RAIN INDUSTRIES LIMITED

Earnings Presentation – Q3 CY17

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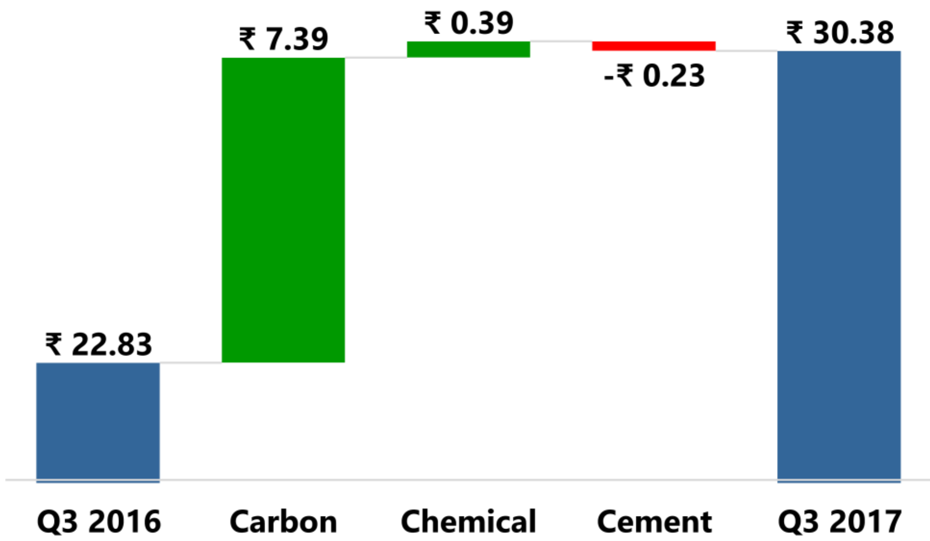
RAIN INDUSTRIES LIMITED (“the Company” or “RAIN”): Rain is a leading vertically integrated global producer of a diversified portfolio of carbon, cement and chemical products that are essential raw materials for staples of everyday life. We operate in three business segments: carbon cement and chemicals. Our carbon business segment converts the by-products of oil refining and steel production into high value carbon products that are critical raw materials for the aluminum, graphite, carbon black, wood preservation, titanium dioxide, refractory and several other global industries. Our cement segment consists of two integrated Cement Plants that operate in the South Indian market producing 2 primary grades of cement, OPC and PPC. Our chemicals business segment extends the value chain of our carbon processing through the downstream refining of a portion of this output into high value chemical products that are critical raw materials for the specialty chemicals, coatings, construction, petroleum and several other global industries. We have longstanding relationships with most of our major customers, including several of the largest companies in the global aluminum, graphite and specialty chemicals industries, and with most of our major raw material suppliers, including several of the world’s largest oil refiners and steel producers. Our scale and process sophistication provides us the flexibility to capitalize on market opportunities by selecting from a wide range of raw materials, adjusting the composition of our product mix and producing products that meet exacting customer specifications, including several specialty products. Our production facility locations and integrated global logistics network also strategically positon us to capitalize on market opportunities by addressing raw material supply and product demand on a global basis in both established and emerging markets.

