

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 47th Annual General Meeting (AGM) of the Members of Rain Industries Limited (the Company) will be held on Friday, the May 6, 2022 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 and 21/2021 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, 2021 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, 2021 and Report of Auditors thereon.
3. To approve and ratify interim dividend of ₹ 1 per equity share for the financial year ended 31st December, 2021.
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.

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

S. Venkat Ramana Reddy

Company Secretary

M. No. A14143

Place: Hyderabad

Date: February 25, 2022

NOTES:

1. In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, 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 and December 14, 2021 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/

CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 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, 47th 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 Private 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 and December 14, 2021 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, 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 Private Limited at the website address <https://evoting.kfintech.com>.
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 Private Limited at einward.ris@kfintech.com. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of email address. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.
8. The Register of Members and Share Transfer Books of the Company will remain closed from May 3, 2022 to May 6, 2022 (both days inclusive).
9. Profile of Mr. Jagan Mohan Reddy Nellore who is being re-appointed as Director is annexed to Notice and Report on Corporate Governance.
10. 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 ₹ 41,51,690 of the Company for the Financial Year ended December 31, 2014 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.
11. 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 10th May, 2021 (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.
12. 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, 2015 (Interim dividend)	50%	August 14, 2015	September 15, 2022
2	December 31, 2016 (Interim dividend)	50%	August 13, 2016	September 14, 2023
3	December 31, 2017 (Interim dividend)	50%	August 11, 2017	September 10, 2024
4	December 31, 2017 (Final dividend)	50%	May 11, 2018	June 10, 2025
5	December 31, 2018 (Interim dividend)	50%	November 14, 2018	December 13, 2025
6	December 31, 2019 (Interim dividend)	50%	November 13, 2019	December 12, 2026
7	December 31, 2020 (Interim dividend)	50%	October 30, 2020	December 5, 2027
8	December 31, 2021 (Interim dividend)	50%	October 30, 2021	December 3, 2028

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.

13. 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.

Notice (continued)

14. **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 1,91,011 equity shares to Investor Education and Protection Fund during the financial Year ended December 31, 2021.

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 encashed 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.

15. 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/>

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 May 03, 2022 (10.00 Hours IST) and May 5, 2022 (17.00 Hours IST).
- ix. Facility of joining the AGM through VC/OAVM shall be available for 1000 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:

In terms of the provisions of Section 108 and 109 of the Companies Act, 2013 (the Act) read with Rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to members holding shares as on April 29, 2022 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process and poll.

The procedure and instructions for e-voting are as follows:

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.

Details on Step 1 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode:

Type of shareholders

Individual Shareholders holding securities in demat mode with NSDL

Login Method

1. User already registered for IDeAS facility:

- Visit URL: <https://eservices.nsdl.com>
- Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.
- On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"
- 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

- To register click on link: <https://eservices.nsdl.com>
- Select "Register Online for IDeAS" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Proceed with completing the required fields.
- Follow steps given in point no.1

3. Alternatively by directly accessing the e-Voting website of NSDL

- Open URL: <https://www.evoting.nsdl.com/>
- Click on the icon "Login" which is available under 'Shareholder/Member' section.
- 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.
- Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFintech.
- 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

- Visit URL: <https://web.cdslindia.com/myeasi/home/login> or URL: www.cdslindia.com
- Click on New System Myeasi
- Login with your registered user id and password.
- The user will see the e-Voting Menu. The Menu will have links of ESP i.e., KFintech e-Voting portal.
- Click on e-Voting service provider name to cast your vote.

Notice (continued)

Type of shareholders	Login Method
	2. User not registered for Easi/Easiest <ol style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1
	3. Alternatively, by directly accessing the e-Voting website of CDSL <ol style="list-style-type: none"> Visit URL: www.cdslindia.com Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. 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	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. 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. 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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 2305 8738 or 022 -2305 8542 - 43

Details on Step 2 are mentioned below:

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

- 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:
 - Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
 - 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.
 - After entering these details appropriately, click on "LOGIN".
 - 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.
 - You need to login again with the new credentials.
 - On successful login, the system will prompt you to select the "EVENT" i.e., 'Rain Industries Limited–Annual General Meeting' and click on "Submit"
 - 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.
 - 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., authorising its representative on its behalf 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 "Corporate Name and Event No."

INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION

- 1 The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
- 2 E-voting during the AGM is integrate with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
- 3 Members/shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM.
- 4 Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.

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 2021 -2022.

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 Private Limited (Unit: Rain Industries Limited), Karvy 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 heading 'INSTRUCTIONS FOR E-VOTING' above to vote through e-voting platform.
- (iii) The e-voting period commences from 10.00 Hours (IST) on May 3, 2022 to 17.00 Hours (IST) on May 5, 2022. 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 29, 2022 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, Practising Company Secretary (Membership No. 6280 and CP No. 6798) in his absence Ms. Ansu Thomas, Practising 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

Notice (continued)

Hills Care Hospital, Khairatabad, 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 48 hours 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 47th Annual General Meeting of the Company scheduled to be held on Friday, May 6, 2022, 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 48 hours of conclusion of the Annual General Meeting.

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

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

Place: Hyderabad
Date: February 25, 2022



ANNEXURE TO THE NOTICE DATED FEBRUARY 25, 2022

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting on Friday, May 6, 2022

[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]

Sl. No.	Particulars	Name of the Director
		Mr. Jagan Mohan Reddy Nellore
1	DIN	00017633
2	Date of birth and Age	January 17, 1967, 55 Years
3	Qualification	Bachelor of Science degree in Industrial Engineering from Purdue University, USA
4	Experience and expertise in specific functional areas	More than 29 years of experience in finance, commercial and operations areas.
5	Brief resume	Resume is given in the Corporate Governance Report forming part of Annual Report.
6	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Son of Mr. N. Radhakrishna Reddy, Managing Director and 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	Appointment as a Non-Executive Director subject to retirement by rotation.
9	Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Nil
10	Date of first appointment on the Board	June 13, 1997
11	Shareholding in the Company	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 Cements Limited 2. Rain CII Carbon (Vizag) Limited 3. Renuka Cement Limited 4. Pragnya Priya Foundation 5. Sujala Investments Private Limited 6. Rain Enterprises Private Limited 7. Rain Commodities (USA) Inc. 8. Rain CII Carbon LLC 9. Rain Carbon Inc. 10. CII Carbon Corp
14	Membership / Chairmanship of Committees of other Boards	I) Member of: A. Audit Committee and Nomination & Remuneration Committee of: 1. Rain Cements Limited 2. Rain CII Carbon (Vizag) Limited B. Corporate Social Responsibility Committee of 1. Rain Cements Limited II) Chairman of Corporate Social Responsibility Committee of: 1. 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 25, 2022

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 47th Annual Report and the Audited Financial Statements (standalone and consolidated) for the Financial Year ended December 31, 2021

FINANCIAL RESULTS

A) Standalone

The Standalone performance for the Financial Year ended December 31, 2021 is as under:

The Financial Summary

		(₹ in million)	
S. No.	Particulars	December 31, 2021	December 31, 2020
1	Revenue from operations	535.47	476.25
2	Profit before finance cost, depreciation and tax expense	478.00	474.25
3	Finance Cost	80.95	121.39
4	Profit before depreciation and tax expense	397.05	352.86
5	Depreciation and amortisation expense	6.23	6.43
6	Profit before Tax Expense	390.82	346.43
7	Tax Expense	79.18	73.41
8	Profit After Tax Expense	311.64	273.02
9	Add: Surplus at the beginning of the year	509.12	599.75
10	Total Available for appropriation	820.76	872.77
Appropriations:			
11	Dividend including taxes	336.35	336.35
12	Transfer to general reserve	31.16	27.30
13	Surplus carried to Balance Sheet	453.25	509.12

B) Consolidated

The Consolidated performance for the Financial Year ended December 31, 2021 is as under:

The Financial Summary

		(₹ in million)	
S. No.	Particulars	December 31, 2021	December 31, 2020
1	Revenue from operations	145,267.82	104,646.93
2	Profit before finance cost, depreciation and amortisation expense, impairment loss, share of (loss)/profit of associates and tax expense	25,708.39	21,327.01
3	Finance cost	4,789.14	4,905.43
4	Profit before depreciation and amortisation expense, impairment loss, share of (loss)/profit of associates and tax expense	20,919.25	16,421.58
5	Depreciation and amortisation expense	7,981.53	7,917.17
6	Profit before impairment loss, share of (loss)/profit of associates and tax expense	12,937.72	8,504.41
7	Impairment loss	168.07	0.00
8	Profit before share of (loss)/profit of associates and tax expenses	12,769.65	8,504.41
9	Share of profit/(loss) of associates (net of income tax)	(5.45)	5.46
10	Profit before tax expense	12,764.20	8,509.87
11	Tax expense	5,828.79	2,627.56
12	Profit after tax expense	6,935.41	5,882.31



(₹ in million)

S. No.	Particulars	December 31, 2021	December 31, 2020
13	Non-controlling interests	1,133.83	300.64
14	Profit after tax expense after non-controlling interests	5,801.58	5,581.67
15	Add: Surplus at the beginning of the year	51,296.55	46,513.90
16	Total Available for appropriation	57,098.13	52,095.57
Appropriations:			
17	Dividend including taxes	336.35	336.35
18	Transfer to general reserve	31.16	27.30
19	Impact on account of sale of subsidiaries	0.00	435.37
20	Surplus carried to the Balance Sheet	56,730.62	51,296.55

State of the Company's Affairs

During the year under review, the Company achieved revenue of ₹ 535 million and net profit of ₹ 312 million on a standalone basis. During the same period, the consolidated revenue was ₹ 145,268 million and net profit was ₹ 5,802 million.

The global economy rebounded after the significant impact of Coronavirus (COVID-19) pandemic in 2020. Beginning 2021, pent-up demand resulted in robust sales of nearly all our products, helping us in generating strong revenues and EBITDA. However, by end of the year, new challenges emerged including whether an overtaxed global supply chain could keep up with rising demand and our ability to source key raw materials such as green petroleum coke and coal tar pitch in an increasingly tight market. Also, during the year, we have seen soaring energy costs in Europe, which impacted our performance to some extent. However, we have implemented proactive measures to minimise the risk to our production facilities in the western Europe in the event that the Russia-Ukraine conflict disrupts natural gas flows. We have also responded to high energy prices by hedging a good portion of our natural gas contracts into the second quarter, and we are pursuing measures to reduce the energy intensity of our plants and preserve the margins in our business in these extreme conditions.

BUSINESS OUTLOOK

Cautionary Statement

RAIN Industries Limited along with its subsidiary companies in India and abroad are together referred to as "RAIN Group" or "the Company".

Statements in this business outlook describing RAIN Group's estimates and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied. Important factors that could impact RAIN Group's operations include economic conditions affecting demand and supply for the products manufactured by RAIN Group; price conditions in the domestic and

overseas markets in which RAIN Group operates; changes in government regulations, tax laws and statutes; and other incidental factors.

Overview

RAIN Group is one of the world's largest producers of calcined petroleum coke and coal tar pitch. The Company operates in three key business verticals: Carbon, Advanced Materials and Cement. RAIN Group has 16 manufacturing facilities in seven countries across three continents and continues to grow through capacity expansions and 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 or "GPC") and metallurgical coke production (i.e., coal tar) into high-value carbon-based products [i.e., calcined petroleum coke (or "CPC"), coal tar pitch (or "CTP") and other carbon products (or "OCP")] that are critical raw materials for the aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory, and 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 materials that are critical to the specialty chemicals, coatings, construction, automotive, petroleum, energy storage and other global industries.

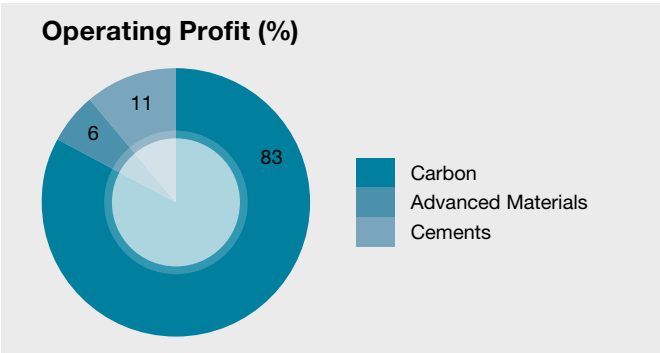
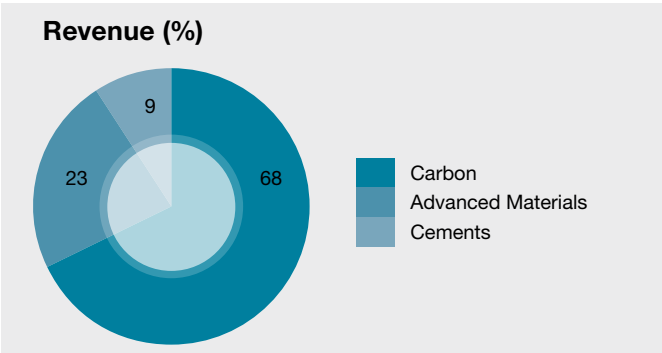
Our Cement business segment produces high-quality ordinary portland cement (or "OPC") and portland pozzolana cement (or "PPC") consumed largely by the civil construction and infrastructure industries within South India.

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 producing products that meet stringent customer specifications, including several specialty products.

Directors' Report (continued)

Our global manufacturing footprint and our integrated worldwide logistics network have 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).

Revenue and operating profit contributions from our three business segments for the year 2021 are as follows:



1. Carbon

Our Carbon business segment consists of calcined petroleum coke (“CPC”), coal tar pitch (“CTP”) and derivatives of coal tar distillation including carbon black oil, creosote oil, naphthalene oil, other aromatic oils and co-generated energy from waste-heat recovery. This segment contributed approximately 68% of the consolidated revenue of RAIN Group for CY 2021.

The Carbon business converts the by-products of oil refining and metallurgical coke production into high-value, carbon-based products that are crucial for the manufacturing of aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory and other global industries.

Environment-friendly and energy-efficient practices have made RAIN Group’s Carbon business highly efficient and sustainable. The Carbon business co-generates energy at four calcined petroleum coke plants with a combined power generation capacity of approximately 112 MW. Further, the Company has made substantial investments in flue-gas desulphurisation (“FGD”) to reduce emissions at its Carbon segment’s plants in India and in the United States. These strategic investments give RAIN Group a competitive advantage in the CPC industry and play a critical role in our sustainability efforts.

1.1. Calcined Petroleum Coke (“CPC”)

RAIN Group carries on the business of manufacturing and selling of CPC through its wholly owned subsidiaries in India and the USA. RAIN Group has six CPC manufacturing plants in the United States and two in India

with an aggregate production capacity of approximately 2.4 million tonnes per annum. During the year, RAIN Group commenced the operations of its greenfield CPC plant with a capacity of 0.37 million tonnes per annum, using vertical-shaft technology in the Andhra Pradesh Special Economic Zone, Visakhapatnam, India. Adding this vertical-shaft technology to the portfolio will allow the CPC business to offer its customers a wider range of quality options to meet their CPC requirements.

CPC is produced from GPC, a granular black solid that is a by-product of the crude-oil refining process, through a process known as “calcining”. This process removes moisture and volatile matter from the GPC at a very high temperature.

CPC is produced in two primary qualities:

- (i) anode-grade CPC (a raw material essential to the aluminium smelting process), and
- (ii) industrial-grade CPC (for use in the manufacturing of titanium dioxide and other industrial applications).

Anode-grade CPC represents approximately 78% of global CPC production, and industrial-grade CPC represents the remaining 22%. For every tonne of primary aluminium produced, approximately 0.4 tonnes of CPC is required.

Worldwide CPC production for CY 2021 was about 30 million tonnes, 77% of which was produced in China and North America, comprising 63% of global demand. China continues to play a dominant role in the CPC industry, and its share of the world’s CPC production is estimated to remain at 55-60% in the near term. China and North



America will maintain a positive surplus. Due to a large gap between production and demand in the Middle East, Asian calciners are expected to increase their focus on the region for the surplus capacity.

As per recent industry estimates, worldwide demand for CPC aggregated reached 29.9 million tonnes in 2021, and it is expected to grow to 31.8 million tonnes by 2025, representing a CAGR of 1.5%. Worldwide production of CPC aggregated to 30 million tonnes in 2021, and it is expected to grow to 32 million tonnes by 2025, representing a CAGR of 1.6%.

At the same time, the availability of high-quality raw materials continues to be a challenge – especially low-sulphur, anode-grade GPC for our calcination business. Aluminium smelters understand that this situation is not likely to improve, and RAIN continues working closely with them to find ways to adapt to relaxed specifications to the maximum extent possible. In terms of GPC pricing, decreased Chinese GPC production has prompted China to import more GPC, triggering increased competition and higher costs on the seaborne market. We will be watching the Chinese production and energy situation, which could continue to experience volatility well into 2022.

During 2022, we also expect that our new vertical-shaft calciner and anhydrous carbon pellet (ACP) production facilities will start contributing to our performance. In late 2021, CPC production at the vertical-shaft calciner began to ramp up, and we are preparing to export our first shipment of shaft CPC during the first half of 2022. Looking ahead, we continue to work with Indian authorities to secure a GPC import allocation for the vertical-shaft calciner.

