

**Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of Rain Industries Limited, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Rain Industries Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Rain Industries Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), and its associate for the quarter ended March 31, 2024 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

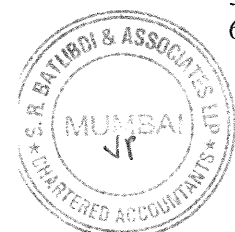
4. The Statement includes the results of the following entities:

**Holding company:**

Rain Industries Limited, India

**Subsidiaries:**

1. Rain Cements Limited
2. Renuka Cements Limited
3. Rain Verticals Limited
4. Rain CII Carbon (Vizag) Limited
5. Rain Commodities (USA) Inc.
6. Rain Carbon Inc.



7. Rain CII Carbon LLC
8. Rain Holding Limited (with effect from June 30, 2023)
9. Rain Carbon GmbH
10. Rain Carbon Canada Inc.
11. Rain Carbon BV
12. Rain Carbon Germany GmbH
13. Rain Carbon Poland Sp.zo.o.
14. OOO Rutgers Severtar
15. Rain Global Services LLC
16. Rain Carbon Wohnimmobilien GmbH & Co. KG
17. Rain Carbon Gewerbeimmobilien GmbH & Co. KG
18. Rain Carbon LLC
19. VFT France SA
20. Rumba Invest BVBA & Co. KG
21. Severtar Holding Ltd. (refer note 5 in accompanying unaudited consolidated financial results)
22. Rutgers Resins BV (liquidated w.e.f. November 13, 2023)
23. Rain Carbon (Shanghai) Trading Co. Ltd.

**Associate:**

Infratech Duisburg GmbH, Germany

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of a subsidiary, whose unaudited interim financial results reflect total revenues of Rs. 2,656.62 million, total net profit after tax of Rs. 898.05 million, and total comprehensive income of Rs. 898.05 million for the quarter ended March 31, 2024, as considered in the Statement which have been reviewed by its independent auditor.

The independent auditor's report on interim financial results of this entity has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this subsidiary is based solely on the report of such auditor and procedures performed by us as stated in paragraph 3 above.

7. The subsidiary as stated in para 6 above is located outside India whose financial results and other financial information has been prepared in accordance with accounting principles generally accepted in its respective country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of 9 subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs. 191.01 million, total net profit/(loss) after tax of Rs. 4,550.53 million and total comprehensive income of Rs. 4550.53 million, for the quarter ended March 31, 2024, and an associate, whose interim financial results includes the Group's share of net profit/loss of Rs. Nil and Group's share of total comprehensive income of Rs. Nil for the quarter ended March 31, 2024.

The unaudited interim financial results and other unaudited financial information of these subsidiaries and an associate have not been reviewed by any auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, and associate, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6, 7 and 8 above is not modified with respect to our reliance on the work done and the report of the other auditor and the financial results/ financial information certified by the Management.