Forward Looking Statement

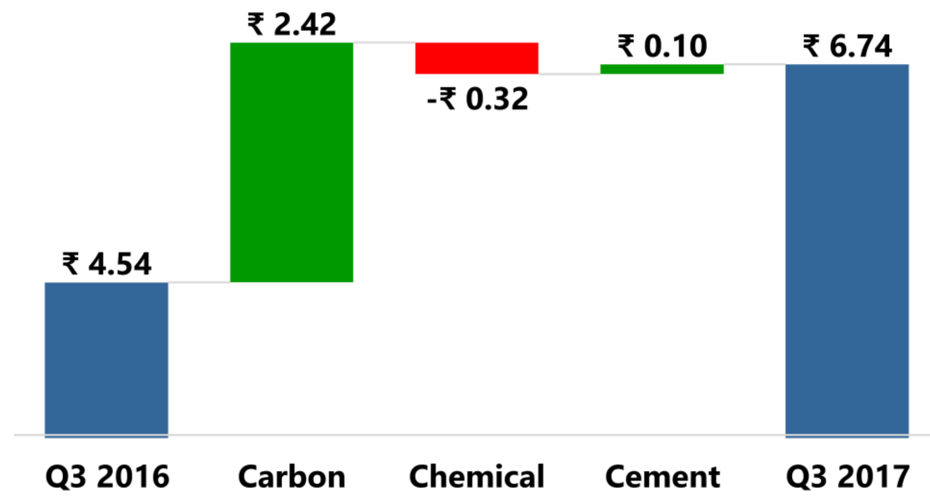
This presentation contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including our statements addressing our expectations for segment volumes and earnings, the factors we expect to impact earnings in each segment, demand for our products, our expected uses of cash, and our expected tax rate, are forward looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict. If known or unknown risks materialize, or should underlying assumptions prove inaccurate, our actual results could differ materially from past results and from those expressed in the forward-looking statement. Important factors that could cause our results to differ materially from those expressed in the forward-looking statements include, but are not limited to lower than expected demand for our products; the loss of one or more of our important customers; our failure to develop new products or to keep pace with technological developments; patent rights of others; the timely commercialization of products under development (which may be disrupted or delayed by technical difficulties, market acceptance, competitors' new products, as well as difficulties in moving from the experimental stage to the production stage); changes in raw material costs; demand for our customers' products; competitors' reactions to market conditions; delays in the successful integration of structural changes, including acquisitions or joint ventures; the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries where we do business; and severe weather events that cause business interruptions, including plant and power outages or disruptions in supplier or customer operations.

Consolidated Performance – Q3 CY17

(₹ in Billions)



Revenue



Adjusted EBITDA

Highlights in Q3 CY17

- Expansion projects completed over past two years, improved capacity utilisations are contributing to revenue and EBITDA growth.
- Industry fundamentals enabling improved realisations and higher volumes in carbon products
- Functional integration across all three geographies has improved efficiencies and enabled cost reductions.
- In-spite of depreciation of USD against INR, Adjusted EBITDA improved from ₹ 4.54 billion in Q3 2016 to ₹ 6.74 billion in Q3 2017.
- Consolidated net profit of ₹ 2.46 billion and Earnings per share of ₹ 7.30.

Note: Charts Not to scale

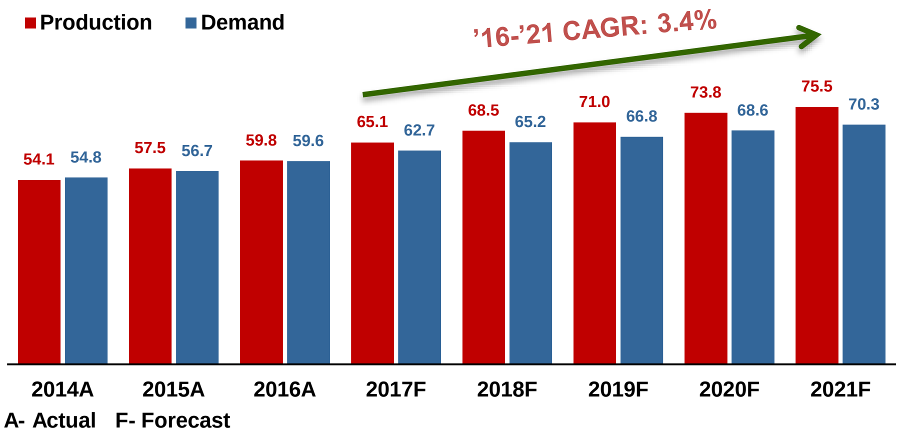
Completed Capital Projects

Flue Gas Desulfurization Plant in Chalmette, Louisiana, U.S.A. during Dec.'15	☑
300,000 Tons p.a. Coal Tar Pitch Facility in Russia during Feb.'16	☑
7MW Waste Heat Recovery Power Generation Facility in Cement Plant at Kurnool, Andhra Pradesh, India during Sept.'16	☑
1,000,000 Tons p.a. Calcined Petroleum Coke Blending Facility in Visakhapatnam, Andhra Pradesh, India during Dec.'16	☑
17,000 Tons p.a. CARBORES® III reactor in Castrop-Rauxel, Germany during Dec.'16	☑
Debottlenecking Distillation Plant in Hamilton, Canada resulting in increasing capacity from 240,000 Tons p.a. to 263,000 Tons p.a. and improving capacity utilization beyond 90%	☑