In terms of ACP, we believe that this proprietary and value-added calcinable product has a promising future, thanks to its energy-savings and emissions-reduction potential as well as its ability to improve our GPC utilisation. At the same time, we recognise that commercialisation of this new product will be a process and we expect to complete the commercialisation during CY 2022.

Threats & Challenges – CPC

The main, on-going threat for the CPC industry remains the availability of suitable-quality GPC. GPC is a by-product of the oil refining process and is not produced to meet the supply needs or quality specifications of CPC or aluminium producers. Changes in the economics of processing sour crudes over the past 15-20 years have resulted in a trend towards refining more sour

crudes. While petroleum refineries continue to build refining capacity (and therefore, indirectly increase GPC production), the global supply of traditional anode-grade GPC is expected to grow at a slower pace as refineries are processing more sour crude, which results in the production of lower-quality (fuel-grade) GPC. Thus, global CPC producers have experienced, and may continue to experience, a decline in the availability of high-quality anode-grade GPC. In addition, the global transition to electric vehicles could result in reduced demand for gasoline, thereby impacting the amount of available GPC, regardless of quality.

CPC quality directly influences anode quality in the performance of aluminium smelters. To meet the aluminium industry's demand for consistent quality of anode-grade CPC, RAIN Group works closely with smelters to expand existing quality specifications, allowing the use of more non-traditional anode coke ("NTAC") in blends for the production of anode-grade CPC without compromising on quality. RAIN Group's patented Isotropic Coke Experiment ("ICE") technology is one method of utilising grades of GPC previously not considered acceptable to produce anode-grade CPC. Our proprietary ACP is another product innovation to address the expected future shortfall in availability of anode-grade GPC.

It is expected that India will continue to lead CPC demand growth in the world (excluding China) as a result of capacity expansions by major aluminium producers in the country over next few years.

With the restrictions on the import of GPC by calciners and on the import of CPC by aluminium smelters, capped at 1.40 million tonnes per annum and 0.50 million tonnes per annum respectively by the Hon'ble Supreme Court of India, the additional requirement of both calciners and smelters will have to be met from domestic supplies within India. Further, the Hon'ble Supreme Court of India has also directed the Ministry of Environment to finalise the standards of emissions from calciners. While the March 2020 issuance of the standards was delayed due to the pandemic, RAIN Group – with its flue-gas desulphurisation systems at its existing calciner in Visakhapatnam and the new vertical-shaft calciner, is well prepared to meet the emission standards to be announced by the Ministry of Environment.

1.2. Coal Tar Pitch ("CTP") and Other Carbon Products

RAIN Group operates four coal tar distillation facilities in Belgium, Canada, Germany and Russia, with an aggregate primary coal tar distillation capacity of approximately 1.3 million tonnes per annum. Coal tar

Directors' Report (continued)

distillation is carried out in Belgium, Canada and Germany through wholly owned subsidiaries, and coal tar distillation is carried out in Russia through a joint venture.

Coal tar is a liquid by-product derived from the conversion of coal into metallurgical coke. During this conversion, approximately 80% of the coal volume is processed into metallurgical coke. Metallurgical coke is an important reducing agent and energy source in blast furnaces that produce pig iron and steel. Consequently, the supply of coal tar is correlated to pig iron production, which, in turn, is driven by steel production. For 2022 is expected that Asia (including 69% from China) will contribute 83% of total global pig iron production and Europe (including 4% from Russia) will contribute about 7%.

Every tonne of metallurgical coke produced yields on average 0.04 tonnes of coal tar by-product. Coal tar is the main raw material in the coal tar distillation process. The coal tar distillation process can be categorised into two stages: (i) primary coal tar distillation ("primary distillation") and (ii) downstream processing of selected products of primary distillation into co-generated refined products ("downstream"). With a distillation yield of approximately 48%, CTP is the main end-product in the coal tar distillation business and therefore crucial for its growth. Coal tar distillation also yields naphthalene oil (approximately 12%) and aromatic oils (approximately 40%).

Coal Tar Pitch:

As per recent industry estimates, global demand for CTP aggregated to approximately 7.5 million tonnes in CY 2021. This is expected to grow to approximately 8.3 million tonnes by CY 2025, representing an CAGR of 2.4%. Global production of CTP aggregated to approximately 7.6 million tonnes in CY 2021 and is expected to grow to approximately 8.4 million tonnes by CY 2025, representing a CAGR of 2.5%.

Geographically, CTP production is led by China, followed by Europe and other Asia countries with these three markets having an estimated aggregated share of 93% during CY 2021.

Seventy-one percent of the world's CTP production is used as an essential raw material required to produce carbon anodes for aluminium smelting. For every tonne of primary aluminium produced, approximately 0.1 tonne of CTP is required. Therefore, production of primary aluminium is an important determinant of demand for CTP. The second-largest CTP end-user, consuming approximately 10% of global production, are graphite

electrode producers. Graphite electrodes are used in the manufacturing of steel, silicon metal, alloys, and other key global materials, using electric arc furnaces. Elsewhere, demand for CTP is increasing as a key component in the production of lithium-ion batteries and solar panels.

The aluminium industry is the largest consumer of calcined petroleum coke and coal tar pitch. Global demand for primary aluminium aggregated to approximately 68.1 million tonnes in CY 2021 and is expected to grow to approximately 73.2 million tonnes by CY 2025, representing a CAGR of 1.8%. Global production of primary aluminium aggregated to 66.9 million tonnes in CY 2021 and is expected to grow to approximately 74.2 million tonnes by CY 2025.

Of the total production of CY 2021, it is estimated that 57% was from China, 12% from Europe (including Russia) and 6% from North America. Production of primary aluminium is growing in Asia (excluding China) and the Middle East, and these two markets contributed 8% and 10% of global primary aluminium production during CY 2021.

The demand for aluminium is expected to be driven by electrical conductors, construction, increased usage in automobiles and significant growth in the packaging industry.

Aluminium continues to chip away at steel's position as the metal of choice for the automotive industry. Due to more stringent regulations and societal pressure to improve fuel economy, automobile manufacturers are increasing their use of lighter materials such as aluminium for the structural shell of vehicles as well as closing panels such as the hood, trunk and doors. Aluminium producers will continue to innovate with new alloys and production processes to meet the automotive industry's demand.

Other Carbon Products (Naphthalene and other Aromatic Oils):

Naphthalene is used both in the production of dispersants by the construction industry, and as superplasticisers to produce concrete and gypsum. Therefore, demand for naphthalene is correlated to construction industry activity.

Naphthalene is also used in the production of phthalic anhydride (PA) as a substitute for ortho-xylene as it is more cost-effective. Phthalic anhydride is used in the manufacturing of plastics, polyester resins and alkyd resins. Additionally, phthalate esters made from phthalic anhydride are used as plasticisers in the production of several PVC products. RAIN Group's Advanced Materials



segment produces phthalic anhydride, and a majority of the raw material (naphthalene) is supplied internally. In addition, the waste heat generated by the Company's exothermic PA production process is captured and converted into steam for in-house use as a sustainable alternative to generating steam from additional fossil fuels.

Aromatic oils, such as creosote oil and carbon black oil are sold to a variety of industries. Creosote oil is used by the wood-treatment industry for the impregnation and preservation of wood. The majority of this production is sold to the North American market as the European market has seen decreased demand due to environmental restrictions.

Carbon black oil is primarily sold to the carbon black industry, which produces carbon black for the tyre and rubber industries. Therefore, demand for our carbon black oil is dependent on these end industries.

After industrial processing, the downstream products made from naphthalene and aromatic oils, such as phthalic anhydride and toluene, form indispensable constituents of many articles of daily life. For example, they are used as key raw materials in the leather, construction, car tyres and pharmaceutical industries.

Threats & Challenges – CTP and Other Carbon Products

The main threat to the distillation business remains the on-going availability of reliable quantities of coal tar from the steel industry. With approximately 10% of global coal tar production coming from the EU's 27 countries, the region's supply of coal tar meets most of the coal tar requirements for RAIN Group's distillation operations, which are located predominantly in Europe.

Steel production using electric arc furnaces is becoming more prevalent due to various factors including its superior technology and lower emissions compared to traditional blast furnaces. As a result, coal tar production is limited to the existing capacities of metallurgical coke ovens. RAIN Group strengthened its coal tar sourcing through its Russian joint venture. With ~5% of global coal tar production, Russia contributes significantly to coal tar supply in the region.

Although the aluminium industry has experienced production and consumption growth on a long-term basis, there may continue to be cyclical periods of weak demand that could result in decreased primary aluminium production. RAIN Group's sales have historically declined during such cyclical periods of weak global demand for aluminium.

Research and development is being conducted by certain smelters to produce carbon-free aluminium for reducing emission of greenhouse gases through the use of inert anodes, which would replace traditional carbon anodes. However, the ability to retrofit such technology by existing aluminium smelters and the cost of producing aluminium using inert anodes are yet to be established. For example, the energy consumption for an inert anode cell would increase by 15-20% compared to a carbon anode cell. Given that substantial quantities of greenhouse gases are released in the generation of electricity consumed in aluminium smelting, anything that increases energy consumption has the potential to significantly increase greenhouse gas emissions. More than 60% of aluminium smelters across the world today use electricity generated from coal-fired power plants, and such smelters do not aim to produce carbon-free aluminium, as it would be difficult for them to find alternative sources of carbon-free electricity.

Increasing demand from traditional end customers as well as demand from more recent applications such as lithium-ion batteries and solar panels are gradually tightening the global balance for supply of CTP. In the event of future coal tar and CTP shortages, petroleum pitch would be the most reliable alternative for the aluminium industry, as it can be blended with coal tar pitch for preparing the carbon anodes.

Naphthalene and aromatic oils (other by-products in primary distillation) are subject to the demand and supply dynamics of the construction and automotive industries and changes in prices of correlated commodities. Any decrease in prices of fuel oil and ortho-xylene could reduce margins and competitiveness of naphthalene and aromatic oils.

1.3. Co-generated Energy

RAIN Group is committed to environmental compliance at all of its facilities. As part of this commitment, RAIN Group has made significant investments in waste-heat recovery ("WHR") systems, primarily in the Carbon segment at its CPC plants, and additionally in the Advanced Materials and Cement segments. RAIN Group co-generates energy through waste heat recovered in the calcining process. Currently, RAIN Group has co-generation energy plants at four Carbon segment CPC plants with an aggregate capacity of 112 MW.

The operation of these waste-heat recovery units reduces greenhouse gas emissions by offsetting the use of fossil fuels that otherwise would be required to produce an equivalent amount of energy. This significantly reduces RAIN Group's carbon footprint.

Directors' Report (continued)

As further evidence of RAIN Group's commitment to the environment and sustainability, it has made substantial investments in flue-gas desulfurisation at its CPC plants in India and USA to significantly reduce the emission of sulphur dioxide to meet all regulatory requirements for air-quality standards.

Threats & Challenges – Energy

Energy production from CPC production is proportional to the waste heat produced during calcination process. The output is subject to the volume and quality of raw material being processed in calcination. Any decrease in capacity utilisation in calcination or change in raw material quality will directly influence the generation of energy. A substantial part of the energy produced is sold to external customers for industrial use.

Availability of alternate economical sources of energy, such as solar energy, to these industries in the future could cause a reduction in sales of energy by RAIN Group.

A trend of declining tariffs in India continues to impact revenues from the sale of energy. Part of the energy generated at our CPC plants, as well as our phthalic anhydride and cement operations, is captively used to power those operations, mitigating the risk of declining energy tariffs. Energy revenues in USA are less subject to fluctuations as much of these sales are under long-term agreements with fixed prices.

2. Advanced Materials

RAIN Group is a global leader in the production of advanced materials through the innovative downstream transformation of a portion of our carbon output, petrochemicals and other raw materials into high-value materials that are critical to the specialty chemicals, coatings, construction, automotive, petroleum and other global industries. RAIN Group operates advanced materials production facilities in Belgium, Germany and Poland.

RAIN Group produces 0.65 million tonnes of advanced materials product per annum. Its products have applications ranging from rubber tyres to adhesive, and from energy storage to pharmaceutical products. To expand and diversify the segment, RAIN Group now operates a hydrogenated hydrocarbon resins ("HHCR") plant at its integrated coal tar and petrochemical site in Castrop-Rauxel, Germany with an initial capacity of 30,000 tonnes. This plant will produce various advanced resin products with full flexibility of operations using special proprietary and patented technology of RAIN Group.

RAIN Group produces advanced materials in two parallel production processes:

- Downstream processing and refining of aromatic distillates
- Petroleum derivatives, such as C9 and C10, which serve as raw materials for the production of a range of advanced material products

About 23% of RAIN Group's consolidated revenue for CY 2021 was from this segment. The Advanced Materials business can be classified broadly into three sub-product categories: engineered products, chemical intermediates and resins.

2.1. Engineered Products

RAIN Group's innovative CARBORES® binder, an engineered pitch product, combines the advantages of coal tar pitch products and phenolic resins. Coal tar pitch contains polycyclic aromatic hydrocarbons (PAHs) that require special safety precautions during its use. CARBORES® is a substitute binder used in carbon-containing refractory products and graphite products, created with reduced concentration of PAHs. While designed for refractory products, the property profile of CARBORES® also allows it to be substituted for standard coal tar pitch in other applications.

The Company's portfolio of engineered products also includes PETRORES®, which is used in specialty applications such as lithium-ion batteries and energy storage. PETRORES® is produced by further processing petroleum tar, which we procure from refineries.

2.2. Chemical Intermediates

Our main chemical intermediates are BTX products — benzene, toluene and xylene — and phthalic anhydride. BTX is produced from the secondary distillation of crude benzene, a liquid by-product derived during the conversion of coal into metallurgical coke used for pig iron and steel production. Substantially all of the crude benzene we use as raw material is procured from third parties. Benzene, toluene and crude xylene are critical inputs for several chemical-based substances, including solvents for inks and paints. Our main naphthalene derivative product is phthalic anhydride (PA), which is used in construction, plastics and as specialty chemicals in other industries.

2.3. Resins

RAIN Group manufactures aromatic hydrocarbon resins and hydrogenated hydrocarbon resin products based on either petrochemical or coal tar distillate raw materials.



Coal tar-based resins are used primarily for applications in coatings and rubber tyres while petrochemical-based resins are used primarily for applications in adhesives and printing inks. The Company recently introduced a family of colourless resins used in colour-sensitive applications such as tape and book bindings.

The Company also produces phenolics, which are used for applications in leather treatment, electric wire enamels and pharmaceuticals.

Outlook

In 2022, we expect to benefit from continued strong demand for our CARBORES® engineered product, which is used in refractory and graphite products, as well as our PETRORES® specialty coating for lithium-ion batteries. In 2022, we are looking for an incremental production of both products, thanks to the recent completion of a strategic project to convert one of our units in Europe to produce PETRORES®, which will enable us to meet the increasing demand.

We also anticipate that sales volumes of the rest of our Advanced Materials products will remain strong, and we are ready to meet that demand as a result of late 2021 maintenance outages at our BTX and PA production facilities that will provide increased operational capacity and reliability.

A particular focus in the coming year will be on optimising the productivity of our HHCR facility. The second half of 2020 was devoted to providing customers with our new 'water-white' resins for technical evaluation and confirmation. Then, much of early 2021 was spent stabilising the plant, which allowed us to operate the facility at approximately 40% during the second half of 2021. During the fourth quarter, we also found an opportunity to upgrade the productivity and reliability of the plant by replacing the reactors with equipment based on a much simpler design. These new reactors will eliminate unnecessary production bottlenecks and reduce the need for future maintenance outages, positioning the plant to operate at 75% capacity utilisation by the end of 2022.

As with the Carbon distillation business, this segment faces the continued challenge of coal tar availability and rising cost for the raw material. Moreover, soaring energy prices in Europe could remain an issue in the near term as process of these segment products are more energy intensive compared to our distillation products. In response, we are pursuing measures to reduce the energy intensity of our plants and preserve the

margins in our business to the extent possible in these extreme conditions.

Threats & Challenges – Advanced Materials

Key threats to RAIN Group's Advanced Materials business are volatility in commodity prices and Chinese competition. The price of benzene, C9 and C10 fractions largely depend on the price of crude and fuel oil. Tariffs implemented by the United States have caused Chinese products to compete in the European market. We expect this to continue until a comprehensive trade agreement between the two countries is finalised.

RAIN Group tries to mitigate its pricing and procurement risks through an integrated global management of sales and procurement, optimised processes and long-term agreements with suppliers to ensure reliable sourcing of raw materials.

The quarterly operating results fluctuate due to a variety of factors that are outside our control, including inclement weather conditions, which in the past have affected operating results. Historically, our operating results have been lower in the first and fourth quarters as compared to the second and third quarters due, in part, to the seasonality of certain products sold in Europe and North America that are not in high demand in cold weather. We are working to pass the unprecedentedly increased energy costs as well as increasing raw material costs to our customers. We have also hedged majority portion of the energy costs in first half of 2022 to reduce the impact in the coming year.

3. Cement

RAIN Group has two integrated cement plants, one each in the states of Telangana and Andhra Pradesh, India with an aggregate installed capacity of 3.5 million tonnes per annum. About 9% of the consolidated revenue of RAIN Group for CY 2021 was from the Cement business segment.

