

Independent Auditor's Report

To the Members of Rain Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Rain Industries Limited (the "Company"), which comprise the Balance Sheet as at December 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the

Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to note 37 of the accompanying standalone financial statements, which describes the uncertainties with respect to applicable regulations including sanctions arising from the matters more fully described therein. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended December 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters**How our audit addressed the key audit matter****Impairment assessment of non-current investments in subsidiaries carried at cost (as described in note 5 of the standalone financial statements)**

As at December 31, 2025, the Company has investments of ₹ 10,497.36 million in subsidiaries. As per requirement of Ind AS 36 "Impairment of assets", the management at each reporting date reviews whether there are any indicators of impairment of the investments in subsidiaries and where impairment indicators exist, the management estimates the recoverable amounts of the investments, using discounted cash-flow model.

Significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as:

- Projected net operating cash-flows in the years 1-5;
- Stable long-term growth rates beyond five years and in perpetuity; and
- Discount rates that represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money.

The impairment testing includes sensitivity testing of key assumptions, including net operating cash flows, long-term growth rates and discount rate.

The impairment testing is considered a key audit matter because the assumptions involved are highly judgemental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balance to the standalone financial statements as a whole.

Our audit procedures included, among others the following:

- Assessed the Company's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets".
- Obtained an understanding of the process, tested the design, implementation and operating effectiveness of key internal controls related to investment impairment assessment.
- We assessed the methodology applied by the Company in its impairment analysis. In making this assessment, we also evaluated the competence, objectivity and professional qualification of Company's specialists involved in the process.
- With the assistance of a specialist engaged by us, we assessed the assumptions around the key drivers of the net operating cash flow forecasts, discount rates and terminal growth rates used, in consideration of the current and estimated future economic conditions.
- We discussed potential changes in key drivers as compared to previous year/ actual performance with management in order to evaluate whether the inputs and assumptions such as operating cash flows, discount rates and terminal growth rates used in the cash flow forecasts were suitable.
- Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.
- We assessed the adequacy of the disclosures in relation to the impairment testing as described in the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring

the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
 2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on December 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g).
 - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) In our opinion, the managerial remuneration for the year ended December 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.
 - vi. Based on our examination which included test checks, the Company has two accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same is operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled throughout the year in these accounting software for direct changes

to data when using certain access rights, as described in note 38 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered in respect of these accounting software.

Additionally, the audit trail of relevant prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective year, as stated in Note 38 to the standalone financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**

Partner

Membership Number: 093649

UDIN: 26093649EINWSV5111

Place of Signature: Mumbai, Maharashtra

Date: February 27, 2026

ANNEXURE '1'

Referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

Re: Rain Industries Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipments were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipments (including Right of use assets) or intangible assets during the year ended December 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any physical inventories. Accordingly, clause 3(ii) (a) of the Order is not applicable to the Company.
- (b) As disclosed in note 13 of the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, there are no quarterly returns or statements of current assets required to be submitted by the Company to the bank. Further, the Company does not have sanctioned working capital limit in excess of ₹ five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.
- (iii) During the year the Company has not made investments, provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order to such extent is not applicable to the Company.
- (iv) Investments in respect of which provisions of section 186 of the Act are applicable have been complied with by the Company. There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other statutory dues applicable to it. The provisions for sales-tax, service tax, duty of excise, value added tax and cess are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, customs duty and other statutory dues which have not been deposited on account of any dispute except income tax for which details are as follows:

Name of Statute	Nature of Dues	Amount (In ₹ millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.69	AY 2010-11	Honorable High Court of Hyderabad
Income Tax Act, 1961	Income Tax	6.65	AY 2018-19	Commissioner Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	7.50	AY 2019-20	Commissioner Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	6.85	AY 2020-21	Commissioner Income Tax (Appeals)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any joint venture and associate.
- (f) The Company has raised loans during the year on the pledge of securities held in its subsidiaries, as per details below. Further, the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan	Name of the subsidiary,	Relation	Details of security pledged
Term Loan	Bank	₹ 1,700 million	Rain CII Carbon (Vizag) Limited	Subsidiary	1,000,000 shares held in subsidiary

- (x) (a) The Company has not raised any money during the year by way of public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No material fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013
- has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 31 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the

standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33 to the standalone financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section (6) of section 135 of the companies Act. This matter has been disclosed in note 33 to the standalone financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**

Partner

Membership Number: 093649

UDIN: 26093649EINWSV5111

Place of Signature: Mumbai, Maharashtra

Date: February 27, 2026

ANNEXURE '2'

to the Independent Auditor's Report of even date on the standalone financial statements of Rain Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Rain Industries Limited ("the Company") as of December 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference

to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at December 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Vikas Pansari**