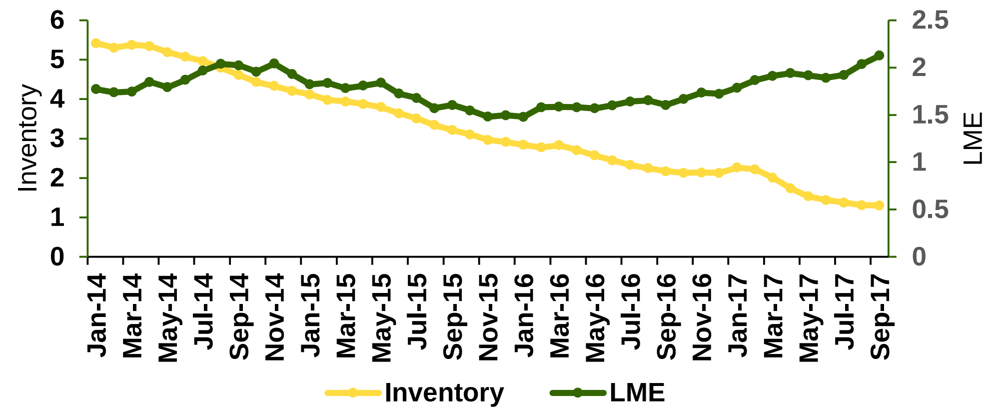
All Expansion Projects have now fully stabilized.

Key Market Factors

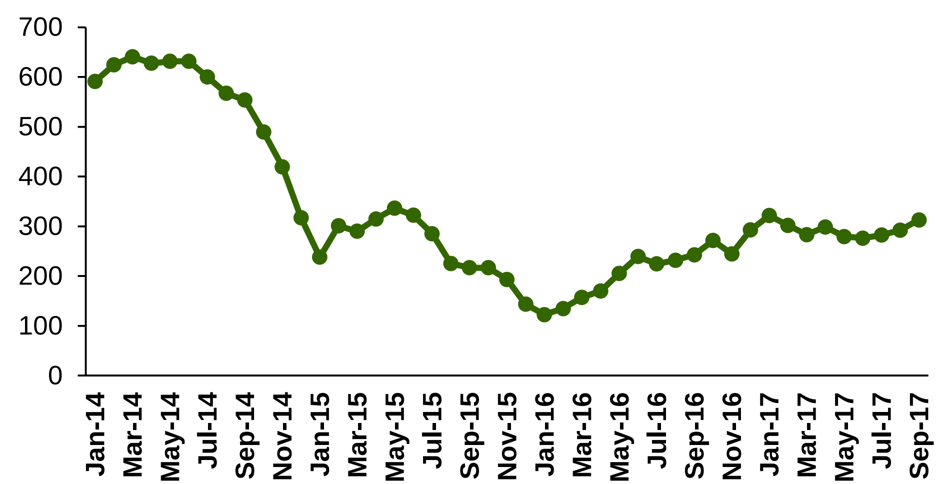
Aluminium : Production & Demand (Million Tons)