## **For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



**per Vikas Pansari**

Partner

Membership No.: 093649

UDIN: 24093649 BKGPQG5719

Place: Mumbai

Date: May 9, 2024

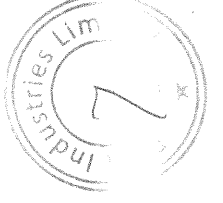




RAIN INDUSTRIES LIMITED  
CIN: L26942TG1974PLC001693

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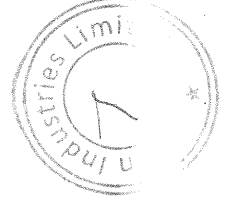
Statement of Unaudited Consolidated Financial Results for the Quarter ended March 31, 2024 (Rupees in Millions, except per share data)						
Particulars	Quarter ended			Year ended		
	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2023	December 31, 2023	
	Unaudited	Audited - see Note 8 below	Unaudited	Audited	Audited	
<b>1 Income</b>						
(a) Revenue from operations	36,702.36	41,005.80	52,534.94	181,414.85		
(b) Other income	536.59	719.05	247.99	1,786.79		
<b>Total income</b>	<b>37,238.95</b>	<b>41,724.85</b>	<b>52,782.93</b>	<b>183,201.64</b>		
<b>2 Expenses</b>						
(a) Cost of materials consumed	16,575.95	16,018.58	20,610.11	72,647.39		
(b) Purchases of stock-in-trade	4,131.69	6,575.66	11,132.60	33,568.70		
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(92.46)	2,276.32	1,433.61	4,801.30		
(d) Employee benefits expense	3,425.64	3,403.34	3,352.92	13,256.45		
(e) Finance costs (Refer note 4 below)	2,349.76	2,453.39	1,627.80	8,191.33		
(f) Depreciation and amortisation expense	1,949.11	1,953.45	1,927.26	7,762.68		
(g) Impairment loss (Refer note 2 below)	-	7,506.15	-	7,506.15		
(h) (Gain) / Loss on foreign currency transactions and translations, net	(286.89)	738.48	94.73	82.33		
(i) Other expenses	9,524.76	10,604.99	10,573.60	40,221.06		
<b>Total expenses</b>	<b>37,577.56</b>	<b>51,530.36</b>	<b>50,752.63</b>	<b>188,037.39</b>		
<b>3 Profit / (loss) before share of profit of associate and tax (1-2)</b>	<b>(338.61)</b>	<b>(9,805.51)</b>	<b>2,030.30</b>	<b>(4,835.75)</b>		
4 Share of profit of associate (net of income tax)	-	11.85	-	11.85		
<b>5 Profit / (loss) before tax (3+4)</b>	<b>(338.61)</b>	<b>(9,793.66)</b>	<b>2,030.30</b>	<b>(4,823.90)</b>		
6 Tax expense / (benefit), net						
- Current tax	1,034.39	218.00	419.89	2,269.14		
- Deferred tax charge / (credit), net	(208.57)	777.01	191.62	868.95		
<b>Total tax expense, net</b>	<b>825.82</b>	<b>995.01</b>	<b>611.51</b>	<b>3,138.09</b>		
<b>7 Net profit / (loss) for the period/year (5-6)</b>	<b>(1,164.43)</b>	<b>(10,788.67)</b>	<b>1,418.79</b>	<b>(7,961.99)</b>		



8	<b>Other comprehensive income / (loss) (net of tax) for the period/year</b>						
(a)	Items that will not be reclassified to profit or loss:						
	Remeasurements of defined benefit plans	330.35	(1,412.32)				(892.44)
	Income tax relating to items that will not be reclassified to profit or loss	(101.14)	142.63				10.31
(b)	Items that will be reclassified to profit or loss:						
	Foreign currency translation reserve	(1,333.70)	3,244.45		(708.12)		(393.71)
	Exchange difference arising on net investment in foreign operation (Refer note 3 below)	320.34	(600.62)		-		(600.62)
	Income tax relating to items that will be reclassified to profit or loss	-	-		-		-
	<b>Total other comprehensive income / (loss) (net of tax)</b>	<b>(784.15)</b>	<b>1,374.14</b>		<b>(708.12)</b>		<b>(1,876.46)</b>
9	<b>Total comprehensive income / (loss) for the period/year (7+8)</b>	<b>(1,948.58)</b>	<b>(9,414.53)</b>		<b>710.67</b>		<b>(9,838.45)</b>
10	<b>Profit / (loss) attributable to:</b>						
	Owners of the Company	(1,458.67)	(11,187.52)		1,053.72		(9,379.06)
	Non-controlling interests	294.24	398.85		365.07		1,417.07
	<b>Net Profit / (loss) for the period/year</b>	<b>(1,164.43)</b>	<b>(10,788.67)</b>		<b>1,418.79</b>		<b>(7,961.99)</b>
11	<b>Other comprehensive income / (loss) attributable to:</b>						
	Owners of the Company	(643.30)	1,037.82		(446.25)		(1,127.60)
	Non-controlling interests	(140.85)	336.32		(261.87)		(748.86)
	<b>Other comprehensive income / (loss) for the period/year</b>	<b>(784.15)</b>	<b>1,374.14</b>		<b>(708.12)</b>		<b>(1,876.46)</b>
12	<b>Total comprehensive income / (loss) attributable to:</b>						
	Owners of the Company	(2,101.97)	(10,149.70)		607.47		(10,506.66)
	Non-controlling interests	153.39	735.17		103.20		668.21
	<b>Total comprehensive income / (loss) for the period/year</b>	<b>(1,948.58)</b>	<b>(9,414.53)</b>		<b>710.67</b>		<b>(9,838.45)</b>
13	Paid-up equity share capital (Face value of INR 2/- per share)	672.69	672.69		672.69		672.69
14	Other equity						72,752.68
15	Earnings / (loss) Per Share - Basic and Diluted (Face value of INR 2/- each)	(4.34)	(33.26)		3.13		(27.89)
	(See accompanying notes to the unaudited Consolidated Financial Results)	(not annualised)	(not annualised)		(not annualised)		