Partner

Membership Number: 093649

UDIN: 26093649EINWSV5111

Place of Signature: Mumbai, Maharashtra

Date: February 27, 2026

Standalone Balance Sheet

as at December 31, 2025

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	Note	As at December 31, 2025	As at December 31, 2024
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	67.88	70.71
(b) Other intangible assets	4	0.32	0.46
(c) Financial assets			
(i) Investments	5	10,497.36	10,497.36
(ii) Other non-current financial assets	6	1.32	1.72
(d) Deferred tax asset, net	25 (iv)	0.87	-
(e) Non-current tax assets, net	25(vii)	126.53	141.01
Non-current assets		10,694.28	10,711.26
2. Current assets			
(a) Financial assets			
(i) Trade receivables	7	132.48	173.99
(ii) Cash and cash equivalents	8A	37.42	161.27
(iii) Bank balances other than cash and cash equivalents	8B	17.35	41.25
(iv) Other current financial assets	9	-	30.39
(b) Other current assets	10	32.13	29.10
Current assets		219.38	436.00
TOTAL ASSETS (1+2)		10,913.66	11,147.26
EQUITY AND LIABILITIES			
1. Equity			
(a) Share capital	11	672.69	672.69
(b) Other equity	12	8,365.34	8,605.67
Total equity		9,038.03	9,278.36
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	1,445.00	-
(b) Provisions	14	16.01	6.93
(c) Deferred tax liability, net	25 (iv)	-	1.64
Non-current liabilities		1,461.01	8.57
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	255.00	1,700.00
(ii) Trade payables	16		
(A) total outstanding dues of micro enterprises and small enterprises		2.48	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		75.09	77.88
(iii) Other current financial liabilities	17	24.92	25.57
(b) Other current liabilities	18	8.52	8.29
(c) Provisions	19	19.16	19.14
(d) Current tax liabilities, net	25 (vii)	29.45	29.45
Current liabilities		414.62	1,860.33
TOTAL EQUITY AND LIABILITIES (1+2)		10,913.66	11,147.26
Corporate information	1		
Material accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Rain Industries Limited
CIN: L26942TG1974PLC001693

per **Vikas Pansari**
Partner
Membership number: 093649

Jagan Mohan Reddy Nellore
Managing Director
DIN: 00017633

N. Sujith Kumar Reddy
Director
DIN: 00022383

T. Srinivasa Rao
Chief Financial Officer
M. No.: F29080

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

Place: Mumbai
Date: February 27, 2026

Place: Hyderabad
Date: February 27, 2026

Standalone Statement of Profit and loss

for the year ended December 31, 2025

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
1 Income			
Revenue from operations	20	1,306.21	1,414.62
Other income	21	133.32	639.66
Total income		1,439.53	2,054.28
2 Expenses			
Purchases of stock-in-trade		463.90	703.94
Employee benefits expense	22	367.37	363.22
Finance costs	23	157.59	188.54
Depreciation and amortisation expense	4A	5.72	7.30
(Gain) / loss on foreign currency transactions and translations, net		(0.49)	6.60
Other expenses	24	352.79	346.21
Total expenses		1,346.88	1,615.81
3 Profit before tax (1-2)		92.65	438.47
4 Tax expense/(benefit)	25 (i)		
1. Current tax		1.22	51.12
2. Deferred tax		(3.03)	(2.10)
5 Net profit for the year (3-4)		94.46	389.45
6 Other comprehensive income/(loss):			
A. Items that will not be reclassified subsequently to profit or loss			
- Remeasurements of the defined benefit plans		2.08	(0.56)
- Income tax relating to items that will not be reclassified to profit or loss	25(ii)	(0.52)	0.14
Total other comprehensive income / (loss) for the year, net of tax		1.56	(0.42)
7 Total comprehensive income for the year (5+6)		96.02	389.03
8 Earnings per share (face value of ₹ 2/- each)	32		
Basic and Diluted (₹ in absolute terms)		0.28	1.16
Corporate information	1		
Material accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

