shanghai) Trading Co. Ltd.	0.07	123.62	0.21	12.83	0.69	(4.22)	0.16	8.61
21	Rain Carbon Wohnimmobilien GmbH & Co. KG	0.08	155.81	(0.90)	(54.16)	(1.15)	6.98	(0.87)	(47.18)
22	Rain Carbon Gewerbeimmobilien GmbH & Co. KG	0.48	909.34	1.73	104.32	(4.20)	25.57	2.40	129.89
23	Rain Carbon GmbH	4.95	9,400.51	(41.82)	(2,516.76)	61.98	(377.15)	(53.49)	(2,893.91)
	Sub total	**100.00**	**189,741.05**	**100.00**	**6,018.44**	**100.00**	**(608.47)**	**100.00**	**5,409.97**
	Less: Inter company adjustments/ eliminations		(112,086.64)		(13,992.28)		(1,267.99)		(15,260.27)
	Non-controlling interests		(4,229.04)		(1,417.07)		748.86		(668.21)
	Share of profit of associate (net of income tax):								
	InfraTec Duisburg GmbH		-		11.85		-		11.85
	TOTAL		**73,425.37**		**(9,379.06)**		**(1,127.60)**		**(10,506.66)**

Net assets, share in profit or loss, other comprehensive income and total comprehensive income for parent company, subsidiaries and associate are as per the standalone financial statements of the respective entities.

Notes:

1. New entity incorporated on June 30, 2023
2. Ownership got transferred from Rain Carbon GmbH to Rain Carbon Inc on June 30, 2023
3. Liquidated on November 13, 2023
4. Ownership got transferred from Rain Carbon GmbH to Rain Holding Limited on June 30, 2023

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

S. No	Name of the Company	As at December 31, 2022		For the year ended December 31, 2022					
		Net Assets i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Other comprehensive income (OCI)		Total comprehensive income (TCI)	
		As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated OCI	Amount	As a % of Consolidated TCI	Amount
	Parent								
	Rain Industries Limited	4.97	9,033.31	1.09	277.47	-	(0.01)	0.78	277.46
	Subsidiaries								
	Indian								
1	Rain Cements Limited	4.54	8,251.94	3.04	775.64	0.12	12.22	2.22	787.86
2	Renuka Cement Limited	0.14	257.62	(0.18)	(47.14)	-	-	(0.13)	(47.14)
3	Rain CII Carbon (Vizag) Limited	12.71	23,117.44	26.48	6,753.41	0.01	1.32	19.07	6,754.73
4	Rain Verticals Limited	-	0.58	-	(0.06)	-	-	-	(0.06)
	Foreign								
5	Rain Commodities (USA) Inc.	8.35	15,182.78	1.05	268.19	(1.28)	(126.49)	0.40	141.70
6	Rain Carbon Inc.	12.10	22,000.31	18.50	4,719.19	(0.97)	(95.85)	13.05	4,623.34
7	Rain Carbon Holdings, LLC[1]	-	-	-	-	-	-	-	-
8	Rain Global Services LLC	-	-	-	-	-	-	-	-
9	Rain CII Carbon LLC	21.21	38,578.37	34.80	8,876.52	24.19	2,398.40	31.83	11,274.92
10	CII Carbon Corp.[2]	-	-	-	-	-	-	-	-
11	Rain Carbon Canada Inc.	4.40	7,999.62	1.97	502.66	4.36	432.69	2.64	935.35
12	Rain Carbon BV	8.20	14,909.34	9.23	2,354.48	8.33	826.06	8.98	3,180.54
13	VFT France S.A	0.74	1,319.56	0.13	27.23	0.16	16.35	0.12	43.58
14	Rumba Invest BVBA & Co. KG	-	(2.06)	0.41	104.57	-	(0.16)	0.29	104.41
15	Rain Carbon Germany GmbH	7.47	13,587.60	(10.03)	(2,557.67)	33.15	3,287.02	2.06	729.35
16	RÜTGERS Resins BV	1.03	1,878.59	0.09	22.55	0.89	87.81	0.31	110.36
17	Severtar Holding Ltd.	1.26	2,291.81	(0.04)	(10.57)	1.31	129.44	0.34	118.87
18	OOO RÜTGERS Severtar	5.37	9,774.66	15.71	4,007.41	5.26	521.16	12.79	4,528.57
19	OOO Rain Carbon LLC[3]	0.13	243.50	0.08	21.21	0.28	27.58	0.14	48.79
20	Rain Carbon Poland Sp. z. o. o	0.29	523.52	0.27	69.57	(0.06)	(6.36)	0.18	63.21
21	Rain Carbon (Shanghai) Trading Co. Ltd.	0.06	113.26	0.01	3.49	0.03	2.91	0.02	6.40
22	Rain Carbon Wohnimmobilien GmbH & Co. KG	0.11	202.43	(0.07)	(17.02)	0.09	9.01	(0.02)	(8.01)
23	Rain Carbon Gewerbeimmobilien GmbH & Co. KG	0.42	768.55	0.19	49.15	0.26	25.39	0.21	74.54
24	Rain Carbon GmbH	6.50	11,822.09	(2.73)	(695.98)	23.87	2,366.63	4.72	1,670.65
	Sub total	**100.00**	**181,854.82**	**100.00**	**25,504.30**	**100.00**	**9,915.12**	**100.00**	**35,419.42**
	Less: Inter company adjustments/ eliminations		(97,586.45)		(9,738.16)		(440.61)		(10,178.77)
	Non-controlling interests		-		(1,382.52)		(348.37)		(1,730.89)
	Share of profit of associate (net of income tax):								
	InfraTec Duisburg GmbH		-		2.83		-		2.83
	TOTAL		**84,268.37**		**14,386.45**		**9,126.14**		**23,512.59**