**Notes:**

- The above Statement of unaudited consolidated financial results of Rain Industries Limited ("the Company") along with its subsidiaries (hereinafter referred to as "the Group"), which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on May 8, 2024 and May 9, 2024 respectively. The Statutory Auditors have carried out a limited review on the unaudited consolidated financial results and issued unmodified report thereon.



2 The Group had recognised a non-cash impairment charge towards Goodwill in Consolidated Statement of Profit and Loss amounting to INR 5,606.74 in Carbon – Calcination and INR 1,712.24 in Carbon – Distillation, as on December 31, 2023 as part of its annual impairment assessment considering geopolitical situations, macroeconomic factors, including rising interest rates and volatility in energy costs impacting the economic environment in which the Cash Generating Units (“CGUs”) operate. With the relief granted by Commission for Air Quality Management, New Delhi in its Order dated February 15, 2024, the impairment charge was determined considering the relief provided in the Order, however there could be increase in capacity utilisation and higher sales volumes in the CGU of Carbon – Calcination which results in improvement in its performance. The Group is in process of implementing the revised business strategy and the same is subject to normal implementation risks.

During the quarter ended December 31, 2023, the Group had re-evaluated the status of certain projects which are under Capital work in progress in the foreign subsidiaries. Based on the status of the project and management evaluation, the Group had recognised an impairment charge of INR 187.17 in the consolidated statement of profit and loss for the quarter and year ended December 31, 2023.

3 In October 2023, the Group had designated certain portion of inter-company loans between US and Germany subsidiaries 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, determined as an effective net investment in foreign operation is recognised directly through Other Comprehensive Income in Equity. The same will be transferred to the statement of profit and loss upon de-designation/repayment in future.

4 In August 2023, the Group’s subsidiary, Rain Carbon Inc. (RCI), had refinanced its existing Senior Secured Notes due in April 2025 (“2025 Notes”) by issuing US\$ 450.0 million Senior Secured Notes due in September 2029 (“2029 Notes”) and amended and extended the maturity of existing Term Loan B (“TLB”) amounting to €353.5 million from January 2025 to October 2028. Further, RCI has additionally repaid principal of US\$30.0 million on existing Notes due 2025 and €36.5 million on the TLB bringing the principal balance on long term debt down by approximately INR 5,773.43 (US\$ 69.8 million). The 2029 Notes and the TLB are issued at an interest rate of 12.25% (fixed) and EURIBOR + 5% (floating) respectively and are guaranteed by RCI and its subsidiaries in Belgium, Canada, Germany and the USA. The unamortised deferred financing cost relating to existing 2025 Notes and TLB aggregating to INR 318.74 (US\$ 3.9 million) have been expensed during the year ended December 31, 2023 and included in the finance cost.