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

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of

Rain Industries Limited

CIN: L26942TG1974PLC001693

per **Vikas Pansari**

Partner

Membership number: 093649

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Chief Financial Officer

M. No.: F29080

S. Venkat Ramana Reddy

Company Secretary

M. No.: A14143

Place: Mumbai

Date: February 27, 2026

Place: Hyderabad

Date: February 27, 2026

Standalone Statement of changes in Equity

for the year ended December 31, 2025

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Particulars	Other Equity								Total
	Equity share capital	Reserves and Surplus						Other Comprehensive Income	
		Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Remeasurements of defined benefit plans	Foreign currency translation reserve	
Balance as on January 1, 2024	672.69	4,319.91	516.67	47.66	860.08	588.59	0.72	2,219.36	9,225.68
Net profit for the year	-	-	-	-	-	389.45	-	-	389.45
Other comprehensive loss for the year									
- Remeasurements of defined benefit plans, net of tax	-	-	-	-	-	-	(0.42)	-	(0.42)
Total Comprehensive income / (loss) for the year	-	-	-	-	-	389.45	(0.42)	-	389.03
Dividend paid during the year (Refer Note 11(ii))	-	-	-	-	-	(336.35)	-	-	(336.35)
Balance as on December 31, 2024	672.69	4,319.91	516.67	47.66	860.08	641.69	0.30	2,219.36	9,278.36
Net profit for the year	-	-	-	-	-	94.46	-	-	94.46
Other comprehensive income for the year									
- Remeasurements of defined benefit plans, net of tax	-	-	-	-	-	-	1.56	-	1.56
Total Comprehensive income for the year	-	-	-	-	-	94.46	1.56	-	96.02
Dividend paid during the year (Refer Note 11(ii))	-	-	-	-	-	(336.35)	-	-	(336.35)
Balance as on December 31, 2025	672.69	4,319.91	516.67	47.66	860.08	399.80	1.86	2,219.36	9,038.03

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

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

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of

Rain Industries Limited

CIN: L26942TG1974PLC001693

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M. No.: F29080

S. Venkat Ramana Reddy

Company Secretary

M. No.: A14143

Place: Mumbai

Date: February 27, 2026

Place: Hyderabad

Date: February 27, 2026

Standalone Statement of Cash Flows

for the year ended December 31, 2025

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	For the year ended December 31, 2025	For the year ended December 31, 2024
A. Cash flow from operating activities		
Profit before tax	92.65	438.47
Adjustments for:		
Depreciation and amortisation expense	5.72	7.30
Profit on sale of property, plant and equipment, net	(0.02)	(0.35)
Finance costs	157.59	188.54
Interest income	(11.01)	(33.36)
Dividend income from subsidiaries	(101.34)	(550.45)
Gain on sale of investment in subsidiary	-	(36.65)
Loss on foreign currency transactions and translations, net	0.26	6.55
Operating profit before working capital changes	143.85	20.05
Adjustments for changes in working capital:		
Trade receivables	40.90	(7.09)
Financial and other assets	(2.62)	(2.29)
Trade payables	(0.89)	10.53
Other current liabilities	0.23	(0.51)
Other financial liabilities	3.24	0.26
Provisions	11.17	7.99
Cash generated from operations	195.88	28.94
Income taxes refunded / (paid), net	16.18	(76.44)
Net cash generated from / (used in) operating activities	212.06	(47.50)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(2.75)	(2.77)
Proceeds from sale of property, plant and equipment	0.02	0.35
Loans repaid by subsidiaries	-	166.63
Investment in subsidiary	-	(833.85)
Proceeds from sale of investment in subsidiary	30.69	321.23
Investment in fixed deposits with banks	(308.00)	(298.00)
Maturity of fixed deposits with banks	328.00	1,281.00
Interest received	8.38	35.09
Dividend received from subsidiaries	101.34	550.45
Net cash generated from investing activities	157.68	1,220.13

Standalone Statement of Cash Flows (Contd.)

for the year ended December 31, 2025

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	For the year ended December 31, 2025	For the year ended December 31, 2024
C. Cash flow from financing activities		
Proceeds from non-current borrowings	1,700.00	-
Repayment of non-current borrowings	(1,700.00)	(500.00)
Interest and other borrowing costs paid	(157.58)	(209.23)
Dividend paid	(336.35)	(336.35)
Net cash used in financing activities	(493.93)	(1,045.58)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(124.19)	127.05
Cash and cash equivalents at the beginning of the year	161.27	33.87
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0.34	0.35
Cash and cash equivalents at the end of the year	37.42	161.27

Notes:

- (i) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard - 7 on Statement on Cash Flows.
- (ii) **Components of Cash and cash equivalents**

	As at December 31, 2025	As at December 31, 2024
Balances with banks:		
- in current accounts	10.32	14.51
- in exchange earners foreign currency (EEFC) accounts	7.10	6.76
- in deposit accounts (with original maturity of three months or less)	20.00	140.00
	37.42	161.27

- (iii) Refer note 13 and note 17 for reconciliation of liabilities arising from financing activities

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

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

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of

Rain Industries Limited

CIN: L26942TG1974PLC001693

per **Vikas Pansari**

Partner

Membership number: 093649

Jagan Mohan Reddy Nellore

Managing Director

DIN: 00017633

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DIN: 00022383

T. Srinivasa Rao

Chief Financial Officer

M. No.: F29080

S. Venkat Ramana Reddy

Company Secretary

M. No.: A14143

Place: Mumbai

Date: February 27, 2026

Place: Hyderabad

Date: February 27, 2026

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

Note 1: Corporate Overview

Rain Industries Limited ('the Company') was incorporated on March 15, 1974 under the erstwhile Companies Act, 1956 and is domiciled in India. The registered office of the Company is "Rain Center", 34, Srinagar Colony, Hyderabad - 500 073, Telangana. The Company is engaged in sale of products, duty scrips and providing shared support services to its group companies. The Company's equity shares are listed at BSE Limited and National Stock Exchange of India Limited in India.