Net assets, share in profit or loss, other comprehensive income and total comprehensive income for parent company, subsidiaries and associate are as per the standalone financial statements of the respective entities.

Notes:

1. Merged with RCI on December 27, 2022
2. Merged with RCC on January 27, 2022
3. Ownership got transferred from RCBV to RIL on April 27, 2022

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 45: Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at December 31, 2023	As at December 31, 2022
(I) Contingent liabilities		
(a) Claims against the Group not acknowledged as debt *		
- Income tax	225.84	233.70
- Wheeling charges [Refer note A below]	447.76	1,149.91
- Grid support charges [Refer note B below]	37.13	291.65
- Operating charges of state load dispatch centre and minimum energy/ demand	2.95	3.64
- Customs Duty, Sales Tax, Service Tax and Excise Duty related matters under dispute	2,007.95	1,978.14
- Fuel Surcharge Adjustment levied by Electricity Distributing Companies	192.58	34.57
- Others	466.69	482.30

Note (A):

(i) In 2002, the erstwhile Rain Calcining Limited had disputed the order of Andhra Pradesh Electricity Regulatory Commission ('APERC') in respect of wheeling charges before the Honorable High Court of Andhra Pradesh. The Honorable High Court of Andhra Pradesh had set aside the order of APERC. Transmission Corporation of Andhra Pradesh ('AP Transco') filed a Special Leave Petition in the Honorable Supreme Court of India against the order of the Honorable High Court of Andhra Pradesh. On November 29, 2019, the Honorable Supreme court pronounced its judgement ordering that the wheeling charges are to be levied as per the tariff order passed by APERC. Subsequently, the Company received claims from various distribution companies amounting to ₹ 1,149.91 (including other charges). The Company had issued a bank guarantee amounting to ₹ 146.96 for the aforesaid matter. The Company has disputed the aforesaid claim as the Management believes that the claim is not tenable based on the judgement given by the Supreme Court.

(ii) On December 19, 2023, Telangana High Court, pronounced in one of the writ petition that, the cross subsidy surcharge is not applicable to the generators covered under 43A(1)(c) of the Indian Electricity Supply Act, 1948 and Electricity (Removal of Difficulties) Second order, 2005 dated 8 June 2005 issued by Government of India. The management is awaiting the withdrawal of the demand notices issued from the distribution companies towards cross subsidy surcharge. Considering the favourable judgement of Telangana High Court, the Management believes that there would be no demand against the Company for the Cross subsidy surcharge and hence the contingent liability relating to cross subsidy charges is reduced.

The Company does not expect the outcome of the proceedings relating to wheeling and transmission charges to have a material and adverse effect on its financial position and accordingly no adjustment in respect thereof is expected.