RAIN Group's cement plants manufacture two grades of cement: ordinary portland cement ("OPC") and portland pozzolana cement ("PPC"). The plants are strategically located near the primary raw material source of limestone. Of the total cement produced, PPC grade accounts for about 78% and OPC grade about 22%.

RAIN Group has been working constantly to reduce the output cost by introducing efficient energy measures, such as waste-heat recovery power plants and the use of fuel-grade green petroleum coke to heat the furnace at our cement plants. Stringent standards stipulated by

Directors' Report (continued)

Bureau of Indian Standards (BIS) are applied in cement production to attain consistency in quality.

The major costs in the production of cement are (a) freight and transportation and (b) power and fuel, each constituting 25-30% of the total cost of manufacturing.

RAIN Group constantly works to improve efficiencies in logistics, such as entering long-term contracts with transport contractors for transporting cement to all dealers spread across South India. The downside risk is that any increase in fuel prices could adversely affect freight costs.

The Cement business segment consumes up to 29MW of electricity. RAIN Group supplements these segment's power requirements with electricity generated at its CPC plant in Visakhapatnam and from two waste-heat recovery power plants with an aggregate capacity of 11 MW in the Kurnool and Suryapet cement plants. During CY 2020, the Company set up two mini solar power plants of 1 MW each in both the cement plants. We continued our sustainability initiative of producing more green energy by expanding our solar power capacity by 1 MW in 2021, and we plan to install an additional 14 MW in 2022. With these measures, the Company generates significant savings in its energy costs.

Cement Industry Growth in India

India is the second largest cement producer in the world and accounted for over 7% of the global installed capacity. The Indian cement industry was estimated to have a total production capacity of ~550 million tonnes in 2021 and is expected to add 80 million tonnes of capacity over the next three years. India's overall cement production accounted for 294.4 million tonnes (MT) in FY21 and 329 million tonnes (MT) in FY20. Cement is a cyclical commodity with a high correlation to GDP. The Indian housing sector, including the low-cost and affordable housing segment, accounts for close to two thirds of total consumption. The other major consumers of cement include infrastructure at 20% and the rest by industrial capex.

Due to the increasing demand in various sectors such as housing, commercial construction and industrial construction, cement capacity utilisation on a pan-India basis is expected to improve steadily over next few years. In particular, demand is expected to be boosted by infrastructure development in Tier-2 and Tier-3 cities, driven by government initiatives such as Pradhan Mantri Awas Yojana (PMAY), Smart Cities Mission and Swachh Bharat Abhiyan.

Cement, being a bulk commodity, is freight-intensive, and transporting it over long distances can be costly. This has resulted in cement being largely a regional play, with the industry being divided into five main regions in India: North, South, West, East and Central. The southern states of Andhra Pradesh, Telangana, Tamil Nadu and Karnataka together account for nearly one third of the country's total installed capacity.

Since the first COVID-19 wave hit India in March 2020, cement demand has progressively recovered. While the second wave in April and May 2021 negatively impacted demand/supply dynamics, the industry has witnessed a rebound in South Indian demand since June 2021 – albeit inconsistently, due to the festive season and heavy rainfall in November that brought construction to a standstill in Andhra Pradesh, Tamil Nadu, and rest of South India.

Current Position

The physical and chemical transformation processes which take place during the production of any cement clinker releases CO₂. In response, RAIN Group has invested heavily in a combination of CO₂-offsetting, power-generation systems in our Cement segment in India. We have done this through a combination of constructing photovoltaic solar power panels and implementing waste-heat capture systems with electric turbines, similar to the systems used at the calcination plants in our Carbon segment. The adoption of these environmentally favourable, captive power-generation technologies enabled us to significantly reduce our greenhouse gas emissions by reducing our reliance on electricity from the grid in India, where most power is generated from high CO₂-emitting coal.

Near Future

Looking ahead, cement demand will continue to be closely linked to economic growth. Today, India is the fastest-growing major economy in the world. Global bodies such as the International Monetary Fund and the World Bank maintain that India's GDP will grow faster than other major countries during the next few years. While India's economy still must recover to pre-pandemic levels, think tanks expect India to grow at a rapid pace on the back of carefully curated policy interventions from the government addressing inflation, unemployment and other key economic issues.

With the government of India introducing new plans for housing and infrastructure development, the growth outlook for construction and cement sectors remains positive. The 2020 Union Budget of India highlighted a stimulus package of ₹ 103 trillion for developing the



infrastructure sector over the next five years, consisting of more than 6,500 projects across a range of sectors. The government's spending push in the infrastructure sector should help expand aggregate demand and the level of economic activity, thereby cushioning any downturn in cement consumption. Similarly, in the Union Budget of India 2021, India's Finance Minister announced a continued focus on rural development and infrastructure, which will play a vital role in helping India become a US\$5 trillion economy.

In 2021, working remotely is being adopted at a fast pace, and demand for affordable houses with ticket size below ₹ 40-50 lakh is expected to rise in Tier 2 and 3 cities, leading to an increase in demand for cement.

In October 2021, Prime Minister, Mr. Narendra Modi launched the "PM Gati Shakti-National Master Plan (NMP)" for multimodal connectivity. This will bring synergy to create a world-class, seamless multimodal transport network in India, and should boost the demand for cement in the future.

In the next 10 years, India could become the main exporter of clinker and gray cement to the Middle East, Africa and other developing nations. Cement plants near the ports, such as those in Gujarat and Visakhapatnam, will have an added advantage for export and will logistically be well armed to face stiff competition from cement plants in the interior of the country.

Threats & Challenges – Cement

As the impact of the COVID-19 pandemic on construction and other economic activity subsides across India, demand for cement – particularly in rural areas – is expected to increase by ~12% in CY 2022, according to ICRA, which would result in volumes returning to the pre-pandemic levels of CY 2019. At the same time, the cost of the power, fuel and freight required to meet this increased demand are expected to rise, which would impact operating margins.

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 2021-22.

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, 2021 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, 2021 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, 2021 is ₹ 672,691,358 divided into 336,345,679 Equity Shares of ₹ 2 each fully paid up.

Directors' Report (continued)

Variations in Net worth

The Standalone Net worth of the Company for the Financial Year ended December 31, 2021 is ₹ 2,502.69 million as compared to ₹ 2,527.40 million for the previous Financial year ended December 31, 2020 and the Consolidated Net worth of the Company for the Financial Year ended December 31, 2021 is ₹ 59,524.99 million as compared to ₹ 54,059.76 million for the previous Financial year ended December 31, 2020.

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 25, 2021, April 29, 2021, July 31, 2021 and October 30, 2021.

Details of the attendance of the Directors at the Board meetings held during the Year ended December 31, 2021 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. H. L. Zutshi *	3	3
Ms. Radhika Vijay Haribhakti	4	4
Ms. Nirmala Reddy	4	4
Mr. Varun Batra	4	4
Mr. Brian Jude McNamara	4	4
Mr. Robert Thomas Tonti**	-	-

Note: * Mr. H. L. Zutshi, Independent Director is ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

**Mr. Robert Thomas Tonti was appointed as an Independent Director of the Company with effect from October 31, 2021 for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

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.

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, 2021 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, 2021 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 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. Radhika Vijay Haribhakti, Chairperson, Ms. Nirmala Reddy, Mr. Varun Batra, Mr. Brian Jude McNamara and Mr. Robert Thomas Tonti.

• **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 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.

Nomination and Remuneration Committee meetings

During the period from January 1, 2021 to December 31, 2021, Nomination and Remuneration Committee Meeting was held on October 30, 2021.

Attendance at the Nomination and Remuneration Committee Meeting

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Ms. Radhika Vijay Haribhakti	Chairperson	1	1
Ms. Nirmala Reddy	Member	1	1
Mr. Varun Batra	Member	1	1
Mr. Brian Jude McNamara	Member	1	1
Mr. Robert Thomas Tonti *	Member	-	-

Note: Mr. H. L. Zutshi, Independent Director is ceased to be a member of Nomination and Remuneration Committee of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

* Mr. Robert Thomas Tonti, Independent Director was appointed as a member of the Nomination and Remuneration Committee of the Company with effect from October 31, 2021.

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

The details of Loans, Guarantees, Investments and Security made during the Financial Year ended December 31, 2021 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, 2021 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>.

Directors' Report (continued)

Transfer of amount to Reserves

The Company has transferred ₹ 31.16 million to the General Reserve for the Financial Year ended December 31, 2021. An amount of ₹ 453.25 million is retained in the retained earnings.

Dividend

The Board of Directors of the Company at their Meeting held on October 30, 2021 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, 2021 and same was paid to the shareholders and no further dividend has been recommended for the Financial Year ended December 31, 2021.

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 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.

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.



Risk Management Committee Meetings

During the Financial Year, Risk Management Committee Meeting was held on July 22, 2021 and October 21, 2021.

Attendance at the Risk Management Committee Meeting:

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

Note: The Risk Management Committee was reconstituted on June 4, 2021 by the Board of Directors of the Company. Pursuant to reconstitution, Mr. N. Radhakrishna Reddy has ceased to be the Member of the Committee and Mr. Brian Jude McNamara was appointed as Member of the Committee.

Corporate Social Responsibility (CSR)

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 Ms. Nirmala Reddy, Member (Independent Director).

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

During the last three years, the Company has spent ₹ 4 million on CSR activities.

The Company along with its subsidiaries in India has spent an amount of ₹ 223.80 million towards CSR activities during last 3 years.

A report on Corporate Social Responsibility 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, Corporate Social Responsibility Committee Meeting was held on April 22, 2021.

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
Ms. Nirmala Reddy	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 Ms. Nirmala Reddy, Member (Independent Director).

During the Financial Year, Stakeholders Relationship Committee Meeting was held on April 22, 2021 and October 21, 2021.

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
Ms. Nirmala Reddy	Member	2	2

Terms of Reference

- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 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.

Directors' Report (continued)

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 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 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.

Familiarization programmes imparted to Independent Directors

The Members of the Board of the Company have been provided 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 organisation 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 presentation on regulatory changes from time to time.

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

Directors

Mr. H. L. Zutshi (DIN: 00041002), Independent Director is ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

The Shareholders of the Company has approved the re-appointment of Mr. N. Radhakrishna Reddy (DIN: 00021052) as the Managing Director of the Company for a period of 3 years i.e., from December 10, 2021 to December 9, 2024.

The Shareholders of the Company has approved to continue the appointment of Ms. Nirmala Reddy (DIN: 01673128) as an Independent Director of the Company, to hold office for her remaining term of office i.e., up to February 27, 2023 as she would be crossing 75 years of age on March 27, 2022.

The Shareholders of the Company has approved the re-appointment of Mr. Brian Jude McNamara (DIN: 08339667), as an Independent Director of the Company for a period of 5 years i.e., from February 28, 2022 to February 27, 2027.

The Shareholders of the Company has approved the appointment of Mr. Robert Thomas Tonti (DIN: 09367847) as an Independent Director of the Company with effect from October 31, 2021 for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

Except the above, there has been no change in the Board of Directors during the Financial Year ended December 31, 2021.

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 October 30, 2021, 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.

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

Out of five Independent Directors of the Company, four Independent Directors have passed the Online Proficiency Self-Assessment Test conducted by Indian Institute of Corporate Affairs (IICA). One Independent Director will appear for Online Proficiency Self-Assessment Test to be conducted by Indian Institute of Corporate Affairs (IICA) before the due date for passing the exam.

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.

Opinion of the Board

The Board opines that all the Independent Directors of the Company strictly adhere to corporate integrity, possesses

Directors' Report (continued)

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 persons 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, BSR and Associates LLP, Chartered Accountants (ICAI Regn. No.116231W/W-100024), were appointed as the Statutory Auditors of the Company for a period of 5 years at the 43rd Annual General Meeting of the Company, i.e., up to the conclusion of the 48th Annual General Meeting of the Company.

Accordingly, BSR and Associates LLP, Chartered Accountants, Statutory Auditors of the Company will continue till the conclusion of Annual General Meeting to be held in 2023. 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 BSR & Associates LLP, Chartered Accountants (ICAI Regn. No.116231W/W-100024), Statutory Auditors in their report for the Financial Year ended December 31, 2021.

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, Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year ended December 31, 2021.

The Secretarial Auditors Report issued by DVM & Associates LLP, 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, 2021 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, Practising Company Secretary, partner at P. S. Rao and Associates and Secretarial Audit Report of RCCVL issued by DVM & Associates LLP, 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, 2021 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 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 Board of Directors of the Company has appointed Ernst & Young LLP as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended December 31, 2021. Further, the Company has an in-house internal audit department to carry-out extensive internal audits and special management reviews of 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):

Ms. Radhika Vijay Haribhakti, Chairperson, Mr. Varun Batra, Member, Mr. Brian Jude McNamara, Member and Mr. Robert Thomas Tonti, Member.

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, 2021. 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 25, 2021, April 28, 2021, July 30, 2021 and October 29, 2021.

Attendance at the Audit Committee Meetings

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Ms. Radhika Vijay Haribhakti	Chairperson	4	4
Mr. H. L. Zutshi *	Member	3	3
Mr. Varun Batra	Member	4	4
Mr. Brian Jude McNamara	Member	4	4
Mr. Robert Thomas Tonti**	Member	-	-

Note: Ms. Nirmala Reddy has resigned from the membership of Audit Committee of the Company with effect from January 11, 2021 due to increase in personal commitments leaving less time.

* Mr. H. L. Zutshi, Independent Director is ceased to be a member of Audit Committee of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

** Mr. Robert Thomas Tonti, Independent Director was appointed as a member of Audit Committee of the Company with effect from October 31, 2021.

Corporate Governance

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

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,

Directors' Report (continued)

actual or suspected fraud or violation of 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 policy of vigil mechanism is available on the Company's website.

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 behavior. All employees of the Company are covered under the Whistle Blower Policy.

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 ₹ 41,51,690 of the Company for the Financial Year ended December 31, 2014 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 December 8, 2021.

During the year, 1,91,011 equity shares were transferred to IEPF.

The Company has transferred an amount of ₹ 30,11,802 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	Date of Declaration	Due date for transfer to IEPF
1	December 31, 2015 (Interim dividend)	50%	August 14, 2015	September 15, 2022
2	December 31, 2016 (Interim dividend)	50%	August 13, 2016	September 14, 2023
3	December 31, 2017 (Interim dividend)	50%	August 11, 2017	September 10, 2024
4	December 31, 2017 (Final dividend)	50%	May 11, 2018	June 10, 2025
5	December 31, 2018 (Interim dividend)	50%	November 14, 2018	December 13, 2025
6	December 31, 2019 (Interim dividend)	50%	November 13, 2019	December 12, 2026
7	December 31, 2020 (Interim dividend)	50%	October 30, 2020	December 5, 2027
8	December 31, 2021 (Interim dividend)	50%	October 30, 2021	December 3, 2028

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 stand 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 work flow and approvals are routed through ERP (SAP).

The Company has appointed Internal Auditors to examine the internal controls and verify whether the workflow of the organisation 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 in-house internal auditors are reviewed by the audit committees of respective subsidiary companies and the minutes of the meetings and key observations of the in-house internal audit 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, 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 Policy 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 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 Financial Year, the Company has incorporated Rain Verticals Limited as a Wholly Owned Subsidiary Company on April 6, 2021.

Except above, no Company has become or ceased to be Company's Subsidiary, Joint Venture or Associate 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.

Material changes and commitments

There are no material changes and commitments affecting the financial position of the Company which occurred between the Financial Year ended December 31, 2021 to which the Financial Statements relates and the date of signing of this report.

Response to Covid – 19

The outbreak of the COVID-19 pandemic around the world has had a destabilising impact on businesses. As a responsible and resilient Company, we have worked to mitigate the effects of the crisis with agile responses.

As reports of the spread of Corona Virus started coming in, Rain stepped up efforts to protect the health of its employees.

The following measures were put in place to protect our employees' health:

- We provided our employees easy access to our range of immunity-building medicines through special counters set up in offices.
- Suspended the biometric attendance system across all locations.
- Cancelled all travel – both Domestic and International.
- Reinforced safe behaviour across our locations by limiting the size of gatherings/meetings and avoiding external visitors to the premises, besides asking employees to avoid in-person meetings and encouraging video conference.
- Security personnel at all our offices were provided infrared non-contact temperature sensors to screen all employees and visitors entering the premises.
- High contact areas like elevator buttons, door handles, handrails, bathroom taps etc. were sanitised at regular intervals.
- Employees were offered assistance with hospitalisation treatment and mediclaim in case of any COVID-related emergency.

The COVID has impacted lives and livelihood all around us. As a good Corporate Citizen, the Rain Group pledged its support towards India's fight against COVID-19 by lending a hand to the Government's efforts to endure the social and economic impacts of the Coronavirus pandemic as well as protecting vulnerable populations by enabling access to food and essential supplies.

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,

Directors' Report (continued)

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 Report

The 'Business Responsibility Report' (BRR) of your Company for the year ended December 31, 2021 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

During the Financial Year ended December 31, 2021, India Ratings and Research has revised Rain Industries Limited's (the Company) Outlook to Stable from Negative while affirming the Long-Term Issuer Rating at 'IND A/Stable'.