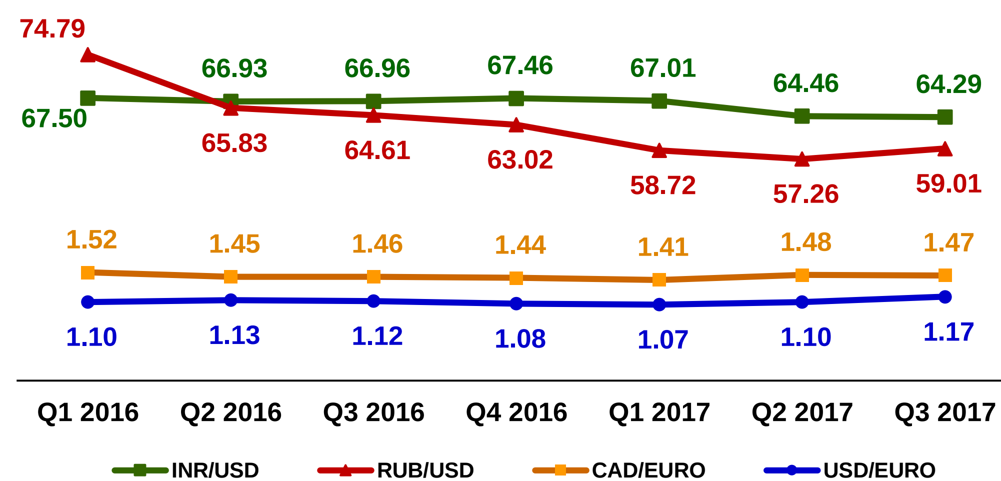
Aluminium: Inventory (Million Tons) vis-à-vis **LME** (000 US$ per Ton)



Fuel Oil (US$ per Ton)



Foreign Exchange Movements:

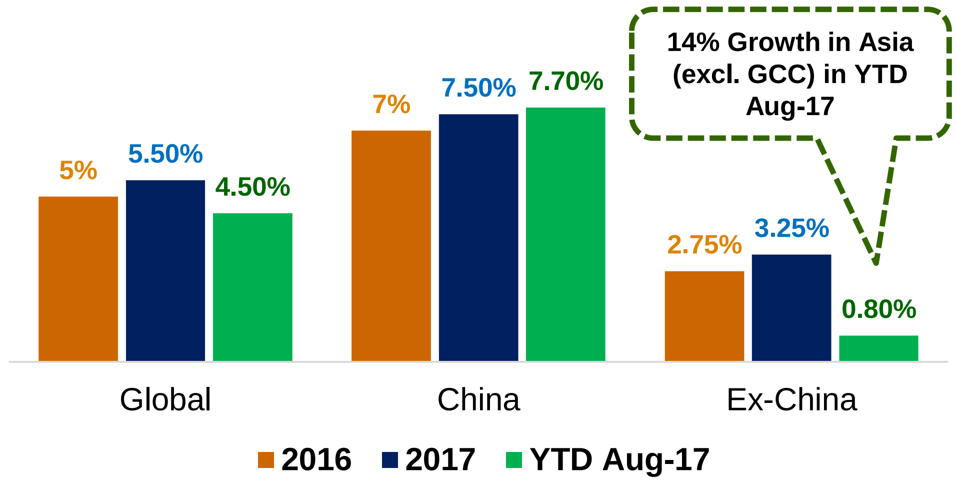


Primary Aluminium production continue to grow contributing to demand for Carbon products.

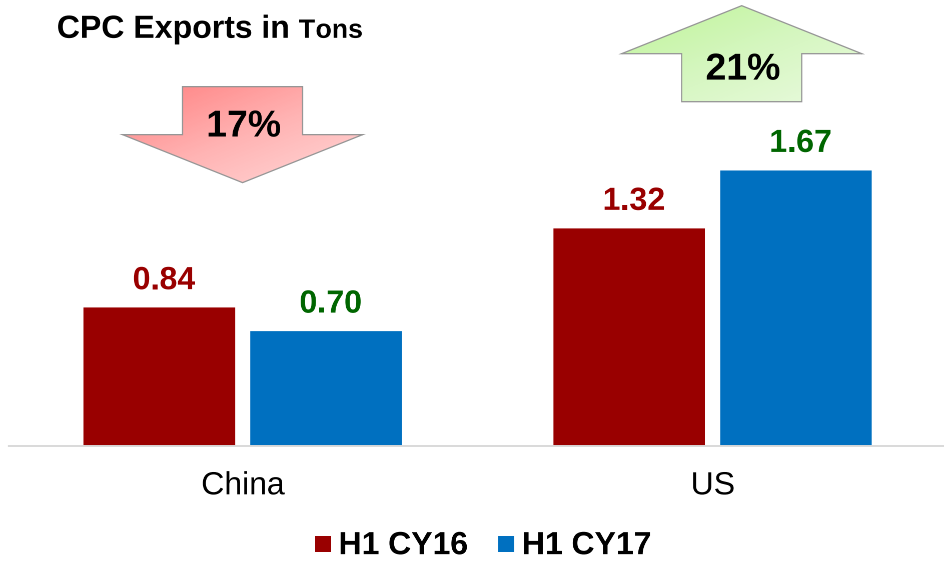
Source: Management Estimate and Industry Updates