Note (B):

On December 14, 2023, Andhra Pradesh Electricity Regulatory Commission (APERC), pronounced that, the levy of Grid support charges will only be to the extent of captive consumption and directed Eastern Power Distribution Company of A.P. Limited (APEPDCL), to revise the demand. As per the tariff order conditions, the management expects that there would be no liability of GSC. Hence the contingent liability is reduced in the current year.

*In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group. The Group is contesting these demands and the Management, including its advisors, believe that its position will likely be upheld in the appellate process. No expense has been accrued in the consolidated financial statements for the demands raised. The Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

Particulars	As at December 31, 2023	As at December 31, 2022
(b) Corporate Guarantees issued **Disclosure of Corporate guarantees given as per provisions of Section 186(4) of the Companies Act 2013**		
- As at the beginning of the year	300.00	-
- Given during the year	330.00	300.00
- Settled/ expired during the financial year - Guarantee and contingent Liability	300.00	-
- As at the end of the year	330.00	300.00
One of the Group's subsidiaries in India has provided a corporate guarantee to one of its power customers to the extent of ₹ 330.00 (as at Decemebr 31, 2022: ₹ 300.00) for securing its obligation towards charges levied by APSPDCL for the period from January 2020 to March 2023.		

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Particulars	As at December 31, 2023	As at December 31, 2022
(II) Commitments Estimated amounts of contracts remaining to be executed on capital account and not provided for [net of Capital advances of ₹ 777.69 (December 31, 2022: ₹ 815.99)]	1,024.93	1,156.07

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account.

Note 46: Additional Regulatory Information

(i) The Holding Company or its Indian subsidiaries are not declared a wilful defaulter by any bank or financial Institution or other lender.

(ii) The Group has not revalued its Property, plant and equipment (including Right of use assets) and intangible assets during the year.

(iii) On disbursal, the loan has been utilised by the Group for the purpose for which it was obtained and no short term funds have been used for long term purpose.

(iv) During the year there are no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(v) Capital-Work-in Progress (CWIP):

(a) Capital work in progress ageing schedule:

As at December 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	>3 years	
Projects in progress	2,251.16	663.57	261.32	551.44	3,727.49
Projects temporarily suspended	0.82	0.37	82.31	508.42	591.92

As at December 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	>3 years	
Projects in progress	2,637.93	631.35	132.57	499.59	3,901.44
Projects temporarily suspended	27.44	81.52	455.39	203.43	767.78

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule:

As at December 31, 2023

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	>3 years
Projects in progress				
Project 3	543.67	-	-	-
Projects temporarily suspended				
Project 2	473.75	-	-	-
Total	**1,017.43**	-	-	-

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

As at December 31, 2022

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	>3 years
Projects in progress				
Project 1	275.44	-	-	-
Projects temporarily suspended				
Project 2	516.56	-	-	-
Total	**792.00**	**-**	**-**	**-**

(vi) There are no proceedings that have been initiated or pending against the Holding Company or its Indian Subsidiaries for holding any Benami Property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vii) The Holding Company and its Indian Subsidiaries has borrowings from banks on the basis of security of current assets. The quarterly return or statements of current assets filed by the Holding company and its Indian Subsidiaries with such banks are in agreement with the books of accounts.

(viii) The Holding Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) The Group have not advanced or loaned or invested funds, to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x) The Group have not received any fund, from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xi) **Undisclosed income:** The Group does not have any undisclosed income in terms of any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessment.

(xii) The Holding Company or its Indian subsidiaries have not entered into any transaction with the companies struck off as per Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended December 31, 2023.

However, one of the Indian subsidiary, Rain Cements Limited, has balances outstanding with nature of transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of the struck off company	Nature of transactions with struck off company	Transaction during the year	Balance Outstanding	Relationship with the struck off company
Plg Power And Infra Private Limited	Deposit Payable to Customer	-	0.03	N/A
Cemtrademarketing Syndicate Private	Deposit Payable to Customer	-	0.15	N/A
Shruthi Homes And Paving Blocks	Deposit Payable to Customer	-	0.02	N/A

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 47: Leases

The Group has entered into various operating lease agreements for assets comprising of storage and other facilities.