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 harmonise 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 (Periodic Earnings Calls, 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 recognising 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 minimise 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.

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
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 25, 2022

ANNEXURE - 1

FORM NO. AOC -1

Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies /Joint Ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

PART-A- SUBSIDIARIES

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	Ran Cements Limited	19.11.2003	31.12.2021	INR	298.05	7,243.48	11,136.40	11,136.40	16.14	13,880.96	2,320.61	621.06	1,699.55	(1.72)	1,697.83	-	100	11%
2	Ran Commodities (USA) Inc.	13.01.2006	31.12.2021	US\$	906.67	14,452.78	24,211.80	24,211.80	-	-	3,424.49	0.99	3,423.50	(42.94)	3,380.56	412.01	100	21%
3	Ran Verticals Limited (I)	06.04.2021	31.12.2021	INR	1.00	(0.36)	0.89	0.89	-	-	(0.36)	-	(0.36)	-	(0.36)	-	100	0%
4	Renuka Cement Limited	14.01.2011	31.12.2021	INR	74.98	229.78	305.51	305.51	-	-	4.64	1.33	3.31	-	3.31	-	100	0%
5	Ran Carbon Inc.	15.09.2010	31.12.2021	US\$	17,777.87	266.71	61,880.85	61,880.85	-	-	306.04	(26.21)	334.25	(13.22)	321.03	3,510.92	100	2%
6	Ran Carbon Holdings, LLC	12.04.2010	31.12.2021	US\$	14,828.28	4,839.79	19,668.08	19,668.08	-	-	590.63	-	590.63	-	590.63	590.63	100	4%
7	Ran Global Services LLC	27.03.2008	31.12.2021	US\$	0.24	(0.24)	-	-	-	-	-	-	-	-	-	-	100	0%
8	Ran Oil Carbon (Vizag) Limited	23.04.2008	31.12.2021	INR	81.80	16,280.94	19,872.63	19,872.63	-	17,233.80	3,328.63	857.80	2,470.83	3.82	2,474.65	-	100	16%
9	Ran Oil Carbon LLC	19.07.2007	31.12.2021	US\$	13,639.83	18,517.11	84,276.45	84,276.45	-	53,002.20	2,898.04	(50.54)	2,948.58	290.81	3,239.39	590.63	100	19%
10	Oil Carbon Corp.	18.08.2009	31.12.2021	US\$	-	-	-	-	-	-	-	-	-	-	-	-	100	0%
11	Ran Carbon Canada Inc.	04.01.2013	31.12.2021	CAD	2,027.94	6,537.01	10,582.23	10,582.23	-	3,599.39	537.91	112.77	425.14	390.17	815.31	-	100	3%
12	Ran Carbon BV	04.01.2013	31.12.2021	EURO	724.80	15,060.42	20,383.75	20,383.75	-	29,072.50	2,546.90	656.28	1,890.62	(761.32)	1,129.30	4,259.50	100	12%
13	VFT France S.A	04.01.2013	31.12.2021	EURO	797.28	433.33	1,236.96	1,236.96	-	32.13	22.93	-	22.93	(19.91)	3.02	-	100	0%
14	Rumbia Invest BVBA & Co. KG (5)	04.01.2013	31.12.2021	EURO	-	(1.96)	1,460.99	1,460.99	-	-	101.30	-	101.30	0.03	101.33	-	94.9	1%
15	Ran Carbon Germany GmbH (5)	04.01.2013	31.12.2021	EURO	2,226.59	7,023.35	38,281.70	38,281.70	115.71	48,565.78	(1,839.01)	(27.67)	(1,811.34)	1,089.19	(722.15)	-	99.7	-11%
16	RUTGERS Resins BV	04.01.2013	31.12.2021	EURO	74.20	1,694.03	1,783.38	1,783.38	-	3.30	71.67	15.29	56.38	(50.81)	5.57	-	100	0%
17	Sewerlar Holding Ltd.	04.01.2013	31.12.2021	EURO	10.31	4,269.80	4,281.38	4,281.38	-	-	2,511.03	383.49	2,127.54	(11.74)	2,115.80	-	65.3	13%
18	OOO RUTGERS Sewerlar	04.01.2013	31.12.2021	RUB	296.44	4,533.10	6,077.90	6,077.90	-	11,383.21	4,628.36	928.94	3,699.42	116.47	3,815.89	2,556.57	65.3	23%
19	OOO Ran Carbon LLC	26.05.2017	31.12.2021	RUB	0.01	194.73	545.94	545.94	-	0.74	14.41	3.56	10.85	64.11	74.96	-	100	0%

₹ in millions



ANNEXURE - 1

₹ 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
20	Rain Carbon Poland Sp. z o.o	04.01.2013	31.12.2021	PLN	195.70	276.67	664.32	664.32	-	2,692.80	209.02	39.89	169.13	0.31	169.44	-	100	1%
21	Rain Carbon (Shanghai) Trading Co. Ltd. (formerly known as RUTGERS (Shanghai) Trading Co. Ltd.)	06.01.2014	31.12.2021	CNY	31.12	75.51	384.31	384.31	-	666.90	10.82	0.65	10.17	8.28	18.45	-	100	0%
22	Rain Carbon Wohnimmobilien GmbH & Co. KG (5)	20.08.2015	31.12.2021	EURO	0.14	209.71	239.19	239.19	-	115.00	0.92	(2.75)	3.67	(13.43)	(9.76)	-	100	0%
23	Rain Carbon Gewerbeimmobilien GmbH & Co. KG (5)	21.08.2015	31.12.2021	EURO	0.14	682.27	789.70	789.70	-	144.53	64.82	13.29	51.53	(30.07)	21.46	-	100	0%
24	Rain Carbon GmbH (5)	27.11.2015	31.12.2021	EURO	3.62	10,147.83	55,599.58	55,599.58	-	150.66	(47.38)	2,252.65	(2,300.03)	(692.71)	(2,992.74)	-	100	-15%

Notes:

- 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, 2021. Exchange rates as on the last date of the financial year are INR/USD - 74.30; INR/EURO - 84.05; INR/RUB - 0.99; INR/CNY - 11.67; INR/PLN - 18.32; INR/CAD - 58.47.
- 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.
- Financial information is based on Audited Results of the subsidiaries. The reporting period of the subsidiary is same as that of holding Company.
- Investments except in case of investments in subsidiaries.
- Controlled companies in German fiscal unity, income according to local GAAP transferred to Rain Carbon GmbH and taxed on consolidated basis.
- New entity floated during the year.

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

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

Directors' Report (continued)

PART B - ASSOCIATES AND JOINT VENTURES

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

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				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	InfraTec Duisburg GmbH (IDGmbH)	04.01.2013	31.12.2020	7,500	87.06	30 Based on the percentage of holding over these investees	As the group has only ability to exercise significant influence but not control over these investees	87.06	(5.45)	(12.72)

₹ In millions

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

N. Radhakrishna Reddy	Jagan Mohan Reddy Nellore	T. Srinivasa Rao	S. Venkat Ramana Reddy
Place: Hyderabad	Vice Chairman	Chief Financial Officer	Company Secretary
Date: February 25, 2022	DIN: 00021052	DIN: 00017633	M. No.: A14143



ANNEXURE - 2

FORM NO. AOC - I

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 the Companies (Accounts) Rules, 2014)

PART- A- SUBSIDIARIES

S. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the company's reporting period	Reporting Currency and Exchange rate as on the last date of Financial year in the case of foreign subsidiaries (Refer Note 1 below)	Share Capital & Surplus	Reserves	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	31.12.2021	INR	298.05	7,243.48	11,136.40	11,136.40	16.14	13,860.36	2,320.61	621.06	1,699.55	(1.72)	1,697.83	-	100	11%
2	Rain Commodities (USA) Inc.	13.01.2006	31.12.2021	US\$	906.67	14,452.78	24,211.80	24,211.80	-	-	3,424.49	0.99	3,423.50	(42.94)	3,380.56	412.01	100	21%
3	Rain Verticals Limited (6)	06.04.2021	31.12.2021	INR	1.00	(0.36)	0.89	0.89	-	-	(0.36)	-	(0.36)	-	(0.36)	-	100	0%
4	Renuka Cement Limited	14.01.2011	31.12.2021	INR	74.98	229.78	305.51	305.51	-	-	4.64	1.33	3.31	-	3.31	-	100	0%
5	Rain Carbon Inc.	15.09.2010	31.12.2021	US\$	17,777.87	266.71	61,880.85	61,880.85	-	-	306.04	(26.21)	334.25	(13.22)	321.03	3,510.92	100	2%
6	Rain Carbon Holdings, LLC	12.04.2010	31.12.2021	US\$	14,828.28	4,839.79	19,668.08	19,668.08	-	-	590.63	-	590.63	-	590.63	590.63	100	4%
7	Rain Global Services LLC	27.03.2008	31.12.2021	US\$	0.24	(0.24)	-	-	-	-	-	-	-	-	-	-	100	0%
8	Rain Oil Carbon (Vizag) Limited	23.04.2008	31.12.2021	INR	81.80	16,280.94	19,872.63	19,872.63	-	17,233.60	3,328.63	857.80	2,470.83	3.82	2,474.65	-	100	16%
9	Rain Oil Carbon LLC	19.07.2007	31.12.2021	US\$	13,639.83	18,517.11	84,276.45	84,276.45	-	53,002.20	2,898.04	(50.54)	2,948.58	290.81	3,239.39	590.63	100	19%
10	Oil Carbon Corp.	18.08.2009	31.12.2021	US\$	-	-	-	-	-	-	-	-	-	-	-	-	100	0%
11	Rain Carbon Canada Inc.	04.01.2013	31.12.2021	CAD	2,027.94	6,537.01	10,582.23	10,582.23	-	3,599.39	537.91	112.77	425.14	390.17	815.31	-	100	3%
12	Rain Carbon BV	04.01.2013	31.12.2021	EURO	724.80	15,060.42	20,383.75	20,383.75	-	29,072.50	2,546.90	656.28	1,890.62	(761.32)	1,129.30	4,259.50	100	12%
13	VFT France S.A	04.01.2013	31.12.2021	EURO	797.28	433.33	1,236.96	1,236.96	-	32.13	22.93	-	22.93	(19.91)	3.02	-	100	0%
14	Rumba Invest BVBA & Co. KG (5)	04.01.2013	31.12.2021	EURO	-	(1.96)	1,460.99	1,460.99	-	-	101.30	-	101.30	0.03	101.33	-	94.9	1%
15	Rain Carbon Germany GmbH (5)	04.01.2013	31.12.2021	EURO	2,226.59	7,023.35	38,281.70	38,281.70	115.71	48,565.78	(1,839.01)	(27.67)	(1,811.34)	1,089.19	(722.15)	-	99.7	-11%
16	RÜTGERS Resins BV	04.01.2013	31.12.2021	EURO	74.20	1,694.03	1,783.38	1,783.38	-	3.30	71.67	15.29	56.38	(50.81)	5.57	-	100	0%
17	Severtar Holding Ltd.	04.01.2013	31.12.2021	EURO	10.31	4,269.80	4,281.38	4,281.38	-	-	2,511.03	383.49	2,127.54	(11.74)	2,115.80	-	65.3	13%
18	OOO RÜTGERS Severtar	04.01.2013	31.12.2021	RUB	298.44	4,533.10	6,077.90	6,077.90	-	11,383.21	4,628.36	928.94	3,699.42	116.47	3,815.89	2,556.57	65.3	23%
19	OOO Rain Carbon LLC	26.05.2017	31.12.2021	RUB	0.01	194.73	545.94	545.94	-	0.74	14.41	3.56	10.85	64.11	74.96	-	100	0%
20	Rain Carbon Poland Sp. z o.o	04.01.2013	31.12.2021	PLN	195.70	276.67	664.32	664.32	-	2,692.80	209.02	39.89	169.13	0.31	169.44	-	100	1%
21	Rain Carbon (Shanghai) Trading Co. Ltd. (formerly known as RÜTGERS (Shanghai) Trading Co. Ltd.)	06.01.2014	31.12.2021	CNY	31.12	75.51	384.31	384.31	-	666.90	10.82	0.65	10.17	8.28	18.45	-	100	0%

₹ in millions

Directors' Report (continued)

₹ 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
22	Rain Carbon Wohnmobilen GmbH & Co. KG (5)	20.08.2015	31.12.2021	EURO	0.14	209.71	239.19	239.19	-	115.00	0.92	(2.75)	3.67	(13.43)	(9.76)	-	100	0%
23	Rain Carbon Gewerbeimmobilien GmbH & Co. KG (5)	21.08.2015	31.12.2021	EURO	0.14	682.27	789.70	789.70	-	144.53	64.82	13.29	51.53	(30.07)	21.46	-	100	0%
24	Rain Carbon GmbH (5)	27.11.2015	31.12.2021	EURO	3.62	10,147.83	55,599.58	55,599.58	-	150.66	(47.38)	2,252.65	(2,300.03)	(692.71)	(2,992.74)	-	100	-15%

Notes:

- 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, 2021. Exchange rates as on the last date of the financial year are INR/USD - 74.30; INR/EURO - 84.05; INR/RUB - 0.99; INR/CNY - 11.67; INR/PLN - 18.32; INR/CAD - 58.47.
- 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.
- Financial information is based on Audited Results of the subsidiaries. The reporting period of the subsidiary is same as that of holding Company.
- Investments except in case of investments in subsidiaries.
- Controlled companies in German fiscal unit, income according to local GAAP transferred to Rain Carbon GmbH and taxed on consolidated basis.
- New entity floated during the year.
- Names of subsidiaries which have been liquidated or sold during the year.

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



ANNEXURE - 2

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 millions

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				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	InfraTec Duisburg GmbH (IDGmbH)	04.01.2013	31.12.2020	7,500	87.06	30 Based on the percentage of holding over these investees	As the group has only ability to exercise significant influence but not control over these investees	87.06	(5.45)	(12.72)

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

Place: Hyderabad	N. Radhakrishna Reddy	Jagan Mohan Reddy Nellore	T. Srinivasa Rao	S. Venkat Ramana Reddy
Date: February 25, 2022	Managing Director	Vice Chairman	Chief Financial Officer	Company Secretary
	DIN: 00021052	DIN: 00017633	M. No.: F29080	M. No.: A14143

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

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)
Acquisition (Allotment)	06.04.2021	Rain Verticals Limited Rain Center, 34, Srinagar Colony Hyderabad -500073, Telangana State, India. (Unlisted) (a wholly owned subsidiary)	₹ 1 million	Not applicable	February 25, 2021	Incorporation of a wholly owned subsidiary namely Rain Verticals Limited	Not applicable	Not applicable
Loan	01.12.2021	Rain Commodities (USA) Inc., (a wholly owned Subsidiary Company) Corp. Off: 10 Signal Road, Stamford, Fairfield, USA- 06902 (Unlisted)	USD 20 million (₹ 1,498 million (1 USD = ₹ 74.90))	The loan is repayable in two installments by Rain Commodities (USA) Inc: USD 6 million on March 04, 2022 and balance USD 14 million on November 29, 2023.	October 30, 2021	Un-secured Loan for making investment wholly owned subsidiary Company	Interest: SOFR (Secured Overnight Financing Rate) plus margin of 335 bps	Rain Commodities (USA) Inc. has to repay the loan amount in two installments: USD 6 million on March 04, 2022 and balance USD 14 million on November 29, 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 25, 2022



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:

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, 2021 to December 31, 2021	₹ 52.41 million	February 28, 2020 and February 25, 2021	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, 2021 to December 31, 2021	₹ 7.03 million	February 28, 2020 and February 25, 2021	NIL	Rain Industries Limited (the Company) has own building at which its Registered Office is situated. For operational convenience and 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 CIL Carbon (Vizag) Limited (Wholly owned Subsidiary)	Revenue from Shared Services	From January 01, 2021 to December 31, 2021	₹ 59.35 million	February 28, 2020 and February 25, 2021	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.

Directors' Report (continued)

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)	Provide premises on lease	From January 01, 2021 to December 31, 2021	₹ 7.03 million	February 28, 2020 and February 25, 2021	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.
5	Rain CII Carbon (Vizag) Limited (Wholly owned Subsidiary)	Reimbursement of Demurrages, Travel Expenses, Insurance and other expenses by Rain CII Carbon (Vizag) Limited	From January 01, 2021 to December 31, 2021	₹ 0.62 million	February 28, 2020 and February 25, 2021	NIL	Rain Industries Limited is the Holding Company of Rain CII Carbon (Vizag) Limited. Rain Industries Limited has incurred certain expenditure on behalf of Rain CII Carbon (Vizag) Limited and same was reimbursed by Rain CII Carbon (Vizag) Limited.
6	Rain CII Carbon (Vizag) Limited (Wholly owned Subsidiary)	Sale of Hydrated Lime	From January 01, 2021 to December 31, 2021	₹ 73.81 million	February 28, 2020 and February 25, 2021	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 Carbon Inc., (Wholly owned Subsidiary)	Revenue from Shared Services	From January 01, 2021 to December 31, 2021	₹ 225.92 million	February 28, 2020 and April 29, 2021	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.