Market Updates

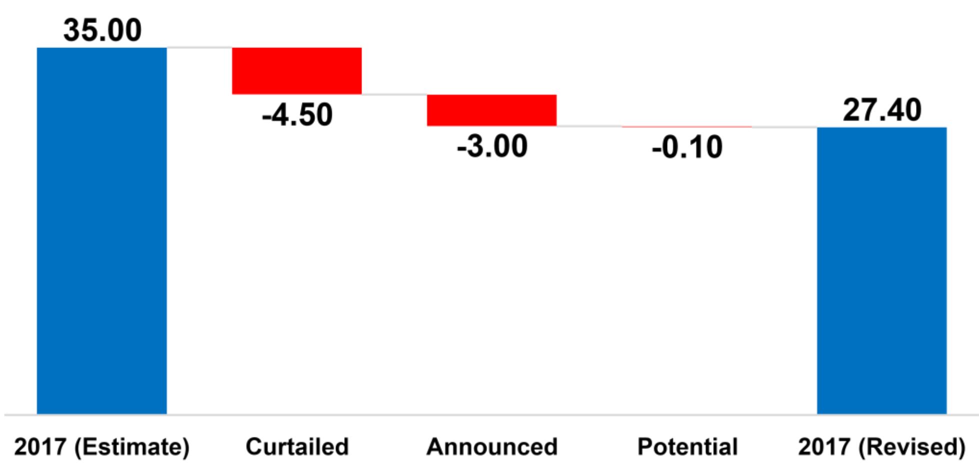
Growth in Primary Aluminium Demand



CPC Exports in Tons



China Primary Aluminium Capacity in Tons - 2017



Recent Updates:

North America

- ✓ **Alcoa** announced the restart of its Smelting Facility at Warrick near Evansville, Indiana of 161,400 Tons p.a. to be operational in 2Q18.
- ✓ Potential incremental capacity utilisation upto 100,000 Tons p.a. at Mt. Holley (South Carolina) by **Century Aluminium**

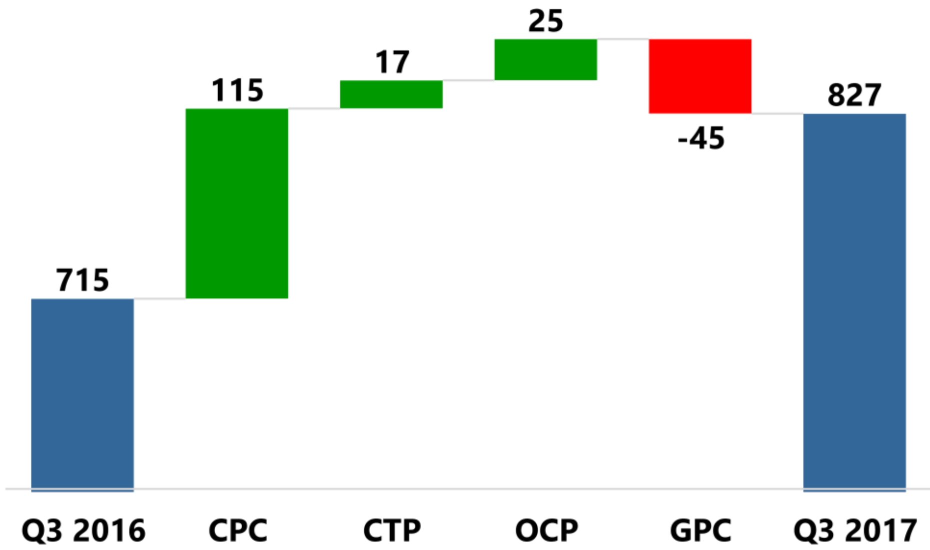
China

- ✓ Initiatives from National Development and Reform Commission (NDRC) & Ministry of Environmental Protection (MEP) for environmental protection under implementation by curtailment of smelting capacities in China.