During the year ended December 31, 2023, the Group recognised the following in the consolidated statement of profit and loss:

(a) expense in respect of short-term leases ₹ 711.88 (December 31, 2022: 517.73)

(b) expense in respect of variable lease payments not included in the measurement of lease liabilities ₹ 61.56 (December 31, 2022: 88.75)

Cash outflow on leases are as follows:

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Principal payment on lease liabilities	881.52	900.13
Interest payment on lease liabilities	228.89	219.80
Total cash outflow on leases	**1,110.41**	**1,119.93**

The future minimum lease payments are as follows:

Particulars	As at December 31, 2023	As at December 31, 2022
- Not later than 1 year	1,175.48	1,096.24
- Later than 1 year and not later than 5 years	2,257.85	2,218.56
- Beyond 5 years	4,646.41	4,854.48

The Group's exposure to leases not yet commenced to which Group is committed is ₹ 1,400.00 (December 31, 2022: 1,555.35).

Note 48: Earnings per Equity Share (EPS)

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
a. Net profit / (loss) after tax attributable to the owners of the Holding Company considered for calculation of basic and diluted earnings per share	(9,379.06)	14,386.45
b. Weighted average number of equity shares of ₹ 2/- each outstanding during the year (Nos.)	336,345,679	336,345,679
Earnings / (loss) per Equity Share		
c. Basic and Diluted - [a]/[b] - (₹ in absolute terms)	(27.89)	42.77

Note 49: Net Investment Hedge

The Group has designated the 'foreign currency loan' as a hedging instrument to hedge its net investment in a non-integral foreign operation, with effect from January 1, 2009. In November 2023, the said loan has been repaid by the Group. The translation loss/(gain) for the year ended December 31, 2023 on such foreign currency loan, determined as an effective net investment hedge, recognised in the foreign currency translation reserve included in Note 18 - Other equity is ₹ 2.70 (December 31, 2022: ₹ 78.86).

Notes

forming part of the Consolidated Financial Statements for the year ended December 31, 2023

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 50: Net investment in foreign operations

During the year ended December 31, 2023, the Group has designated certain portion of inter-company loans between US subsidiary and German subsidiary as net investment in foreign operation with effect from October 1, 2023, considering the long-term nature of the same. Accordingly, the foreign exchange (gain) / loss on such foreign currency loan recognised in the statement of profit and loss in the separate financial statements of the subsidiary is recognised directly through Other Comprehensive Income in Equity amounting to ₹ 600.62 in the consolidated financial statements. The same will be transferred to the statement of profit and loss upon repayment/settlement in future.

The Group supports its overseas subsidiaries through non-current loans wherever required and in respect of any loan, which is considered in substance a part of the net investment in a non-integral foreign operation, the exchange difference arising on translation of such loans will be accumulated in “”Foreign currency translation reserve”” as per Ind AS 21 - “The Effects of Changes in Foreign Exchange Rates”. The Group has designated certain non-current loans effective July 1, 2015 which was de-designated during 2018. The outstanding balance in Foreign Currency Translation Reserve as on December 31, 2023 is ₹ 442.16 (December 31, 2022: ₹ 442.16) which will be reclassfied to profit and loss upon sale of investment in subsidiary.

Note 51: Provision for environment liabilities including site restoration

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Balance at the beginning of the year	1,541.92	1,426.23
Additional provision made	312.59	372.86
Provisions utilised	(96.15)	(125.49)
Change in estimates, including timing	-	(35.98)
Accretion expense	5.51	(53.10)
Unused amounts reversed during the year	(285.46)	(107.65)
Foreign currency exchange rate changes	58.73	65.05
Balance at the end of the year	**1,537.14**	**1,541.92**
Non-current provision	1,339.79	1,221.72
Current provision	197.35	320.20
Total	**1,537.14**	**1,541.92**

Note 52: Other provisions

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Balance at the beginning of the year	597.57	298.06
Additional provision made	235.90	534.43
Provisions utilised/reversed	(163.01)	(234.92)
Foreign currency exchange rate changes	(26.69)	-
Balance at the end of the year	**643.77**	**597.57**
Non-current provision	63.25	80.23
Current provision	580.52	517.34
Total	**643.77**	**597.57**

Note 53: Impairment of assets

a) During the year ended December 31, 2023, the Group has re-evaluated the status of certain projects which are under Capital work in progress in the foreign subsidiaries. Based on the current status and the management evaluation, the Group has recognised an impairment loss of ₹ 187.17 (December 31, 2022: ₹ 465.64) in the consolidated statement of profit and loss for the year ended December 31, 2023.