Note 2: Material Accounting Policies

a) Basis of preparation of standalone financial statements

(i) Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

The standalone financial statements were authorised for issue by the Company's Board of Directors on February 27, 2026.

(ii) Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions with 2 decimals, unless otherwise indicated.

(iii) Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities (refer accounting policy regarding financial instruments)	Fair value
Net defined benefit asset/liability	Fair value of plan assets less present value of defined benefit plan obligation
Borrowings	Amortised cost using effective interest rate method

(iv) Use of judgements, estimates and assumptions

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates could change from period to period. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and appropriate changes are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are reflected in the period in which such changes are made and if material, their effects are disclosed in the standalone financial statements.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations: key actuarial assumptions used in measurement (Refer note 28)

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources (Refer note 30)
- Recognition and recoverability of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used (Refer note 25)
- Useful life of property, plant and equipment (Refer note 2 (d))
- Provision for loss allowance on trade receivables (Refer note 26.3)

(v) Current and Non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

(vi) Measurement of fair value

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

b) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Trade receivables and debt securities issued are initially recognised when they are originated. All other assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial Recognition and initial measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus or minus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) as described above are measured at fair value through profit or loss (FVTPL). This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made upon initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

However, on sale, the Company may transfer the cumulative gain or loss within equity. Equity investments designated as FVOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities:

Initial recognition and measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Classification and Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss. All other financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate method.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

Derecognition

A financial liability is derecognised when the contractual obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability at fair value. When a new financial liability is recorded in place of an existing one, the difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

c) Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of products and duty scrips

Revenue from sale of products and sale of duty scrips are recognised at the point in time when a promise in a customer contract (performance obligation) has been satisfied by transferring over the promised goods to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer.

Sale of services

Revenue from services rendered is recognised when the related services are performed in accordance with contract terms.

d) Property, plant and equipment

Property, plant and equipment are stated at deemed cost less accumulated depreciation and impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Depreciation on all the tangible fixed assets is provided using the straight-line method based on the useful life of the assets as prescribed by Schedule II to the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of tangible assets are determined as the difference between net sales proceeds and the carrying amount and are presented in the statement of profit and loss.

The estimated useful lives are as follows:

Items	Years
Buildings	60
Furniture and Fixtures	5
Office equipment	1-20

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

e) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The estimated useful lives are as follows:

Items	Years
Software	5-10

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

f) Foreign Currency Transactions and Balances

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currency are restated at the prevailing year end rates. The resultant gain/loss upon such restatement along with the gain/loss on account of foreign currency transactions are accounted in the statement of profit and loss.

g) Equity investments in subsidiaries

Non-current investments in subsidiaries are carried at cost less provision for diminution, other than temporary, if any, in the value of such investments.

h) Retirement and other employee benefits

Defined contribution plans

The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the

related service. The Company has no further obligations beyond its monthly contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. For plans operated outside India, the management considers the interest rates of high-quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

Compensated Absences:

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or encash the leaves during the period of employment or retirement or at termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method carried out in accordance with Ind AS-19 "Employee Benefits" at the end of the year. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. The Company recognises lease payments received

under operating leases as income on a straight-line basis over the lease term. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

j) Earnings Per Share

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) comprise net profit after tax (and includes the post-tax effect of any extra ordinary items). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

k) Tax expense

Income tax expenses comprises of current tax and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company exercises judgement in recognising a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

l) Statement of Cash Flows and Cash and Cash equivalents

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined below, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term, highly liquid investments with an original maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m) Provisions and contingencies

A provision is recognised when the Company has a present legal and constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are disclosed in the notes to the standalone financial statements when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

n) Dividend declared

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Interim dividend is recorded as a liability on the date of declaration by the Board of Directors.

o) Accounting Standards adopted in Current year:

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2024. Accordingly, the Company has adopted these first-time amendments, with effect from the financial year beginning January 01, 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Lease Liability in Sale and Leaseback – Amendments to Ind AS 116, Leases

The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendment does not have a material impact on the standalone financial statements.

(ii) Ind AS 117 Insurance Contracts

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to

certain guarantees and financial instruments with discretionary participation features.

The application of Ind AS 117 had no impact on the standalone financial statements as the entity has not entered into any contracts in the nature of insurance contracts covered under Ind AS 117.

p) Recent Accounting pronouncements not yet adopted:

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), applicable for annual periods beginning on or after April 01, 2025. The company will adopt these new and amended standards, when they become effective.