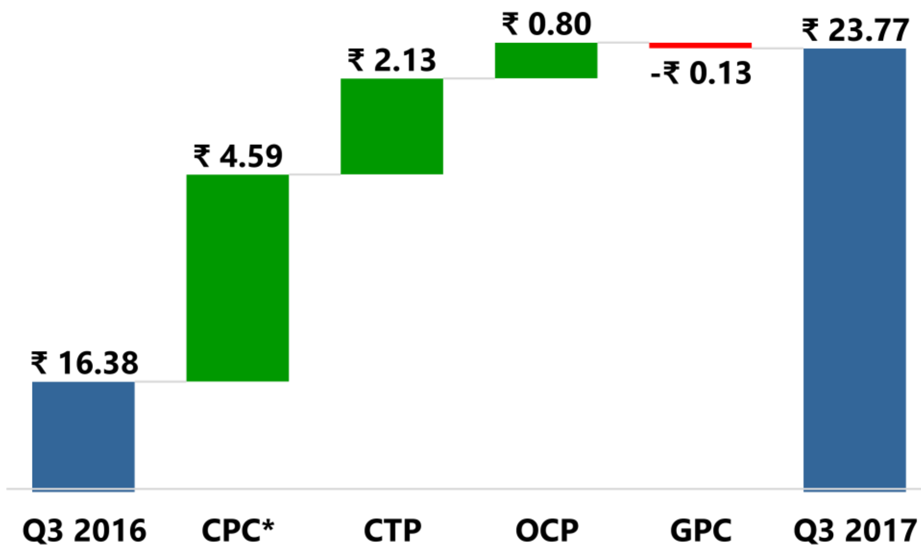
Source: Management Estimate and Industry Updates

Carbon Business Performance – Q3 CY17

(₹ in Billions)



Sales Volumes (Tons in Thousands)



**Includes Energy Revenue*

Revenue

Highlights in Q3 CY17

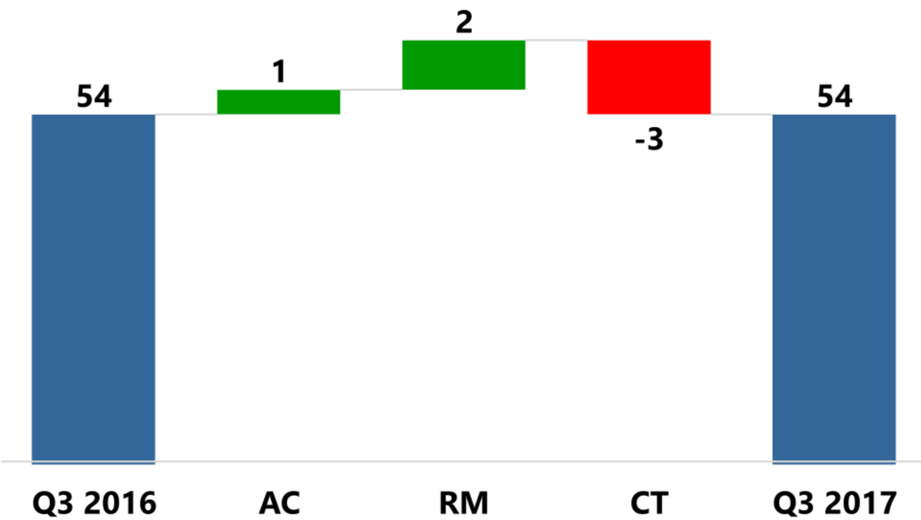
- Revenues increased due to higher quotations and higher volumes across all carbon products.
- CARBORES® from third Reactor, Russian Tar Distillation facility and Indian CPC blending strategy in conjunction with improved capacity utilisation of US facilities contributed to the increase in volumes.
- Adjusted EBITDA increased by ₹ 2.4 billion due to improved capacity utilisations coupled with improved blended realisations and cost optimisation.