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

b) During the year 2022, the Group had temporarily shut-down one of its operating unit in Europe. The carrying value of the relevant asset as at December 31, 2022 amounted to ₹ 7,838.30. The management had evaluated the impact of the same on impairment, if any, on the entity as well as at group level and concluded that no impairment is required.

During the year 2023, the plant has re-started its operations. Basis the developments in current year, management has assessed and concluded that there is no change in management assessment on impairment in the current year.

Note 54: Subsequent events

On February 15, 2024, based on the earlier directions given by the Supreme Court of India on October 10, 2023, the Commission for Air Quality Management ("CAQM"), New Delhi, has issued order giving relief to the pet coke import restrictions in India. CAQM has reviewed the total requirement of Raw Petroleum Coke ("RPC") and Calcined Petroleum Coke ("CPC") consumption in India and increased the limit to import of RPC to 1.9 Million Tons per annum from the year 2024-25 onwards as against the present annual limit of 1.4 Million Tons per annum.

Accordingly, management believes, the Carbon Calcination CPC Unit in Domestic Tariff Area will receive higher allocation to import RPC from next Financial Year onwards. In regard to the Carbon Calcination CPC Unit set-up in Special Economic Zone ("SEZ Unit"), CAQM has approved to import RPC and CPC as per the Consent to Operate (CTO) given by the Andhra Pradesh Pollution Control Board. Accordingly, SEZ Unit is allowed to import GPC of 0.488 Million Tons and CPC of 0.370 Million Tons. The above factors were considered in determining the impairment charge during the year end December 31, 2023 that there could be increase in capacity utilisation and higher sales volumes which could result in improvement in performance of CGU of Carbon - Calcination.

Note 55: Russia-Ukraine war

Due to the global implications of the 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. Based on the management's assessment, the Group has been in compliance with the various sanctions imposed. 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.

As per our report of even date attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Vikas Pansari
Partner
Membership number: 093649

Place: Mumbai
Date: February 23, 2024

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

S. Venkat Ramana Reddy
Company Secretary
M. No.: A14143

Place: Hyderabad
Date: February 23, 2024

Notes

Corporate information

Board of Directors

Mr. Brian Jude McNamara	Chairman (Independent Director)
Mr. N. Radhakrishna Reddy	Managing Director
Mr. Jagan Mohan Reddy Nellore	Vice Chairman (Non-Executive Director)
Mr. N. Sujith Kumar Reddy	Non-Executive Director
Mr. Varun Batra	Independent Director
Ms. B. Shanti Sree	Independent Director
Mr. Robert Thomas Tonti	Independent Director

Chief Financial Officer

Mr. T. Srinivasa Rao

Company Secretary

Mr. S. Venkat Ramana Reddy

Statutory Auditors

S. R. Batliboi & Associates LLP
Chartered Accountants,
The Skyview 10, 18th Floor,
"Zone A", Survey No. 83/1,
Raidurgam, Hyderabad- 500032,
Telangana, India.

Internal Auditors

Mr. R. Balasubramanian,
Chief Internal Auditor,
"Rain Center",
34, Srinagar Colony,
Hyderabad-500 073,
Telangana State, India.

Secretarial Auditors

DVM & Associates LLP
Practicing Company Secretaries
6/3/154-159, Flat No. 303,
3rd Floor, Royal Majestic,
Prem Nagar Colony,
Near Banjara Hills Care Hospital,
Hyderabad – 500 004,
Telangana State, India.

Registered office

"Rain Center",
34, Srinagar Colony,
Hyderabad-500 073,
Telangana State, India.
Phone No.+ 91 (40) 40401234
Fax No. + 91 (40) 40401214
Email: secretarial@rain-industries.com
Website: www.rain-industries.com
CIN: L26942TG1974PLC001693

Banks

IDBI Bank Limited
Citibank, NA
ICICI Bank Limited

Registrars & Share Transfer Agents

KFIN Technologies Limited
(Unit: Rain Industries Limited)
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032,
Telangana State, India.
Fax: +91 40 23420814
Phone: +91 40 67161566
e-mail: einward.ris@kfintech.com
murthy.psrch@kfintech.com

RAIN INDUSTRIES LIMITED

Regd. Office: “RAIN Center”, 34, Srinagar Colony,
Hyderabad - 500 073, Telangana State, India