(i) Lack of exchangeability – Amendments to Ind AS 21

Amendments to Ind AS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the standalone financial statements.

(ii) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

Amendments to paragraphs 69 to 76 of Ind AS 1 *Presentation of Financial Statements* specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments must be applied retrospectively.

The company is currently assessing the impact, the amendments are not expected to have a material impact on the standalone financial statements.

(iii) Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

Amendments to Ind AS 7 *Statement of Cash Flows* and Ind AS 107 *Financial Instruments: Disclosures* clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after April 01, 2025.

The amendments are not expected to have a material impact on the standalone financial statements, as the company has not entered into any contracts that constitute Supplier finance arrangements.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

Amendments to Ind AS 12 *Income Taxes* in response to the OECD's BEPS Pillar Two rules include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 01, 2025, but not for any interim periods ending on or before March 31, 2026.

The amendments are not expected to have a material impact on the standalone financial statements.

Consequential amendments to other Ind AS have also been made which are not expected to have any material impact on the standalone financial statements.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 3: Property, plant and equipment

	Land - freehold	Buildings	Furniture and fixtures	Office equipments	Total
Gross carrying amount					
As at January 1, 2024	4.61	66.67	5.28	41.95	118.51
Add: Additions	-	-	-	2.77	2.77
Less: Deletions / adjustments	-	-	-	3.48	3.48
As at December 31, 2024	4.61	66.67	5.28	41.24	117.80
Add: Additions	-	-	-	2.75	2.75
Less: Deletions / adjustments	-	-	-	3.93	3.93
As at December 31, 2025	4.61	66.67	5.28	40.06	116.62
Accumulated depreciation and impairment					
As at January 1, 2024	-	10.72	4.89	27.81	43.42
Add: Depreciation for the year	-	1.31	0.09	5.75	7.15
Less: Deletions / adjustments	-	-	-	3.48	3.48
As at December 31, 2024	-	12.03	4.98	30.08	47.09
Add: Depreciation for the year	-	1.31	0.09	4.18	5.58
Less: Deletions / adjustments	-	-	-	3.93	3.93
As at December 31, 2025	-	13.34	5.07	30.33	48.74
Net carrying amount					
As at December 31, 2024	4.61	54.64	0.30	11.16	70.71
As at December 31, 2025	4.61	53.33	0.21	9.73	67.88

Note:

- Movable assets are pledged against borrowings availed from bank. Refer note 13 for details.

Note 4: Other intangible assets

	Software	Total
Gross carrying amount		
As at January 1, 2024	1.47	1.47
Add: Additions	-	-
Less: Deletions	-	-
As at December 31, 2024	1.47	1.47
Add: Additions	-	-
Less: Deletions	0.07	0.07
As at December 31, 2025	1.40	1.40
Accumulated amortisation and impairment		
As at January 1, 2024	0.86	0.86
Add: Amortisation for the year	0.15	0.15
Less: Deletions	-	-
As at December 31, 2024	1.01	1.01

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	Software	Total
Add: Amortisation for the year	0.14	0.14
Less: Deletions	0.07	0.07
As at December 31, 2025	1.08	1.08
Net carrying amount		
As at December 31, 2024	0.46	0.46
As at December 31, 2025	0.32	0.32

Note 4A: Depreciation and amortisation expense

	For the year ended December 31, 2025	For the year ended December 31, 2024
Depreciation on property, plant and equipment (Refer note 3)	5.58	7.15
Amortisation of intangible assets (Refer note 4)	0.14	0.15
	5.72	7.30

Note 5: Non-current investments

	As at December 31, 2025	As at December 31, 2024
Investment (unquoted, at cost)		
A. Equity shares of subsidiaries		
Rain Cements Limited, India		
29,805,000 (December 31, 2024: 29,805,000) Equity Shares of ₹ 10 each fully paid up representing 100% of share capital	2,128.10	2,128.10
Rain Holdings Limited, UAE		
16,000,000 (December 31, 2024: 16,000,000) equity shares of US\$ 1 per share fully paid up representing 100% of share capital	1,326.71	1,326.71
Rain Commodities (USA) Inc, United States of America (U.S.A.)		
20 (December 31, 2024: 20) Common Stock at par value of US\$ 0.01 per share fully paid up representing 100% of share capital	4.45	4.45
200,000 (December 31, 2024: 200,000) Class B Redeemable Common Stock at par value of US\$ 100 per share fully paid up representing 100% of share capital	902.80	902.80
Rain CII Carbon (Vizag) Limited, India*		
1,000,000 (December 31, 2024: 1,000,000) Equity Shares of ₹ 10 each fully paid up representing 12.22% of share capital	13.00	13.00
Rain Verticals Limited, India		
100,000 (December 31, 2024: 100,000) Equity Shares of ₹ 10 each fully paid up representing 100% of share capital	1.00	1.00
B. Preference shares of subsidiaries		
Rain Commodities (USA) Inc, United States of America (U.S.A.)		
97,800 (December 31, 2024: 97,800) Optionally Convertible Redeemable Preferred Series - B at par value US\$ 1,000 per share fully paid up. These are convertible at the option of the Company after November 30, 2011.	6,121.30	6,121.30
Total	10,497.36	10,497.36