CPC – Calcined Petroleum Coke; CTP – Coal Tar Pitch including CARBORES®; OCP – Other Carbon Products; GPC – Green Petroleum Coke

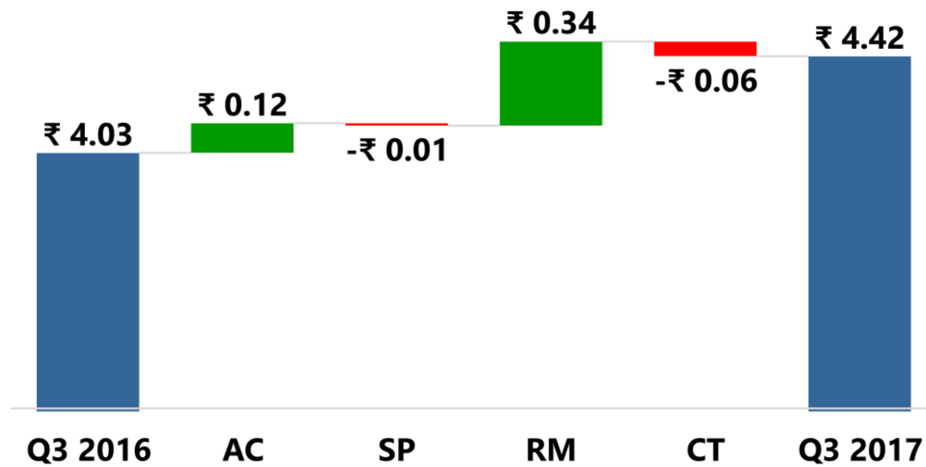
Note: Charts Not to scale

Chemical Business Performance – Q3 CY17

(₹ in Billions)



Sales Volumes (Tons in Thousands)



Revenue

Highlights in Q3 CY17

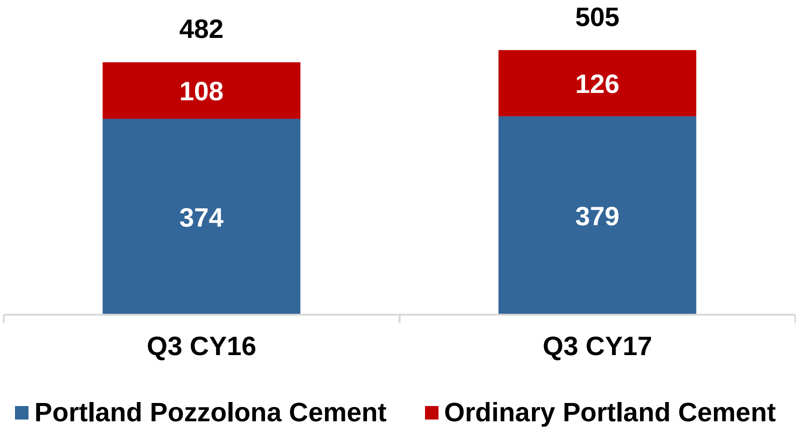
- Contributions to revenue due to strong demand for resins from adhesive industry and aromatic chemicals was marginally offset by the decrease in chemtrade.
- Performance of chemical business impacted due to certain exceptional items including a minor fire accident in Uithoorn, prolonged shutdown for maintenance, lower volumes in Modifiers due to a European customer entering Bankruptcy.
- Decline in Chemicals Trading is due to the Company's decision to reduce low margin trading operations

RM - Resins & Modifiers; AC - Aromatic Chemicals; SP - Superplasticizers; CT - Chemtrade

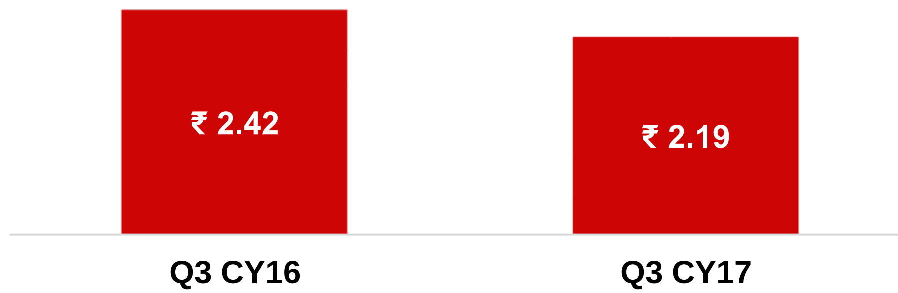
Note: Charts Not to scale

Cement Performance – Q3 CY17

(₹ in Billions)