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 25, 2022



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 utilising alternate sources of energy: -N.A.-
- 3) The Capital investment on energy conservation equipments: -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

Particulars	₹ in millions	
	December 31, 2021	December 31, 2020
Used	78.67	120.53
Earned	707.91	467.71

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 25, 2022

Directors' Report (continued)

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.

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	Ms. Nirmala Reddy	Member	1	1

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 details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

The average CSR obligation of the Company in past 3 years was ₹ 1.33 million, hence, the impact assessment is not applicable to the Company.

In accordance with the requirements under the Companies Act, 2013, Our Company's CSR activities, amongst others, will focus on:

- Providing health care, maintaining of hospitals, Ambulances and conducting medical camps;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- Rural development projects.
- Disaster Management, including relief, rehabilitation and reconstruction activities.

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 or Board of Directors.



5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ million)	Amount required to be set-off for the financial year, if any (₹ million)
1	FY 2021	Nil	Nil
2	FY 2020	Nil	Nil
3	FY 2019	Nil	Nil
Total		Nil	Nil

6. Average net profit of the Company as per section 135(5):

Net Profit	For the Financial Year ended December 31 (₹ million)		
	2020	2019	2018
	(19.73)	20.83	(72.92)
Average Net Profit for the preceding three Financial Years		(23.94)	

7. (a) Two percent of average net profit of the Company as per section 135(5):

Nil. However, the Company has spent ₹ 1 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NA

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Nil

8. (a) 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

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ million)	Amount spent in the current financial Year (₹ million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ million)	Mode of Implementation - Direct (Yes/No)	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

Directors' Report (continued)

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ million)	Mode of implemen- tation - Direct (Yes/ No)	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:		₹ 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
				Suryapet District, Telangana State, India;					
				Kurnool District, Andhra Pradesh State, India; and					
				Nellore District, Andhra Pradesh State, India					
Total						₹ 1 million			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 1 million

(g) 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 million
(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

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount spent in the reporting Financial Year (₹ million)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ million)
			Name of the Fund	Amount (₹ million)	Date of transfer	
1.	FY 2021	Nil	Nil	Nil	Nil	Nil
2.	FY 2020	Nil	Nil	Nil	Nil	Nil
3.	FY 2019	Nil	Nil	Nil	Nil	Nil
Total		Nil	Nil	Nil	Nil	Nil


(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ million)	Amount spent on the project in the reporting Financial Year (₹ million)	Cumulative amount spent at the end of reporting Financial Year (₹ million)	Status of the project - Completed / Ongoing
1.	NA	NA	NA	NA	NA	NA	NA	NA
	Total	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. 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.

For and on behalf of Corporate Social Responsibility Committee
for **Rain Industries Limited**

N. Radhakrishna Reddy

Managing Director

DIN: 00021052

Jagan Mohan Reddy Nellore

Chairman of CSR Committee

DIN: 00017633

Place: Hyderabad

Date: February 25, 2022

Directors' Report (continued)

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

Sl. 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. H.L. Zutshi (Independent Director)	1.95
5	Mr. Varun Batra (Independent Director)	2.62
6	Ms. Radhika Vijay Haribhakti (Independent Director)	2.62
7	Ms. Nirmala Reddy (Independent Director)	2.51
8	Mr. Brian McNamara (Independent Director)	2.62
9	Mr. Robert Thomas Tonti (Independent Director)	Nil

*Median remuneration of Employees: ₹ 5,54,444/-

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year

Sl. 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. H.L. Zutshi (Independent Director)	(20%)
5	Mr. Varun Batra (Independent Director)	7.41%
6	Ms. Nirmala Reddy (Independent Director)	(5.44%)
7	Ms. Radhika Vijay Haribhakti (Independent Director)	7.41%
8	Mr. Brian Jude McNamara (Independent Director)	7.41%
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)	15%

(iii) The percentage increase in the median remuneration of employees in the financial year: 15%

(iv) The number of permanent employees on the rolls of Company: There are 160 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 19%

There is only one Managing Director. There has been no increase in the managerial remuneration for the financial year.

(vi) The Remuneration paid to 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

Managing Director

DIN: 00021052

Jagan Mohan Reddy Nellore

Director

DIN: 00017633

Place: Hyderabad

Date: February 25, 2022

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

Sl. No.	Name & Designation	Remuneration received	Nature of employment	Qualifications and experience of the employee	Date of commencement of employment	Age	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	Under Graduate More than 53 years of experience in Construction and Cement Industry	January 2, 1984	80 Years	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)	₹ 18.21 million	Regular	B. Com, FCA 35 years	April 1, 2012	55 Years	Vice President (Finance) of Rain OI Carbon (Vizag) Limited	N.A.	N.A.

* Mr. N. Radhakrishna Reddy, Managing Director has not been paid any remuneration during the financial year ended 31st December, 2021.

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 25, 2022

Directors' Report (continued)

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, 2021

Sl. No.	Name and Designation	Remuneration received during the period from January 1, 2021 to December 31, 2021	Nature of Employment	Qualifications and experience of the Employee	Date of commencement of Employment	Age	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. N. Radhakrishna Reddy (Managing Director)	Nil	Regular	Under Graduate More than 53 years of experience in Construction and Cement Industry.	02.01.1984	80 Years	N.A.	Father of Mr. Jagan Mohan Reddy Nellore, Director and Mr. N. Sujith Kumar Reddy, Director.	N.A.
2	Mr. T. Srinivasa Rao, Chief Financial Officer	₹ 18.21 million	Regular	B.Com, FCA 35 Years	01.04. 2012	55 Years	Vice President (Finance) of Rain CII Carbon (Vizag) Limited	N.A.	N.A.
3	Mr. Balasubramanian Ramaswamy, Chief Internal Auditor	₹ 9.57 million	Regular	B.Com., ICWAI 37 Years	21.04.2017	54 Years	Metro Cash & Carry India	N.A.	N.A.
4	Mr. M. S. Krishnamohan Reddy, General Manager – HR	₹ 7.90 million	Regular	B.Com, B.L. and M.H.R.M. 34 Years	12.06.1996	60 Years	SOL Pharmaceuticals Limited	N.A.	N.A.
5	Mr. Rakesh Jain, General Manager - Global Shared Services	₹ 7.22 million	Regular	ICAI 23 Years	18.02.2019	46 Years	W N S	N.A.	N.A.
6	Mr. K. Shankar Sathish, Deputy General Manager – IT	₹ 6.20 million	Regular	B.Com, ACA, ICWAI 20 Years	26.09.2016	45 Years	Archean Group	N.A.	N.A.
7	Mr. S. Venkat Ramana Reddy, Company Secretary	₹ 5.11 million	Regular	M.Com, LLB, ACS 19 Years	01.02.2008	49 Years	Suryalata Spinning Mills Limited	N.A.	N.A.
8	Mr. V. P. Srikanth, General Manager – Legal	₹ 3.90 million	Regular	B.Sc., BL 28 Years	11.02.2008	57 Years	Advanta India	N.A.	N.A.
9	Mr. U.S. Saranga Pani, General Manager - Corporate Finance	₹ 3.89 million	Regular	B.Com, CA and CWA 15 Years	23.06.2014	38 Years	Dr. Reddy's Laboratories Limited	N.A.	N.A.
10	Mr. Madhu Babu Gondi, Assistant General Manager - IT	₹ 3.50 million	Regular	MFM 20 Years	21.12.2015	50 Years	Delta Technology International Services	N.A.	N.A.
11	Mr. Ramasamy Guhan, Head - Microsoft Office 365	₹ 3.35 million	Regular	M.Sc – Computer Science 18 Years	12-10-2020	47 Years	Capgemini	N.A.	N.A.

* Mr. N. Radhakrishna Reddy, Managing Director has not been paid any remuneration during the financial year ended 31st December 2021.

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 25, 2022



ANNEXURE - 8

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st December, 2021

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, 2021 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, 2021 (“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, Overseas Direct Investment and External Commercial Borrowings;
- 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 Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in the 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.

Directors' Report (continued)

- 3.4 Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.
- 3.5 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
- 3.6 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: F006280C002685737

Place: Hyderabad

Date: February 25, 2022

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: F006280C002685737

Place: Hyderabad
 Date: February 25, 2022

Directors' Report_(continued)

ANNEXURE - 8A

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended December 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.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 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, 2021 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, 2021 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;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

Regulations, 2011 (Not applicable to the Company during the audit period);

2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period);
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);
 4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);
 6. 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;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the audit period);
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and
 9. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- V. The Company has during the audit period covering the financial year ended on 31st December, 2021 complied with the statutory provisions listed below, specifically applicable to the Company:
1. Mines Act, 1952 read with Mines Rules, 1955;
 2. Mines and Mineral (Regulation and Development) Act, 1957 read with Mineral Conservation and Development Rules, 1988;
 3. Cement (Quality Control) Order, 2003;
 4. The Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004;
 5. The Explosive Act 1884 read with Explosive Rules, 2008;



6. The Static & Mobile Pressure Vessels (Unfired) Rules, 1981;
7. Cylinder Rules, 2004;
8. Ammonium Nitrate Rules, 2012;
9. Limestone And Dolomite Mines Metallic Ferrous Mine Regulations, 2012;
10. The Explosives Act, 2008 read with rules made thereunder;
11. Environmental (Protection) Act, 1986 Read with Environmental Protection Rules, 1986;
12. The Hazardous Wastes (Managements Handling and Trans Boundary Movement) Rules, 2008;
13. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;
14. Water (Prevention & Control of Pollution) Cess Act, 1977;
15. The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;
16. The Noise Pollution (Regulation and Control) Rules, 2000;
17. Indian Boilers Act, 1923;
18. Factories Act, 1948;
19. Industrial Disputes Act, 1947; and
20. 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. 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.
- 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

UDIN: A031197C002598806

Place: Hyderabad
Date: February 18, 2022

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.

Directors' Report (continued)

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.

1. Maintenance of secretarial record 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. 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 on test 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. 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

Place: Hyderabad
Date: February 18, 2022

C.P. No: 14449
UDIN: A031197C002598806



ANNEXURE - 8B

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st December, 2021

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, 2021 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, 2021 ("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 the 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.

Directors' Report (continued)

- 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: F006280C002611157

Place: Hyderabad

Date: February 17, 2022

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: F006280C002611157

Place: Hyderabad
 Date: February 17, 2022

Directors' Report_(continued)

ANNEXURE - 8C

SECRETARIAL COMPLIANCE REPORT OF RAIN INDUSTRIES LIMITED FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

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, 2021 ("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)**

The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

Based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (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) Since the auditor has already been appointed, the terms of appointment of the auditor have been suitably modified to give effect to 6(A) and 6(B) of SEBI Circular No. CIR/CFD/ CMD1/114/2019 dated October 18, 2019.

for **DVM & Associates LLP**

Company Secretaries

L2017KR002100

Peer review Certificate No. 890/2020

DVM Gopal

Partner

M No: F 6280

CP No: 6798

UDIN: F006280C002399418

Place: Hyderabad

Date: February 3, 2022



ANNEXURE - 9

BUSINESS RESPONSIBILITY REPORT - FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

As per Regulation 34(2)(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L26942TG1974PLC001693
2. **Name of the Company:** Rain Industries Limited
3. **Registered address:** Rain Center, 34, Srinagar Colony, Hyderabad- 500073, Telangana State, India.
4. **Website:** www.rain-industries.com
5. **E-mail id:** secretarial@rain-industries.com
6. **Financial Year reported:** January 1, 2021, to December 31, 2021.
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

Rain Industries Limited (Rain Group) along with its subsidiaries in India and outside India are engaged in the business of manufacture and sale of Cement, Carbon Products (Calcined Petroleum Coke and Coal Tar Pitch), Electricity and Advanced materials.

Industrial Group*	Product Description
191	Carbon Products (Calcined Petroleum Coke, Green Petroleum Coke and Coal Tar Pitch)
239	Manufacture of Cement
351	Electric Power Generation
201	Advanced Materials

* As per National Industrial Classification, 2008 – Ministry of Statistics and Programme Implementation.

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**

Rain Industries Limited along with its subsidiaries manufactures/sells the following products:

- i) Ordinary Portland and Portland Pozzolana Cement;
- ii) Carbon Products (Calcined Petroleum Coke, Green Petroleum Coke and Coal Tar Pitch);
- iii) Generation and Distribution of Electricity; and
- iv) Advanced Materials.

9. **Total number of locations where business activity is undertaken by the Company**

Rain Industries Limited along with its subsidiaries undertakes business at the following locations:

- a) **Number of International Locations (Provide details of major Five):**

Rain Industries Limited undertakes business activities in Seven International locations through its Subsidiaries on consolidated basis. The Seven international locations are as follows:

- (i) Germany
- (ii) United States of America
- (iii) Belgium
- (iv) Russia
- (v) Canada
- (vi) Poland
- (vii) France

- b) **Number of National Locations:**

Cement and Electricity: Cement Plants are situated in the State of Telangana and Andhra Pradesh. Dealer networks and zonal marketing offices are located in the States of Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Maharashtra, Odisha and Kerala. The Cement Plant in Andhra Pradesh and Telangana has a Waste Heat Recovery based power production mechanism to generate up to 10.5 MW of electricity.

Calcined Petroleum Coke (CPC) and Electricity: Calcined Petroleum Coke plant (using Rotary-kiln technology) is in Visakhapatnam, Andhra Pradesh, India. One more CPC Plant (using Vertical Shaft Kiln technology) is set-up in Andhra Pradesh Special Economic Zone, Atchutapuram, Visakhapatnam District, Andhra Pradesh.

10. **Markets served by the Company – Local/State/ National/International**

Local	State	National	International
✓	✓	✓	✓

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (₹): ₹ 672,691,358/-
2. Revenue from Operations (₹): ₹ 535.47 million (Standalone) and ₹ 145,267.82 million (Consolidated).

Directors' Report (continued)

3. Profit after taxes (₹): ₹ 311.64 million (Standalone) and ₹ 5,801.58 million (Consolidated – after minority interest).

4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit:

Though Rain Industries Limited (the Company) is not required to spend 2% of its net profits calculated in accordance with Section 198 of the Companies Act, 2013 towards CSR expenditure as per Section 135 of the Companies Act, 2013, the Company has spent ₹ 1 million towards CSR activities. Further, the Company along with its subsidiaries in India has spent an amount of ₹ 59.66 million on CSR activities during the year.

The Company along with its subsidiaries in India has spent an amount of ₹ 226.13 million on its CSR activities during last 3 years.

5. List of activities in which expenditure in 4 above (CSR) has been incurred:

The Company through Pragnya Priya Foundation (Section 25 Company, under Companies Act, 1956/Section 8 Company, Companies Act, 2013) is maintaining Schools and Hospitals in Suryapet District, Telangana State, India, Kurnool District, Andhra Pradesh, India and Nellore District, Andhra Pradesh, India.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

Yes, Rain Industries Limited has 24 Subsidiary Companies.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Rain Industries Limited positively influences and encourages its subsidiaries to adopt Business Responsibility (BR) initiatives. All the Company's subsidiaries are guided to conduct their business in an ethical, transparent and accountable manner. It encompasses suppliers, customers and other stakeholders. It also addresses key BR issues like quality, customer value, health & safety, environment, human rights and employee well-being.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the**

Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company does not mandate its suppliers/distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business entity.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

a) **Details of the Director/Directors responsible for implementation of the BR policy/policies**

1. DIN Number: 00017633
2. Name: Mr. Jagan Mohan Reddy Nellore
3. Designation: Director

b) **Details of the BR head**

Sl. No.	Particulars	Details
1	DIN Number	00017633
2	Name	Mr. Jagan Mohan Reddy Nellore
3	Designation	Director
4	Telephone number	040-40401245
5	e-mail id	secretarial@rain-industries.com

2. **Principle-wise (as per NVGs) BR Policy / Policies (Reply in Y/N):**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1– Businesses should conduct and govern themselves with Integrity and in a manner that is ethical, transparent and accountable, Transparency and Accountability (this forms part of the Code of Conduct).

P2– Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle (the policy is part of Company's Environment, Health and Safety (EHS) Policy).

P3– Businesses should promote the well-being of all employees (certain policies form part of the Code of Conduct for employees. There are various policies for the benefit of the employees that are issued by the Human Resources function from time to time. The policies include Maternity Leave Policy, Employee Safety Policy, Mediclaim Policy, etc.).



P4– Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised (the Company does not have a specific policy, however certain aspect of this principle forms part of the CSR Policy).

P5– Businesses should respect and promote human rights (this forms part of the Code of Conduct of the Company which is applicable to all employees).

P6– Businesses should respect, protect and make efforts to restore the environment (this forms part of Company's EHS policy).

P7– Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner (not applicable).

P8– Businesses should support inclusive growth and equitable development (this forms part of the Company's CSR Policy).

P9– Businesses should engage with and provide value to their customers and consumers in a responsible manner (this forms part of the Subsidiary Companies Consumer Policy).

a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Do you have a policy/ policies for									
1	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies are in comparable with the best practices in the industry.								
3	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	Y	Y
4	Does the Company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
5	Indicate the link for the policy to be viewed online?				www.rain-industries.com					
6	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
7	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
8	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
9	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	N	Y	Y

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have the financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reasons (The Company does not carry-on any business that is engaged in influencing public and regulatory policy.)	-	-	-	-	-	-	✓	-	-

Directors' Report^(continued)

3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year**

The Managing Director and top management review the BR performance of the Company through Business Review Meetings on a quarterly basis.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?**

BR will be published annually along with the Annual Report.