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

	As at December 31, 2025	As at December 31, 2024
(a) Aggregate carrying amount of quoted investments and market value thereof	-	-
(b) Aggregate carrying amount of unquoted investments	10,497.36	10,497.36
(c) Aggregate amount of impairment in value of investments	-	-

* Pledged with banks against borrowings availed from banks. Refer note 13 for details.

Note 6: Other non-current financial assets

	As at December 31, 2025	As at December 31, 2024
Electricity deposit	0.16	0.16
Security deposits	1.16	1.56
Total	1.32	1.72

The Company's exposure to credit risk details are disclosed in note 26.3.

Note 7: Trade receivables

	As at December 31, 2025	As at December 31, 2024
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured*	132.48	173.99
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	132.48	173.99
Less: Allowance for expected credit losses	-	-
Total	132.48	173.99

Trade receivables ageing schedule as at December 31, 2025:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables - considered good	8.20	104.90	19.38	-	-	-	-	132.48
ii. Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv. Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
v. Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi. Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	8.20	104.90	19.38	-	-	-	-	132.48

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Trade receivables ageing schedule as at December 31, 2024:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables - considered good	7.21	158.27	8.51	-	-	-	-	173.99
ii. Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
iv. Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
v. Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi. Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	7.21	158.27	8.51	-	-	-	-	173.99

* Trade receivables amounting to ₹ 132.48 (December 31, 2024: ₹ 173.99) are due from related parties.

- Trade receivables are non-interest bearing and are generally on terms of 15 to 45 days.
- Receivables are pledged with banks against borrowings availed from banks. Refer note 13 for details.
- The Company's exposure to credit and currency risk details are disclosed in note 26.3 and 26.7.

Note 8: Cash and bank balances

	As at December 31, 2025	As at December 31, 2024
A. Cash and cash equivalents		
Balances with banks:		
- in current accounts	10.32	14.51
- in exchange earners foreign currency (EEFC) accounts	7.10	6.76
- in deposit accounts (with original maturity of 3 months or less)	20.00	140.00
	37.42	161.27
B. Bank balances other than cash and cash equivalents		
Unpaid dividend accounts	17.35	21.25
Bank deposits with original maturity of more than 3 months but less than 12 months	-	20.00
	17.35	41.25
Total [A+B]	54.77	202.52

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 9: Other current financial assets

	As at December 31, 2025	As at December 31, 2024
(Unsecured, considered good, unless otherwise stated)		
Interest accrued on deposits	-	0.28
Other receivables*	-	30.11
Total	-	30.39

* Other receivables amounting to Nil (December 31, 2024: ₹30.11) are due from related parties. Refer note 29.

The Company's exposure to currency risk related to other current financial assets are disclosed in Note 26.7.

Note 10: Other current assets

	As at December 31, 2025	As at December 31, 2024
(Unsecured, considered good, unless otherwise stated)		
Prepaid expenses	0.44	0.96
Balances with statutory authorities	29.54	25.29
Advance to suppliers and service providers	0.83	0.39
Advance to employees	1.32	2.46
Total	32.13	29.10

Note 11: Share capital

	As at December 31, 2025		As at December 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital:				
Equity shares of ₹ 2 each	590,000,000	1,180.00	590,000,000	1,180.00
Redeemable preference shares of ₹ 100 each	4,900,000	490.00	4,900,000	490.00
Total	594,900,000	1,670.00	594,900,000	1,670.00
Issued, subscribed and fully paid up share capital				
Equity shares of ₹ 2 each	336,345,679	672.69	336,345,679	672.69
Total	336,345,679	672.69	336,345,679	672.69

Notes:

- (i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at December 31, 2025		As at December 31, 2024	
	Number of shares	Amount	Number of shares	Amount
As at beginning of the year	336,345,679	672.69	336,345,679	672.69
Add / (less): Changes in equity shares during the year	-	-	-	-
As at end of the year	336,345,679	672.69	336,345,679	672.69

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a par value of ₹ 2 each per share. Each holder of equity shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. However, in case of interim dividend the profits are distributed based on approval of Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

The Board of Directors at its meeting held on August 06, 2025 declared an interim dividend of 50% (₹ 1 per equity share of par value of ₹ 2 each amounting to ₹ 336.35) and no further dividend was recommended for the financial year ended December 31, 2025. This dividend was paid during the year ended December 31, 2025.