Sales Volumes (Tons in Thousands)



Revenue

Highlights in Q3 CY17

- Although volumes increased by ~4.8%, the revenue from cement business decrease by ~ 9.5% mainly due to decrease in realisations by ~ 13.6% in Q3 CY17 compared to Q3 CY16.
- Decrease in operating cost and incremental volumes lead to the increase in Adjusted EBITDA by ~ 59.2%.
- Cement demand will increase due to increased projects from the Government relating to infrastructure and implementing rural housing schemes

Note: Charts Not to scale

Consolidated Debt Position

US$ in Millions	Sep. 2017	Dec. 2016
Senior Secured Notes		
- 8.00% USD Bonds (due in 2018)	-	373
- 8.25% USD Bonds (due in 2021)	242	336
- 8.50% Euro Bonds (due in 2021)	*234	209
- 7.25% USD Bonds (due in 2025)	550	-
Other Term Debt	74	152
Gross Term Debt	**1,100**	**1,070**
Add: Working Capital	55	26
Gross Debt	**1,155**	**1,096**
Less: Cash and Cash Equivalents	159	154
Less: Deferred Finance Cost	20	15
Net Debt	**976**	**927**
LTM Adjusted EBITDA	**308**	**244**

**Change resulting from appreciation of Euro against USD exchange rate*
 # Considering Adjusted EBITDA for LTM Q3 CY17

Highlights in Q3 CY17

- Cash balance of US$159 Million
- Unutilised Credit Limits – US$ 100 Million
- Net working capital increased from US$225 as at December 31, 2016 to US$323 as at September 30, 2017
- Post March'17 Re-financing:
  - Average Rate of Interest : 7.8% pre-tax
  - Average Rate of Interest : 5.1% post-tax.
  - Consolidated gross-leverage # : 3.8X
  - Consolidated net-leverage # : 3.2X.

RAIN – Key Business Strengths

- Three business verticals (Carbon, Cement and Chemicals)
- Transforming by-products of oil and steel industries into high-value carbon products
- Long standing relationships with raw material suppliers and end customers
- Leading R&D function drives continuous innovation
- Diversified geographical footprint with advantaged freight and logistic network
- Facilities with overall 125 MW co-generated energy
- Refinancing at lower interest rate
- International management team
- Strategy shift from low margin products to favourable product mix

RAIN Group continues to grow on its core competence

Appendix

Summary of statement of operations

₹ in Millions

Particulars	Q3 2017	Q2 2017	Q3 2016	YTD Q3 2017	YTD Q3 2016	CY 2016
Net Revenue	**30,378**	**27,071**	**22,828**	**82,674**	**70,309**	**94,378**
Other Operating Revenue	130	95	105	349	346	567
Revenue from Operations	**30,508**	**27,166**	**22,933**	**83,023**	**70,655**	**94,945**
Adjusted EBITDA	**6,738**	**4,678**	**4,536**	**15,830**	**12,020**	**16,367**
Adjusted EBITDA Margin	*22.1%*	*17.2%*	*19.8%*	*19.1%*	*17.1%*	*17.2%*
Profit Before Tax and Exceptional Items	**4,196**	**2,375**	**1,924**	**8,288**	**3,342**	**5,021**
Exceptional Items	-	-	262	670	262	262
Profit Before Tax	**4,196**	**2,375**	**1,662**	**7,618**	**3,080**	**4,759**
Tax Expense	1,662	819	352	2,881	971	1,792
Share of Profit of Associates and Minority Interest	-77	-41	-42	-173	-76	-58
Net Profit	**2,457**	**1,515**	**1,268**	**4,564**	**2,033**	**2,909**
Adjusted Net Profit	**2,457**	**1,515**	**1,387**	**5,000**	**2,581**	**3,457**
Adjusted Earnings Per Share	*7.3*	*4.5*	*4.1*	*14.9*	*7.7*	*10.3*

Note: The above presented operating statement summary is as per Ind AS implemented from January 1, 2016 and the same is not comparable with the financial statements reported in the previous years as per Indian GAAP

Thank You