Web link: www.rain-industries.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

Yes. The policy of Code of Conduct, Ethics, Anti-Bribery and Anti-Corruption covers the Company and its subsidiaries.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has received and resolved 188 complaints from Shareholders during the Financial Year ended December 31, 2021, and all the complaints have been resolved satisfactorily.

With respect to other Stakeholders, the Company has formulated Whistle Blower Policy. However, the Company has not received any complaint under Vigil mechanism during the Financial Year ended December 31, 2021.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

- (a) **Calcined Petroleum Coke** – An indispensable consumable for producing Aluminium metal, by upcycling “Green Petroleum Coke”, a by-product of Petroleum Refinery and contribute to Circular Economy.
- (b) **Coal Tar Pitch** – An indispensable consumable for producing Aluminium metal, by upcycling “Coal Tar”, a by-product of Steel manufacturers (through blast-furnace) and contribute to Circular Economy.
- (c) **Portland Pozzolana Cement** – An environmentally friendly cement, optimizing the consumption of limestones and enabling the use of Fly-Ash, a by-product produced by Coal-fired Power Plants, and contributing to a Circular Economy.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product(optional):**

- a) *Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain:*

The Company through its Subsidiary Companies (mainly Rain Cements Limited which is engaged in the business of manufacture and sale of Cement and Rain CII Carbon (Vizag) Limited which is engaged in the business of manufacturing Carbon products and generation and distribution of electricity), always strives for conserving natural resources and energy and improved efficiencies in plant operations. Rain Cements Limited is expanding its solar power plant capacity to generate more “Green Power”. The Company through its Subsidiary Companies is producing Anhydrous Carbon Pellets for optimising the usage of Green Petroleum Coke.

- b) *Reduction during usage by consumers (energy and water) has been achieved since the previous year?*

Cement, Calcined Petroleum Coke, Coal tar Pitch and Electricity are used for variety of purposes by diverse consumers. As the products are used for variety of purposes by diversified consumers, it is not practical to measure the reduction in usage by consumers. However, we work to achieve energy consumption by our customers. One example from our Advanced Materials segment is the initiative of delivering hot melt products from our Duisburg site. Selected resin customers are now increasingly receiving resins in a hot-molten state rather than as solid-resin pastilles. This saves energy twice: first, since we do not need to cool the product to further process it (Pastillation), and second since the



hot-molten resins do not require customers to use additional energy for re-melting the resins before using them in their processes.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The practices of the Company and its Subsidiary Companies practices are targeted at seeking cost optimisation, ensuring environment sustainability, societal interest and resource efficiency. The criteria used for selection of suppliers/ vendors go beyond cost relevance and include resource efficiency, product quality, life cycle, environment impact, etc. The Company gives preference in selection of vendors which comply with the various principles of sustainability.

The criteria for procurement of equipment are based upon resource efficiency, mainly comprising of but not limited to energy efficiency, fuel efficiency, emission control, etc.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company and its Subsidiary Companies within India gives priority to local vendors to the extent possible. If the products are not available in the local markets, then only the same are imported into India.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our production processes aim at highest resource efficiency in converting as much raw materials as possible into products and thus minimising waste volumes. We consider resource efficiency a foundation of our business model. We implemented multiple different activities across our global operations.

The Subsidiary Companies in India are engaged in the business of manufacture and sale of Cement and Calcined Petroleum Coke. In the process of manufacturing Cement and Calcined Petroleum Coke,

plants generate waste heat, which is used to generate electricity. In the manufacture of Cement, there is no solid or liquid waste arising from this process. The solid waste generated in manufacturing Calcined Petroleum Coke is supplied as Gypsum to Fal-G brick manufacturers for promoting local communities.

At our Castrop-Rauxel site in Germany, we operate a raw material-recovery plant that processes the suspensions from the facility's water purification processes, extracting materials that can then be used as secondary raw materials. At our Hamilton facility in Canada, drippings from our unloading lines are now collected and fed into our raw material storage units for processing instead of being disposed of as waste.

Principle 3

Businesses should promote the well-being of all employees

- Please indicate the Total number of employees of Rain Industries Limited:** 160
- Please indicate the Total number of employees hired on temporary/ contractual/casual basis:** Nil
- Please indicate the Number of permanent women employees:** 25
- Please indicate the Number of permanent employees with disabilities:** Nil
- Do you have an employee association that is recognised by management:** No
- What percentage of your permanent employees are members of this recognised employee association:**
Not applicable, as no employee association is formed or recognised.
- Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sl. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / in voluntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

Directors' Report (continued)

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Particulars	Safety (%)	Skill-upgradation (%)
Permanent Employees	100 %	100 %
Permanent Women Employees	100 %	100 %
Casual/Temporary/ Contractual Employees	Nil	Nil
Employees with Disabilities	N.A.	N.A.

Principle 4

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes. Rain Industries Limited has mapped its internal as well as external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders

There are no disadvantaged, vulnerable and marginalised stakeholders identified by Rain Industries Limited.

However, subsidiaries of the Company in India namely Rain Cements Limited and Rain CII Carbon (Vizag) Limited have identified the Communities around Company's manufacturing units and its contractors/ workers as disadvantaged, vulnerable and marginalised stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

The Company and its subsidiaries endeavor to make 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

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

All aspects of human rights are inbuilt and covered under

the Company's Code of Business Conduct as well in various human resource practices / policies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints with respect to Human Rights were reported during the Financial Year ended December 31, 2021.

Principle 6

Businesses should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Company and its subsidiary Companies adhere to all the Statutory Environmental Regulatory requirements. The subsidiary Companies within and outside India have adopted the Company's Environment, Health and Safety Policy.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Subsidiary Companies of the Company are working to optimise the usage of resources and contribute to the goal of its customers in reducing the carbon and environmental footprint.

3. Does the Company identify and assess potential environmental risks? Y/N

-Yes-

The Company and its subsidiary Companies have Risk Management mechanisms in place to identify and assess existing and potential risks across its operations.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

i. Rain Cements Limited, a wholly owned Subsidiary has two Waste-heat-recovery Power plants at its Cement Plants situated at Suryapet District, Telangana State, India and at Kurnool District, Andhra Pradesh, India generating 4.1 MW Electricity and 6.4 MW Electricity respectively;

ii. Rain Cements Limited, a wholly owned Subsidiary has two Solar Power Plants at its Cement Plants



situated at Suryapet District, Telangana State, India and at Kurnool District, Andhra Pradesh, India generating 2.0 MW Electricity and 1.0 MW of Electricity respectively;

- iii. Rain CII Carbon (Vizag) Limited, a wholly owned Subsidiary has a Waste Heat Recovery based Power Generation facility to generate up to 49 MW Electricity situated at Visakhapatnam, Andhra Pradesh, India with Clean Development Mechanism; and
- iv. Rain CII Carbon (Vizag) Limited has registered its Waste Heat Recovery based Power Generation plant with United Nations Framework Convention on Climate Change (UNFCCC) under Clean Development Mechanism (CDM). Rain CII Carbon (Vizag) Limited was eligible for Certified Emission Reductions (CERs) up to July 2017.

5. Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company and its subsidiaries through their dedicated team of engineers, have been monitoring performance of various plants and equipment's to reduce energy consumption. The significant energy conservation measures initiated during the year are given in the statement under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, which is made part of Annual Report as an annexure to Boards' Report of the Company and Subsidiary Companies. The web link for the same is <https://www.rain-industries.com>

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions/waste generated by the subsidiary Companies are within the permissible limits specified by Central or State Pollution Control Board (CPCB/SPCB) for the financial year being reported.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are no show cause/legal notices from CPCB/SPCB that are pending as at the end of the financial year.

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. The Company is a member of Federation of Telangana Chamber of Commerce and Industry (FTCCI), Telangana State, India.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

-No-

Principle 8

Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has adopted CSR Policy, the key areas of focus of CSR Policy are:

- i. Providing health care, maintaining hospitals, ambulances and conducting medical camps;
- ii. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; and
- iii. Rural development projects.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?

The above-mentioned initiatives are implemented through its in-house team and through own Foundation named Pragnya Priya Foundation. It is a not-for-profit Company registered under Section 8 of the Companies Act, 2013 (Section 25 of the Companies Act, 1956).

3. Have you done any impact assessment of your initiative?

No.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Directors' Report (continued)

The Company along with its subsidiaries in India have spent an amount of ₹ 59.66 million on its CSR activities during Financial year ended December 31, 2021.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Corporate Social Responsibility – An Overview

The CSR model of Rain Industries Limited and its subsidiaries is well-integrated with their business strategy and has helped to bring about positive change in communities. The Company established the Pragnya Priya Foundation in 2012 to drive its CSR initiatives, which include improving the lives of marginalized sections of society living near the Company's production facilities.

The Company's CSR initiatives focus on four key areas: Health, Education, Rural Development and Environment.

• **Health**

Rain Industries Limited, through the Pragnya Priya Foundation, has established 3 free primary hospitals, one each in (1) Ramapuram Village, Mellacheruvu Mandal, Suryapet District, Telangana State, India; (2) Boincheruvupalli Village, Kurnool District, Andhra Pradesh, India and (3) Kalayakagollu village, Nellore District, Andhra Pradesh, India. Each of these hospitals also provides fully equipped ambulance facilities for patients. In addition to medical care, the hospitals conduct routine health-related initiatives for communities such as de-addiction counselling and creating awareness about health education in marginalised communities.

• **Education**

Recognising the role education plays in social transformation, Rain Industries Limited, through the Pragnya Priya Foundation, operates 3 High Schools in English Medium with digital classrooms, one each at (1) Ramapuram Village, Mellacheruvu Mandal, Suryapet District, Telangana State, India; (2) Boincheruvupalli Village, Kurnool District, Andhra Pradesh, India and (3) Kalayakagollu village, Nellore District, Andhra Pradesh, India.

• **Rural developmental initiatives**

Rain undertakes development projects that contribute to the overall development of communities around

its production facilities. In co-operation with local communities in India, the Company promotes and supports initiatives taken by Local Bodies and Government Agencies to identify, adopt and support for development and growth.

• **Environment**

Rain Industries Limited undertakes Plantation of Trees at Visakhapatnam towards promotion of Plantation and Social Forestry, for improving the air-quality and minimising the air-pollution.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

No complaints/consumer cases are pending as on the end of financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Company and its subsidiary Companies displays product information on the product label as per the requirement of law.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No case was filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

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 25, 2022



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 harmonise 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

Directors' Report (continued)

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 ₹ 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

Managing Director

DIN: 00021052

Jagan Mohan Reddy Nellore

Director

DIN: 00017633

Place: Hyderabad

Date: February 25, 2022

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 verticals: 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) 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 four 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, 2021. 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

Particulars	₹ in million	
	CY 2021	CY 2020
Income from Operations	145,268	104,647
Adjusted Operating Profit	25,174	19,896
Operating Profit (%)	17.3%	19.0%
Profit Before Tax	12,764	8,510
Adjusted Profit After Tax @	7,560	5,321

@ After Non-controlling interest

Operating profit and profit after tax are adjusted with exceptional and one-off items. Please find hereunder the reconciliation of reported operating profit and reported profit after tax with adjusted operating profit and adjusted profit after tax.

Reconciliation	₹ in million	
	Operating Profit	Profit After Tax
Reported	25,291	5,801
Adjustments:		
Expenses towards strategic projects and other non-recurring items	540	540
Repair and other costs incurred on account of hurricane	513	513
Insurance claims received during the quarter related to prior periods	(337)	(337)
Gain on disposal of assets held for sale	(221)	(221)
Reversal of reorganisation costs accruals	(103)	(103)
Income due to waiver of Payroll Protection Program Loan by federal government of United States	(469)	(469)
Gain on divestment of superplasticiser business	(40)	(40)
Impairment of pond pitch asset	-	168
Tax impact on above adjustments	-	(174)
Valuation of deferred taxes	-	1,882
Adjusted	25,174	7,560



During CY 2021, our business generated revenue from operations of ₹ 145.3 billion and operating profit of ₹ 25.2 billion. The revenue in CY 2021 was higher by 38.8% compared to CY 2020 mainly due to higher price realisations and appreciation of Euro against INR. The operating margins in CY 2021 were higher due to increased realisations offset with an increase in raw material costs and other operating costs. As a result, the profit after tax in CY 2021 was ₹ 7.6 billion (i.e., ₹ 2.3 billion higher than the ₹ 5.3 billion generated in CY 2020).

Consequently, the adjusted earnings per share was ₹ 22.48 in CY 2021 as against ₹ 15.82 in CY 2020.

With a moderate performance in CY 2021 coupled with a strong cash balance of ₹ 16.9 billion and undrawn working capital loans of ₹ 10.9 billion, RAIN Group is well placed to meet its debt-servicing obligations in the future and fund the expansion projects initiated. The major debt repayments are scheduled to start in January 2025.

The paid-up share capital of RAIN Industries Limited as on December 31, 2021, is ₹ 672,691,358, comprising 336,345,679 fully paid-up equity shares of ₹ 2 each.

Details of Key Financial Ratios (Consolidated):

Sl. No.	Key Financial Ratios	Financial year 2021	Financial year 2020	Variance
(i)	Debtors Turnover	10.49	9.53	10%
(ii)	Inventory Turnover	3.62	2.94	23%
(iii)	Interest Coverage Ratio	5.57	4.25	31%
(iv)	Current Ratio	2.19	1.94	13%
(v)	Net Debt Equity Ratio	1.21	1.33	-9%
(vi)	Adjusted Operating Profit Margin (%)	17%	19%	-2%
(vii)	Adjusted Net Profit Margin (%)	5%	5%	0%
(viii)	Return on Net Worth	12%	10%	2%

The interest coverage ratio has increased during the current year as compared to previous year mainly on account of higher operating margin due to increased realisations coupled with decreased interest expense due to lower utilisation of working capital borrowings

exchange fluctuation from depreciation of Indian Rupee against Euro. The operating margin increased to 21.5% in CY 2021 as compared to 20.8% in CY 2020. Margins increased in the Carbon business due to improved realisations offset by an increase in energy cost in Europe.

3. PERFORMANCE OF CARBON BUSINESS SEGMENT

Particulars	₹ in million	
	CY 2021	CY 2020
Sales Volumes ('000 Tonnes)	2,529	2,522
Net Revenue	96,966	66,772
Operating Profit	20,884	13,857
Operating Profit (%)	21.5%	20.8%

Our Carbon business segment includes the manufacturing and trading of carbon products comprising CPC, CTP, GPC and other derivatives 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 67.5% of RAIN Group's consolidated revenue for CY 2021 was generated from the Carbon business segment.

During CY 2021, the Carbon business segment generated ₹ 97.0 billion in net revenue, an increase of approximately 45.2% as compared to ₹ 66.8 billion generated during CY 2020. The increase in revenue was due to increase in average realisations by approximately 44.8%, including

4. PERFORMANCE OF ADVANCED MATERIALS BUSINESS SEGMENT

Particulars	₹ in million	
	CY 2021	CY 2020
Sales Volumes ('000 Tonnes)	385	398
Net Revenue	32,910	26,935
Operating Profit	1,555	3,864
Operating Profit (%)	4.7%	14.3%

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 22.9% of RAIN Group's consolidated revenue for CY 2021 is from the Advanced Materials business segment.

During CY 2021, our Advanced Materials business segment generated ₹ 32.9 billion in net revenue, an

Management Discussion and Analysis (continued)

increase of 22.2% as compared to ₹ 26.9 billion during CY 2020. The increase was primarily related to a 26.3% increase in blended price realisations during CY 2021 offset by a 3.3% decrease in sales volumes. The operating margin decreased from 14.3% in CY 2020 to 4.7% in CY 2021 due to an unprecedented increase in energy costs in Europe coupled with incremental operating costs in HHCR plant for replacing certain equipment to make process improvements as well as the divestment of the superplasticisers business.

With stabilisation of our hydrogenated hydrocarbon resins plant in Germany and shifting a portion of increased energy costs to customers, we expect the Advanced Materials business segment to perform better in the future.

5. PERFORMANCE OF CEMENT BUSINESS SEGMENT

Particulars	₹ in million	
	CY 2021	CY 2020
Sales Volumes ('000 Tonnes)	2,895	2,241
Net Revenue	13,821	10,255
Operating Profit	2,735	2,175
Operating Profit (%)	19.8%	21.2%

Our Cement business segment is engaged in the manufacture and sale of cement. The products include high-quality OPC and PPC. About 9.6% of the consolidated revenue of RAIN Group for CY 2021 was from this business segment. During CY 2021, this segment generated ₹ 13.8 billion in net revenue. Due to an increase in volumes of approximately 29.2% in CY 2021 compared to CY 2020, coupled with an increase in price realisations by 4.3%, there was an increase in revenue by approximately 34.8% compared to ₹ 10.3 billion during CY 2020. The Cement business segment operated at an average capacity utilisation of approximately 83% during CY 2021 compared to approximately 64% in CY 2020.