The Board of Directors at its meeting held on August 06, 2024 declared an interim dividend of 50% (₹ 1 per equity share of par value of ₹ 2 each amounting to ₹ 336.35) and no further dividend was recommended for the financial year ended December 31, 2024. This dividend was paid during the year ended December 31, 2024.

(iii) Shareholders holding more than 5% of the equity shares

Name of the Shareholder	As at December 31, 2025		As at December 31, 2024	
	Number of shares	%	Number of shares	%
Sujala Investments Private Limited	37,922,874	11.27	37,766,675	11.23
N. Anupama Reddy	27,300,669	8.12	27,300,669	8.12
Rain Enterprises Private Limited	25,316,465	7.53	25,316,465	7.53

(iv) Shares held by Promoters

As at December 31, 2025

Name of the Promoter	Number of shares	Percentage of total shares	Percentage of change during the year
Sujala Investments Private Limited	37,922,874	11.27	0.04%
Ms. N. Anupama Reddy	27,300,669	8.12	0.0%
Rain Enterprises Private Limited	25,316,465	7.53	0.0%
Mr. N. Radhakrishna Reddy	10,383,730	3.09	0.0%
Mr. N. Sujith Kumar Reddy	10,028,770	2.98	0.0%
Nivee Holdings Private Limited	8,143,250	2.42	0.0%
Ms. N. Indira Reddy	7,513,100	2.23	0.0%
Arunachala Holdings Private Limited	5,272,500	1.57	0.0%
PCL Financial Services Private Limited	3,780,750	1.12	0.0%
Ms. N. Akhila Reddy	1,869,315	0.56	0.0%
Arunachala Logistics Private Limited	989,245	0.29	0.0%
Ms. K. V. Arundhathi Reddy	14,285	0.00	0.0%
Mr. Jagan Mohan Reddy Nellore	100	0.00	0.0%

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

As at December 31, 2024

Name of the Promoter	Number of shares	Percentage of total shares	Percentage of change during the year
Sujala Investments Private Limited	37,766,675	11.23	0.0%
Ms. N. Anupama Reddy	27,300,669	8.12	0.0%
Rain Enterprises Private Limited	25,316,465	7.53	0.0%
Mr. N. Radhakrishna Reddy	10,383,730	3.09	0.0%
Mr. N. Sujith Kumar Reddy	10,028,770	2.98	0.0%
Nivee Holdings Private Limited	8,143,250	2.42	0.0%
Ms. N. Indira Reddy	7,513,100	2.23	0.0%
Arunachala Holdings Private Limited	5,272,500	1.57	0.0%
PCL Financial Services Private Limited	3,780,750	1.12	0.0%
Ms. N. Akhila Reddy	1,869,315	0.56	0.0%
Arunachala Logistics Private Limited	989,245	0.29	0.0%
Ms. K. V. Arundhathi Reddy	14,285	0.00	0.0%
Mr. Jagan Mohan Reddy Nellore	100	0.00	0.0%

- (v) In the five years ended December 31, 2025, there were no events of buy back of shares, rights issue, shares issued for consideration other than cash and bonus shares issued by the Company.

Note 12: Other equity

	As at December 31, 2025	As at December 31, 2024
(i) Reserves and Surplus:		
(a) Capital reserve (Balance at the beginning and end of the year)	4,319.91	4,319.91
(b) Securities premium (Balance at the beginning and end of the year)	516.67	516.67
(c) Capital redemption reserve (Balance at the beginning and end of the year)	47.66	47.66
(d) General reserve (Balance at the beginning and end of the year)	860.08	860.08
(e) Retained earnings		
Opening balance	641.69	588.59
Add: Profit for the year	94.46	389.45
Less: Dividend for the year	(336.35)	(336.35)
Closing balance	399.80	641.69
(f) Remeasurements of defined benefit plans		
Opening balance	0.30	0.72
Add: Actuarial gain / (loss) on remeasurements of defined benefit plans, net of tax	1.56	(0.42)
Closing balance	1.86	0.30
(ii) Other comprehensive income:		
(a) Foreign currency translation reserve (Balance at the beginning and end of the year)	2,219.36	2,219.36
Total	8,365.34	8,605.67

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Description of the purposes of each reserve within equity:

(i) Reserves and Surplus

- (a) **Capital reserve:** It consists of pre-acquisition profits. During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
- (b) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, to write-off equity related expenses like underwriting costs etc.
- (c) **Capital redemption reserve:** It consists of reserves on the buyback of equity shares from its retained earnings. The amount represents nominal amount of the equity shares bought back.
- (d) **General reserve:** It represents the portion of the net profit which the company has transferred, before declaring dividend. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (e) **Retained earnings:** Retained earnings are the net profits after all distributions and transfers to other reserves.
- (f) **Remeasurements of defined benefit plans:** Remeasurements of defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

(ii) Other comprehensive income:

- (a) **Foreign currency translation reserve (FCTR):** Represents the FCTR of Moonglow Company Business Inc. which was merged with the Company in the financial year ended December 31, 2015.