5 Due to the global implications of the conflict between Russia and Ukraine that started in February 2022, there has been 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 evaluated information 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 loans and repatriation of dividends between group entities, etc. Based on the internal assessment, the management believes that the operations of its Russian entities and the rest of the entities are largely independent of each other and hence it does not foresee any significant impact of the above events on its consolidated financial results. Severtar Holding Limited (SHL), parent company of OOO Rutgers Severtar (“OORS”), is in the process of re-domiciliation, and based on the completion of preliminary steps with other foreign jurisdiction, has received dividend from OORS which was further distributed to its shareholders. Further, the Group has complied with the various laws and regulations including sanctions imposed. Considering the continuing uncertainties, the Group will continue to closely monitor any material changes to future economic conditions.

6 Certain Standalone information of the Company in terms of the Regulation 47(1)(b) of the SEBI (listing obligation and disclosure requirements) Regulations, 2015:

Particulars	Quarter ended				Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2023	December 31, 2023	
	Unaudited	Audited - see Note 8 below	Unaudited	Audited	Unaudited	Audited
Revenue from operations	270.63	347.79	153.61	1,241.48		
Profit / (loss) before tax	(34.10)	(43.14)	(1.58)	597.19		
Profit / (loss) after tax	(34.01)	(45.51)	(9.87)	530.57		



Particulars	Quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2023	
	Unaudited	Audited - see Note 8 below	Unaudited	Audited	
<b>1) Segment revenue</b>					
(a) Carbon	26,131.25	30,776.91	42,697.50	140,956.78	
(b) Advanced Materials	9,079.46	8,119.60	9,249.15	37,889.90	
(c) Cement	3,669.91	4,262.37	3,773.46	15,234.34	
<b>Total</b>	<b>38,880.62</b>	<b>43,158.88</b>	<b>55,720.11</b>	<b>194,081.02</b>	
Less: Inter segment revenue	2,178.26	2,153.08	3,185.17	12,666.17	
<b>Revenue from operations</b>	<b>36,702.36</b>	<b>41,005.80</b>	<b>52,534.94</b>	<b>181,414.85</b>	
<b>2) Segment results</b>					
(a) Carbon	2,315.16	2,214.47	4,917.26	14,541.60	
(b) Advanced Materials	660.90	(608.37)	284.12	1,358.98	
(c) Cement	160.72	520.81	230.72	1,019.37	
<b>Total</b>	<b>3,136.78</b>	<b>2,126.91</b>	<b>5,432.10</b>	<b>16,919.95</b>	
Less: Depreciation and amortisation expense	1,949.11	1,953.45	1,927.26	7,762.68	
Less: Impairment loss	-	7,506.15	-	7,506.15	
Less: Finance costs	2,349.76	2,453.39	1,627.80	8,191.33	
Add: Interest income	494.54	441.60	215.76	1,262.65	
Add/Less: Unallocable income / (expense)	328.94	(461.03)	(62.50)	441.81	
Add: Share of profit of associate (net of income tax)	-	11.85	-	11.85	
<b>Profit / (loss) before tax</b>	<b>(338.61)</b>	<b>(9,793.66)</b>	<b>2,030.30</b>	<b>(4,823.90)</b>	

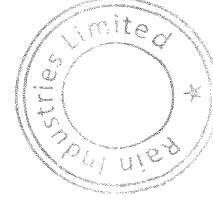
**Segmental assets and liabilities:**

The assets and liabilities of the Group are often deployed interchangeably between segments, therefore it is impractical to allocate these assets and liabilities to each segment. Further, total assets and liabilities balances 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.

8 The figures for the quarter ended December 31 are the balancing figures between the audited figures in respect of the full financial year ended December 31 and the unaudited figures for the nine months ended September 30.

9 The Investors can view the unaudited Consolidated Financial Results of the Company on the Company's website [www.rain-industries.com](http://www.rain-industries.com) or on the BSE Limited's website [www.bseindia.com](http://www.bseindia.com) or on the National Stock Exchange of India Limited's website [www.nseindia.com](http://www.nseindia.com).

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



*(Signature)*

**N Radha Krishna Reddy**  
 Managing Director  
 DIN: 000211052

Place: Hyderabad  
 Date: May 9, 2024