The operating margin of Cement business decreased from 21.2% in CY 2020 to 19.8% in CY 2021 due to higher operating costs offset by increased volumes and realisations.

With expected growth in demand from rural markets in India and implementation of cost-optimisation initiatives, 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 our coal tar and petroleum tar distillation operations with our downstream operations that efficiently use the products derived from our 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 significantly 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.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company established an in-house internal audit department in India to carry out robust reviews of various RAIN Group companies in India, Europe and North America. Further, Ernst & Young LLP, India (EY) carries out the internal audit of the Company and special reviews of other subsidiary companies, as needed. The observations of both in-house internal auditors and EY 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 and stores, including components, 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 our 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 2,400 people directly and indirectly through our subsidiaries across the globe. The Company believes that the quality of our 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 (STOPTM), 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 a 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.

2021 was another important year in our safety journey, as our commitment to workplace safety resulted in the third consecutive year that our Rain Carbon subsidiary achieved a total recordable injury rate of less than 0.2.

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.

As the COVID-19 virus spread at the beginning of 2020, we quickly recognised our immense responsibility to keep RAIN's employees safe and production facilities running so that we remained an unbroken link in the global supply chain. Our prompt response helped minimise the pandemic's impact on RAIN during the last two years.

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 SEBI Regulations and provisions of the Listing Agreement and with the guidelines on insider trading for prevention of the same.

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
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

Place: Hyderabad
Date: February 25, 2022

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 maximise 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, 2021, the Board of Directors ("Board") comprised of Eight Directors, of which Seven are Non-Executive Directors and one is Executive Director. The Company has a Non-Executive Chairman and Five 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 Eight Directors as on 31st December, 2021.

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, 2021

Sl. No.	Name of the Director	Designation	Category
1	Mr. Brian Jude McNamara	Chairman	Independent Director
2	Mr. N. Radhakrishna Reddy	Managing Director	Executive Director (Promoter)
3	Mr. Jagan Mohan Reddy Nellore	Vice Chairman	Non - Executive Director (Promoter)
4	Mr. N. Sujith Kumar Reddy	Director	Non - Executive Director (Promoter)
5	Mr. Varun Batra	Director	Independent Director
6	Ms. Radhika Vijay Haribhakti	Director	Independent Director
7	Ms. Nirmala Reddy	Director	Independent Director
8	Mr. Robert Thomas Tonti *	Director	Independent Director

Note: Mr. H. L. Zutshi, Independent Director is ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

*Mr. Robert Thomas Tonti was appointed as an Independent Director of the Company with effect from October 31, 2021 for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

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, 2021 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	No
Mr. Jagan Mohan Reddy Nellore	4	4	Yes
Mr. N. Sujith Kumar Reddy	4	4	Yes
Mr. H. L. Zutshi *	3	3	Yes
Ms. Radhika Vijay Haribhakti	4	4	Yes
Ms. Nirmala Reddy	4	4	Yes
Mr. Varun Batra	4	4	Yes
Mr. Brian Jude McNamara	4	4	Yes
Mr. Robert Thomas Tonti**	-	-	NA

Note: *Mr. H. L. Zutshi, Independent Director is ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

** Mr. Robert Thomas Tonti was appointed as an Independent Director of the Company with effect from October 31, 2021 for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

c. Other Directorships

The number of Directorships and memberships in the Committees of other Companies held by the Directors as on December 31, 2021 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	4	-
Mr. N. Sujith Kumar Reddy	8	-	-
Mr. Varun Batra	3	-	-
Mr. Brian Jude McNamara	2	4	1
Ms. Radhika Vijay Haribhakti	5	8	1
Ms. Nirmala Reddy	4	2	2
Mr. Robert Thomas Tonti	-	-	-

*Includes Directorships in the Companies incorporated under the Companies Act, 1956/2013.

#Includes only Audit Committee, Nomination and Remuneration 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).

Report on Corporate Governance (continued)

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	Ms. Nirmala Reddy	Nil	NA
7	Ms. Radhika Vijay Haribhakti	4	1. Navin Fluorine International Limited – Independent Director 2. EIH Associated Hotels Limited – Independent Director 3. ICRA Limited – Independent Director 4. Torrent Power Limited – Independent Director
8	Mr. Robert Thomas Tonti	Nil	NA

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 finalisation of agenda. Audio-Visual mode 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 of 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 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, 2021. 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 25, 2021, April 29, 2021, July 31, 2021 and October 30, 2021.



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, 2021 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
Ms. Radhika Vijay Haribhakti	NIL
Ms. Nirmala Reddy	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://www.rain-industries.com>

i. Given below is the chart setting out the skills/expertise/competence of the Board of Directors:

Sl. No.	Name of the Director	Category	Specialisation
1	Mr. N. Radhakrishna Reddy	Managing Director (Promoter)	He has more than 53 years of experience in Construction and Cement Industry.
2	Mr. Jagan Mohan Reddy Nellore	Non-Executive Director (Promoter)	He has more than 29 years of experience in Finance, Commercial and Manufacturing areas.
3	Mr. N. Sujith Kumar Reddy	Non-Executive Director (Promoter)	He has more than 30 years of experience in Manufacturing and Construction Industry.
4	Mr. Varun Batra	Independent Director	He is a Senior finance professional with more than 31 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 33 years career in Project Finance, Corporate Finance and Investment Management.

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Sl. No.	Name of the Director	Category	Specialisation
6	Ms. Radhika Vijay Haribhakti	Independent Director	She has over 31 years of experience in Commercial and Investment Banking.
7	Ms. Nirmala Reddy	Independent Director	She has more than 48 years of experience in Banking, Finance and Project appraisal.
8	Mr. Robert Thomas Tonti	Independent Director	He has over 40 years' experience primarily centered on the Calcining of Petroleum Coke and Energy Production with experience in Oil refining and Aluminium Smelting.

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, 2021.
- l. Mr. H. L. Zutshi, Independent Director has ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.
- m. Mr. Robert Thomas Tonti was appointed as an Independent Director of the Company with effect from October 31, 2021 for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

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 (80 years) is the Managing Director of Rain Industries Limited. He has more than 53 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. Jagan Mohan Reddy Nellore, Vice Chairman & Non-Executive Director

Mr. Jagan Mohan Reddy Nellore (55 years) brings with him 29 years of experience to the Company in the 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, Rain Carbon Inc and CII Carbon Corp.

Mr. Nellore is the member of Audit Committee and Nomination and Remuneration Committee of Rain Cements Limited and Rain CII Carbon (Vizag) 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 (50 Years) holds a Bachelor's degree in Commerce. He has more than 30 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, 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 (55 years) is a Senior finance professional with more than 31 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 a Director on the Boards of Sphaera Pharma Private Limited, Aditya Auto Products and Engineering (India) Private Limited and Sanchi Techstarter Private Limited.

Mr. Batra is a Graduate in Mathematics from St. Xavier's College, Mumbai and Post Graduate 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, Independent Director**

Mr. Brian Jude McNamara (59 years) is a former banker with 33 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

Report on Corporate Governance (continued)

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, fibers, 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 a Director on the Board of Rain Industries Limited and is also a 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, Member of Audit Committee and Nomination and Remuneration Committee of Rain CII Carbon (Vizag) Limited, Chairman of Audit Committee and Member of Nomination and Remuneration Committee of Rain Cements 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.

- **Ms. Nirmala Reddy, Independent Director**

Ms. Nirmala Reddy (74 years) worked as a Financial Sector consultant for the World Bank, Washington, DC, during 1995-2006. Her assignments were on credit intermediation, sustainability, privatisation, appraisal of development banks and financial institutions in projects located in Mongolia, Guyana, Egypt and Jordan. She also worked on projects for the Asian Development Bank in Thailand and the African Development Bank in Cote de l'voire. Earlier, she was a career banker having joined the State Bank as a probationary officer in 1969. She has 22 years of experience in banking operations,

foreign exchange, as head of merchant banking in her career with Vijaya Bank and served as Director correspondent banking with American Express Bank Ltd. Bombay. She was trained in the Bank's branches in New York, London and Frankfurt. Ms. Reddy holds a master's degree in political science from Osmania University, Hyderabad. She has studied French and Japanese.

She is presently a Director on the Boards of Rain Cements Limited, Rain CII Carbon (Vizag) Limited, Nugget Estates Private Limited, Nugget Realty & Ventures Private Limited and President for Globe Enterprises LLC.

She is a Member of Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of Rain Industries Limited, Chairperson of Nomination and Remuneration Committee of Rain CII Carbon (Vizag) Limited and Chairperson of Nomination and Remuneration Committee of Rain Cements Limited.

Ms. Reddy is not holding any equity shares of the Company and she is not related to any Director, Manager and other Key Managerial Personnel of the Company.

- **Ms. Radhika Vijay Haribhakti, Independent Director**

Ms. Radhika Haribhakti (64 years) has over 31 years of experience in Commercial and Investment Banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch. She has advised several large corporates and led their Equity and Debt offerings in domestic as well as international capital markets. She now heads RH Financial, a boutique Advisory Firm focused on M&A and Private Equity.

She serves as an Independent Director on the Boards of EIH Associated Hotels Limited, ICRA Limited, Navin Fluorine International Limited, Pipeline Infrastructure Limited and Torrent Power Limited.

She is the Member of Audit Committee and Stakeholders' Relationship Committee of Navin Fluorine International Limited, Member of Audit Committee, Risk Management Committee and Chairperson of Nomination & Remuneration Committee of ICRA Limited, Member of Audit Committee and Risk Management Committee of EIH Associated Hotels Limited, Member of Audit



Committee, Risk Management Committee and Nomination & Remuneration Committee of Torrent Power Limited and Member of Audit Committee, Corporate Social Responsibility Committee and Health Safety, Security and Environment Committee of Pipeline Infrastructure Limited.

She has also been closely involved with issues of women empowerment and financial inclusion and has served on Boards of non-profits for over 18 years, including 12 years as Chairperson. She is the former Chair of Friends of Women's World Banking (FWWB), a pioneer in the Microfinance Sector in India that supported several startups grow into leading Micro Finance Institutions. She has also Chaired the Board of Swadhaar Finaccess, engaged in promoting financial literacy amongst women in economically disadvantaged communities. She has also served on the Governing Council and Jury of Citigroup Micro Enterprise Award and CII's National Committee on Women Empowerment. She has also been Co Convener of "Training for Women on Corporate Boards", a FICCI – FLO initiative.

She is a Graduate in Commerce from Gujarat University and a post-graduate in Management from the Indian Institute of Management (IIM), Ahmedabad.

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.

• **Mr. Robert Thomas Tonti, Independent Director**

Mr. Robert Thomas Tonti (63 Years) has over 40 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 Carbon Inc, a wholly owned subsidiary of the Company 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.

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 statement is 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

Report on Corporate Governance (continued)

- 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation 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. Management discussion and analysis of financial condition and results of operations;
- xxviii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- xxix. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- xxx. 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. 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 utilised 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 Ms. Radhika Vijay Haribhakti, Independent Director as its Chairperson.

Composition of Audit Committee:

Name of the Director	Designation
Ms. Radhika Vijay Haribhakti	Chairperson
Mr. Brian Jude McNamara	Member
Mr. Varun Batra	Member
Mr. Robert Thomas Tonti	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, Chairman of the Audit Committee, was present at the 46th Annual General Meeting of the Company held on May 10, 2021 to address the Shareholders' queries pertaining to Annual Accounts of the Company.
- 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, 2021

- Four Audit Committee Meetings were held during the Financial Year ended December 31, 2021. 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 25, 2021, April 28, 2021, July 30, 2021 and October 29, 2021.

Attendance at the Audit Committee Meetings

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Ms. Radhika Vijay Haribhakti	Chairperson	4	4
Mr. H. L. Zutshi *	Member	3	3
Mr. Varun Batra	Member	4	4
Mr. Brian Jude McNamara	Member	4	4
Mr. Robert Thomas Tonti**	Member	-	-

Note: Ms. Nirmala Reddy has resigned from the membership of Audit Committee of the Company with effect from January 11, 2021 due to increase in personal commitments leaving less time.

* Mr. H. L. Zutshi, Independent Director is ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

** Mr. Robert Thomas Tonti, Independent Director was appointed as a member of Audit Committee of the Company with effect from October 31, 2021.

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

Report on Corporate Governance (continued)

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, name of members and Chairperson

The Nomination and Remuneration Committee comprised of 5 Independent Directors with Ms. Radhika Vijay Haribhakti, Independent Director as its Chairperson.

Composition of the Nomination and Remuneration Committee:

Name of the Director	Designation
Ms. Radhika Vijay Haribhakti	Chairperson
Mr. Varun Batra	Member
Mr. Brian Jude McNamara	Member
Ms. Nirmala Reddy	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 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 Chairperson of the Committee, Ms. Radhika Vijay Haribhakti was present at the 46th Annual General Meeting of the Company held on May 10, 2021.

c. Nomination and Remuneration Committee meetings

- One Nomination and Remuneration Committee Meeting was held during the Financial Year ended December 31, 2021.
- The Nomination and Remuneration Committee Meeting was held on October 30, 2021.

Attendance at the Nomination and Remuneration Committee Meetings:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Ms. Radhika Vijay Haribhakti	Chairperson	1	1
Ms. Nirmala Reddy	Member	1	1
Mr. Varun Batra	Member	1	1
Mr. Brian Jude McNamara	Member	1	1
Mr. Robert Thomas Tonti*	Member	-	-

Note: Mr. H. L. Zutshi, Independent Director is ceased to be a member of Nomination and Remuneration Committee of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

*Mr. Robert Thomas Tonti, Independent Director was appointed as a member of Nomination and Remuneration Committee of the Company with effect from October 31, 2021.

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 as 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://www.rain-industries.com/investors/#shareholders-information>

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 and 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

Report on Corporate Governance (continued)

(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.

The Risk Management Committee was reconstituted on June 4, 2021 through Circular Resolution passed by the Board of Directors of the Company. Pursuant to reconstitution Mr. N. Radhakrishna Reddy has ceased to be the Member of the Committee and Mr. Brian Jude McNamara was appointed as Member of the Committee.

Composition of the Risk Management Committee:

Name of the Director	Designation
Mr. Jagan Mohan Reddy Nellore	Chairman
Mr. N. Sujith Kumar Reddy	Member
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 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 Meeting was held on July 22, 2021 and October 21, 2021.

Attendance at the Risk Management Committee Meeting:

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

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/investors>.

5. Meeting of Independent Directors

A separate meeting of the Independent Directors was held on October 30, 2021 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 organisation 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 organisation to introduce new perspectives while maintaining experience and continuity.

8. Remuneration of Directors

- There were no pecuniary relationship or transactions with any Non-Executive Director of the Company.
- The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e., www.rain-industries.com
- Non-Executive Directors are paid Sitting Fees and Commission:

Report on Corporate Governance (continued)

Following are the details of Sitting Fees and Commission paid to the Non-Executive Directors during the Financial Year ended December 31, 2021:

Name of the Director	Sitting Fees	Commission	(In ₹ million)
			Total Amount
Mr. H. L. Zutshi *	0.48	0.60	1.08
Mr. Varun Batra	0.70	0.75	1.45
Mr. Brian Jude McNamara	0.70	0.75	1.45
Ms. Radhika Vijay Haribhakti	0.70	0.75	1.45
Ms. Nirmala Reddy	0.64	0.75	1.39
Mr. Robert Thomas Tonti **	-	-	-
Mr. Jagan Mohan Reddy Nellore	-	-	-
Mr. N. Sujith Kumar Reddy	-	-	-

Note: * Mr. H. L. Zutshi, Independent Director is ceased to be a Director of the Company with effect from September 30, 2021 due to completion of his second term as an Independent Director.

** Mr. Robert Thomas Tonti was appointed as an Independent Director of the Company with effect from October 31, 2021 for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

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	Total
Mr. N. Radhakrishna Reddy Managing Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Appointed for a period of 3 years	3 Month	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

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
Mr. Jagan Mohan Reddy Nellore	Member
Ms. Nirmala Reddy	Member (Independent Director)

b. Terms of Reference

- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.

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

- 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 46th Annual General Meeting of the Company held on May 10, 2021.



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
Mr. Jagan Mohan Reddy Nellore	Member

b. Terms of Reference

- 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
- 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, 2021, the Company has received 188 and resolved 188 complaints.

e. Number of complaints not resolved to the satisfaction of shareholders is 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
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).
2019	August 13, 2020	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 issued by Ministry of Corporate Affairs (MCA Circulars).
2018	May 8, 2019	3.00 P.M.	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry (FTAPCCI), Red Hills, Hyderabad - 500004, Telangana State, India.

b) Special Resolutions passed during the previous three Annual General Meetings:

Year	Date	Time	Special Resolutions Passed
2020	May 10, 2021	11.00 A.M.	No Special Resolutions were passed
2019	August 13, 2020	11.00 A.M.	No Special Resolutions were passed
2018	May 8, 2019	3.00 P.M.	1. Re-appointment of Ms. Nirmala Reddy as an Independent Director. 2. Appointment of Mr. N. Radhakrishna Reddy as Managing Director. 3. Authorisation to the Board of Directors to pay Commission to the Non-Executive Directors.

c) No Extraordinary General Meeting was held during the past 3 years.

Report on Corporate Governance (continued)

d) Following Special Resolutions were passed Last year through Postal Ballot

1) Person who conducted the Postal ballot exercise

The Company has appointed Mr. DVM Gopal, Practising Company Secretary (Membership No. 6280 and CP No. 6798) as Scrutinizer to conduct the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.

2) Procedure for Postal Ballot

Pursuant to Section 108, Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 and the General Circular No. 10/2021 dated June 23, 2021 issued by Ministry of Corporate Affairs ("MCA Circulars"), read with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, that the

following Special Resolutions were passed by the Members of the Company through Postal Ballot by remote e-voting process during the Financial Year ended December 31, 2021.

3) Special Resolutions passed last year through Postal Ballot

- (i) Re-appointment of Mr. N. Radhakrishna Reddy (DIN: 00021052) as the Managing Director of the Company for a period of 3 years i.e., from December 10, 2021 to December 9, 2024;
- (ii) To continue the appointment of Ms. Nirmala Reddy (DIN: 01673128) as an Independent Director of the Company, to hold office for her remaining term of office i.e., up to February 27, 2023 as she would be crossing 75 years of age on March 27, 2022;
- (iii) Re-appointment of Mr. Brian Jude McNamara (DIN: 08339667), as an Independent Director of the Company for a period of 5 years i.e., from February 28, 2022 to February 27, 2027; and

Ordinary Resolution passed last year through Postal Ballot:

- (iv) Appointment of Mr. Robert Thomas Tonti (DIN: 09367847), as an Independent Director of the Company for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.

Voting Results:

Resolution	Category	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = [(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) = [(4)/(2)] *100	% of Votes against on votes polled (7) = [(5)/(2)] *100
Re-appointment of Mr. N. Radhakrishna Reddy (DIN:00021052) as the Managing Director of the Company for a period of 3 years i.e., from December 10, 2021 to December 9, 2024	Promoter and Promoter Group	138,378,854	138,378,854	100.0000	138,378,854	0	100.0000	0.0000
	Public-Institutions	42,847,629	34,902,323	81.4568	34,902,323	0	100.0000	0.0000
	Public- Non-Institutions	155,119,196	11,661,094	7.5175	11,607,671	53,423	99.5419	0.4581
	Total	336,345,679	184,942,271	54.9858	184,888,848	53,423	99.9711	0.0289



Resolution	Category	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = [(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) = [(4)/(2)] *100	% of Votes against on votes polled (7) = [(5)/(2)] *100
Continuation of appointment of Ms. Nirmala Reddy (DIN: 01673128) as an Independent Director of the Company, to hold office for her remaining term of office i.e., up to February 27, 2023 as she would be crossing 75 years of age on March 27, 2022.	Promoter and Promoter Group	138,378,854	138,378,854	100.0000	138,378,854	0	100.0000	0.0000
	Public-Institutions	42,847,629	34,902,323	81.4568	33,168,686	1733637	95.0329	4.9671
	Public- Non-Institutions	155,119,196	11,660,256	7.5170	11,568,791	91465	99.2156	0.7844
	Total	336,345,679	184,941,433	54.9855	183,116,331	1825102	99.0131	0.9869

Resolution	Category	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = [(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) = [(4)/(2)] *100	% of Votes against on votes polled (7) = [(5)/(2)] *100
Re-appointment of Mr. Brian Jude McNamara (DIN:08339667), as an Independent Director of the Company for a period of 5 years i.e., from February 28, 2022 to February 27, 2027.	Promoter and Promoter Group	138,378,854	138,378,854	100.0000	138,378,854	0	100.0000	0.0000
	Public-Institutions	42,847,629	34,902,323	81.4568	32,753,851	2,148,472	93.8443	6.1557
	Public- Non-Institutions	155,119,196	11,660,721	7.5173	11,572,579	88,142	99.2441	0.7559
	Total	336,345,679	84,941,898	54.9857	182,705,284	2,236,614	98.7906	1.2094

Resolution	Category	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = [(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) = [(4)/(2)] *100	% of Votes against on votes polled (7) = [(5)/(2)] *100
Appointment of Mr. Robert Thomas Tonti (DIN:09367847), as an Independent Director of the Company for a period of 5 years i.e., from October 31, 2021 to October 30, 2026.	Promoter and Promoter Group	138,378,854	138,378,854	100.0000	138,378,854	0	100.0000	0.0000
	Public-Institutions	34,902,323	81.4568	34,666,690	235633	99.3249	0.6751	34,902,323
	Public- Non-Institutions	155,119,196	11,660,869	7.5174	11,606,645	54224	99.5350	0.4650
	Total	336,345,679	184,942,046	54.9857	184,652,189	289857	99.8433	0.1567

4) No Special Resolution is being proposed at the ensuing Annual General Meeting to be passed through Postal Ballot.

12. Means of Communication

The Company recognises 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.

Report on Corporate Governance (continued)

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://www.rain-industries.com/investors/#events-presentations>

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. 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** : 47th Annual General Meeting
 Date : May 6, 2022
 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, 2022 to December 31, 2022.

Tentative Schedule for considering Financial Results:

- For the Quarter ending March 31, 2022 : April/May, 2022
 For the Quarter ending June 30, 2022 : July/August, 2022
 For the Quarter ending September 30, 2022 : October/November, 2022
 For the Quarter/Year ending December 31, 2022 : January/February, 2023

- 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 2021 - 2022 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

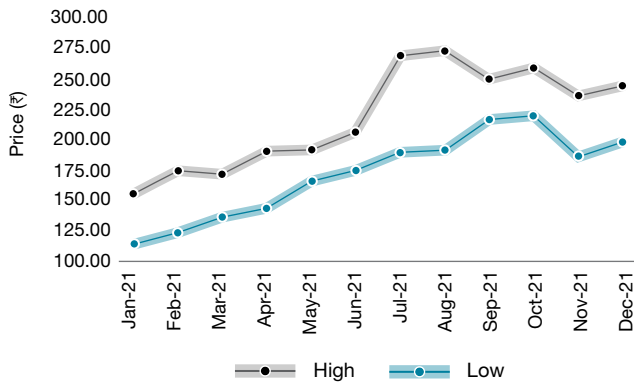
- f) Market price data – high/low during each month in the past financial year**

BSE Limited (BSE)

Month	High (₹)	Low (₹)	No. of Equity Shares traded
January, 2021	156.50	115.10	60,61,828
February, 2021	175.35	124.10	73,98,682
March, 2021	172.00	137.70	62,74,252
April, 2021	191.00	144.05	1,04,71,274
May, 2021	192.45	166.80	94,59,582
June, 2021	206.75	175.35	1,18,38,693
July, 2021	269.40	190.10	1,21,58,278
August, 2021	272.90	191.75	49,31,508
September, 2021	249.85	217.35	53,47,488
October, 2021	259.40	220.70	41,65,471
November, 2021	236.55	186.30	27,47,770
December, 2021	244.70	198.75	37,74,022



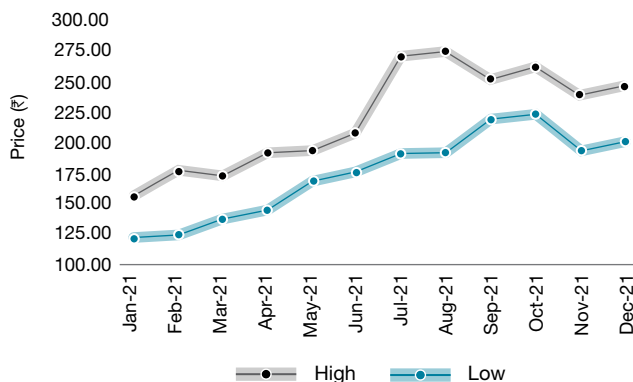
Share Prices at BSE



National Stock Exchange of India Limited (NSE)

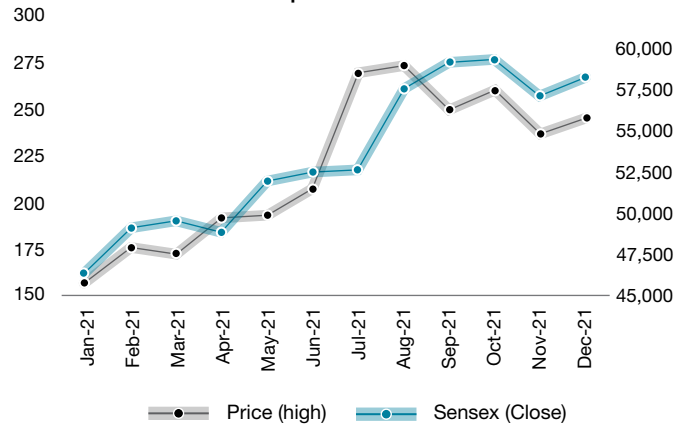
Month	High (₹)	Low (₹)	No. of Equity Shares traded
January, 2021	156.60	121.40	6,51,66,756
February, 2021	175.40	124.00	9,08,90,610
March, 2021	172.35	137.60	5,31,98,003
April, 2021	191.10	144.00	14,05,55,674
May, 2021	192.50	166.85	9,72,25,959
June, 2021	206.80	175.50	12,69,78,494
July, 2021	269.50	190.15	16,32,38,283
August, 2021	272.75	191.60	7,20,78,660
September, 2021	249.90	217.05	6,69,83,576
October, 2021	259.50	220.75	4,69,81,612
November, 2021	236.70	192.00	3,01,35,574
December, 2021	244.80	198.60	5,77,07,525

Share Prices at NSE



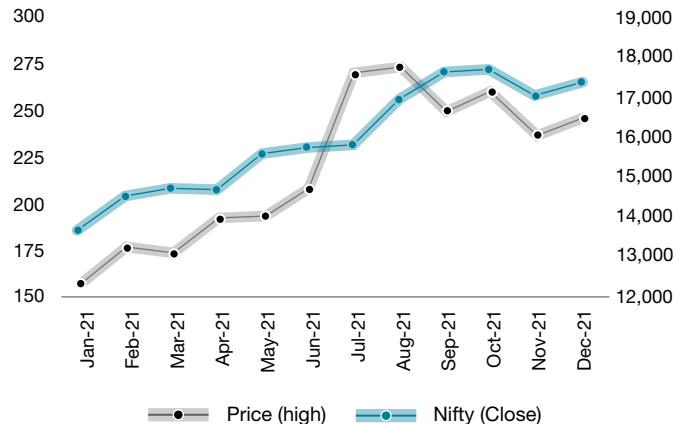
g) Performance in comparison to broad based indices of BSE SENSEX:

Comparison between the Share price - High and Sensex index close price.



Performance in comparison to broad based indices of Nifty:

Comparison between the Share price- High and Nifty index close price.



h) There was no suspension of trading in the Securities of the Company during the year under review.

i) Registrars to an Issue & Share Transfer Agents:

(for Shares held in both Physical and Demat mode)

KFin Technologies Private 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

Report on Corporate Governance (continued)

j) Share Transfer System

The requests received for Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates are processed and despatched 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 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, on half-yearly basis, 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.

k) Distribution of Shareholding

Shareholding pattern as on December 31, 2021

Sl. No.	Category	No. of Shares held	Percentage of shareholding
1	Promoters/Directors/ Associates	13,83,78,854	41.14
2	Mutual Funds	7,86,481	0.23
3	Financial Institutions and Banks	37,070	0.01
4	Foreign Portfolio Investors	4,73,49,498	14.08
5	Bodies Corporate	1,92,42,678	5.72
6	Alternate Investment Funds	1,84,000	0.05
7	Trusts	12,748	0.00
8	NRIs	1,30,42,734	3.88
9	HUF	56,37,024	1.68
10	Clearing Members	17,88,991	0.53
11	Investor Education Protection Fund (IEPF) A/c	32,75,372	0.97
12	Unclaimed Suspense Account	4,41,830	0.13
13	Indian Public	10,61,68,399	31.57
Total		33,63,45,679	100.00

Distribution of shareholding according to nominal value as on December 31, 2021

Share Holding of nominal value of	Shareholder		Shares	Shareholding	
	Number	% to total No.		In (₹)	% to Total Amount
1-5000	1,81,501	97.03	4,07,31,488	8,14,62,976	12.11
5001- 10000	2,834	1.52	1,05,03,775	2,10,07,550	3.12
10001- 20000	1,319	0.71	97,31,837	1,94,63,674	2.89
20001- 30000	437	0.23	54,85,598	1,09,71,196	1.63
30001- 40000	230	0.12	41,01,356	82,02,712	1.22
40001- 50000	169	0.09	38,40,820	76,81,640	1.14
50001- 100000	232	0.12	82,88,985	1,65,77,970	2.46
100001& Above	336	0.18	25,36,61,820	50,73,23,640	75.42
Total	1,31,558	100.00	336345679	672,691,358	100.00

l) Dematerialisation 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).



33,05,33,764 equity shares were dematerialised representing 98.27% of the total paid up equity share capital of the Company as on December 31, 2021.

ISIN: INE855B01025

m) There are no outstanding Global Depository Receipts/American Depository Receipts or Warrants or any convertible instruments as on December 31, 2021.

n) 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 same are not applicable to the Company.

o) The Company does not have any plants.

p) **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

q) **Credit Rating**

Given below are the ratings given to the Company by India Ratings & Research during the Financial Year ended December 31, 2021:

India Ratings and Research has revised Rain Industries Limited's (Company) Outlook to Stable from Negative while affirming the Long-Term Issuer Rating at 'IND A/Stable'.

(i) Long term borrowing: "IND A/Stable".

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: www.rain-industries.com

b) **Material Related Party Transactions**

During the year ended December 31, 2021, 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.30 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) **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 victimisation of employees who avail of the mechanism and allows direct access to

Report on Corporate Governance (continued)

the Chairperson of the audit committee in exceptional cases.

The Audit Committee reviews periodically the functioning of whistle blower mechanism.

No personnel has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company: <https://www.rain-industries.com>

The ombudsman had not received any complaint during the Financial Year ended December 31, 2021.

- e) The policy for determining 'material' subsidiaries is available on the website of the Company <https://www.rain-industries.com>

- i) 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.

- f) The policy on dealing with related party transactions is available on the website of the Company: <https://www.rain-industries.com>

- g) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended December 31, 2021.

- h) 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.

Given below are the details of fees paid to BSR & Associates LLP, Chartered Accountant, Statutory Auditors of the Company on a Consolidated basis during the Financial Year ended December 31, 2021:

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	6.95
2	Fees paid for Limited review of the Company and Subsidiary Companies situated in India and outside India	9.10
3	Statutory Audit fees paid for Audit of Subsidiary Companies situated outside India	53.51
4	Fees paid for other services	6.79
5	Reimbursement of expenses	2.08
Total		78.43

- j) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sl. 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

15. The Company has complied with the requirements of Schedule V Corporate Governance Report sub-para (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 reports 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 prioritised 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.

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.

Report on Corporate Governance (continued)

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.

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:

Sl. 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, 2021.	393	6,82,195
2	No. of shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	6	1,88,985
3	No. of shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	6	1,88,985
4	Transferred to Investor Education and Protection fund Authority	65	51,380
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, 2021 (1-3-4).	322	4,41,830

The voting rights on the shares outstanding in the suspense account as on December 31, 2021 shall remain frozen till the rightful owner of such shares claim the shares.

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 1,91,011 equity shares to Investor Education and Protection Fund during the Financial Year ended December 31, 2021.

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

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.

24. Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended December 31, 2021, there were no proceeds from public issues, rights issues, preferential issues, etc.

25. 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>



- 26.** 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>
- 27.** 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>.

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

Place: Hyderabad
Date: February 25, 2022

N. Radhakrishna Reddy
Managing Director
DIN: 00021052

Jagan Mohan Reddy Nellore
Director
DIN: 00017633

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, 2021.

for **Rain Industries Limited**

N. Radhakrishna Reddy

Managing Director

DIN: 00021052

Place: Hyderabad

Date: February 25, 2022

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, 2021 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 24, 2022



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, 2021.

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, 2021:

Sl. 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	Vice Chairman (Non-Executive Director)	00017633
4	Mr. N. Sujith Kumar Reddy	Non-Executive Director	00022383
5	Mr. Varun Batra	Independent Director	00020526
6	Ms. Radhika Vijay Haribhakti	Independent Director	02409519
7	Ms. Nirmla Reddy	Independent Director	01673128
8	Mr. Robert Thomas Tonti	Independent Director	09367847

for **DVM & Associates LLP**

Company Secretaries

L2017KR002100

DVM Gopal

Partner

M No: F 6280

CP No: 6798

UDIN: F006280C002685583

Place: Hyderabad

Date: February 25, 2022

Independent Auditors' Certificate on Compliance with The Corporate Governance Requirements under SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Rain Industries Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated June 6, 2019.
2. We have examined the compliance of conditions of Corporate Governance by **Rain Industries Limited** ("the Company"), for the year ended December 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

AUDITORS' RESPONSIBILITY

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended December 31, 2021.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on

Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. 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.

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance 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.

RESTRICTION ON USE

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations 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 for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for **B S R & Associates LLP**

Chartered Accountants

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

Vikash Somani

Partner

Place: Hyderabad

Date: February 25, 2022

Membership No: 061272

UDIN: 22061272ADPSIQ9322