Note 13: Non-current borrowings

	As at December 31, 2025	As at December 31, 2024
A. Term loans		
From banks		
- Secured (Refer note (i))	1,700.00	1,700.00
Less: Current maturities of non-current borrowings disclosed under note 15 - Current borrowings	(255.00)	(1,700.00)
	1,445.00	-
Total [A+B]	1,445.00	-

Notes:

- (i) During the year ended December 31, 2023, the Company had availed a credit facility of ₹ 2,000.00 from a bank which included a Term loan of ₹ 1,700.00 (carrying interest rate of I-MCLR-1Y plus spread of 25 basis points and repayable on November 30, 2025) and a non-fund based limit of ₹ 300.00.
 - l) Term loan of ₹ 1,700.00 was secured by:
 - a) First charge over the movable fixed assets of the Company, present and future;
 - b) Second pari-passu charge over current assets of the Company, both present and future;
 - c) Pledge over 1,000,000 equity shares of ₹ 10 each held by the Company in Rain CII Carbon (Vizag) Limited (RCCVL), a wholly owned step-down subsidiary.
 - d) Corporate guarantee of RCCVL in favour of the bank.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

- ii) Non-fund based limit of ₹ 300.00 (derivative) was secured by
a) Corporate guarantee of RCCVL, in favour of the bank.

During the current year, the Company repaid the above Term Loan and closed the non-fund based facility. The Company availed a New Term Loan of ₹ 1,700.00 carrying interest rate of I-MCLR-3M plus spread of 15 basis points, repayable in annual instalments with September 30, 2028 as the last repayment date. The security terms of the New Term Loan are similar to the earlier loan. Further, no guarantee commission is charged by RCCVL based on the requirements of the bank.

During the year ended December 31, 2024, the company availed working capital credit facilities of ₹ 100.00 which was secured by current assets of the Company along with corporate guarantee of RCCVL in favour of the bank and another facility of ₹ 400.00 which was secured by corporate guarantee of RCL, wholly owned subsidiary in favour of the bank.

As on December 31, 2025, available limit under the working capital credit facility amounts to ₹ 500.00 (December 31, 2024: ₹ 500.00) and non-fund based facility amounts to ₹ Nil (December 31, 2024: ₹ 300.00).

- (ii) The aggregate amount of loans outstanding (including current maturities of non-current borrowings) guaranteed by subsidiaries is ₹ 1,700.00 (December 31, 2024: ₹ 1,700.00).
- (iii) Reconciliation of liabilities arising from financing activities*

Particulars	As at	As at
	December 31, 2025	December 31, 2024
Opening balance at the beginning of the year	1,700.00	2,200.00
Borrowings made during the year	1,700.00	-
Borrowings repaid during the year	(1,700.00)	(500.00)
Closing balance at the end of the year	1,700.00	1,700.00

*Aforesaid reconciliation includes current maturities of non-current borrowings.

- (iv) The Company's exposure to liquidity and interest rate risk is included in note 26.4 and 26.6.
- (v) The Company has not defaulted on payment of principal and interest thereon on the above term loans.

Note 14: Non-current provisions

	As at	As at
	December 31, 2025	December 31, 2024
Provision for employee benefits:		
- Gratuity (Refer note 28 (b))	16.01	6.93
Total	16.01	6.93

Note 15: Current borrowings

	As at	As at
	December 31, 2025	December 31, 2024
Current maturities of non-current borrowings (Refer note 13)	255.00	1,700.00
Total	255.00	1,700.00

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 16: Trade payables

	As at December 31, 2025	As at December 31, 2024
Total outstanding dues of micro enterprises and small enterprises	2.48	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	75.09	77.88
Total	77.57	77.88

Trade payables ageing schedule as at December 31, 2025:

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME*	-	2.26	0.22	-	-	-	2.48
ii. Others	26.95	30.68	5.52	9.04	2.90	-	75.09
iii. Disputed dues - MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-	-
Balance as at December 31, 2025	26.95	32.94	5.74	9.04	2.90	-	77.57

Trade payables ageing schedule as at December 31, 2024:

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME*	-	-	-	-	-	-	-
ii. Others	49.07	17.09	8.96	2.76	-	-	77.88
iii. Disputed dues - MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-	-
Balance as at December 31, 2024	49.07	17.09	8.96	2.76	-	-	77.88

*Micro enterprises and small enterprises

Disclosures of dues to Micro Enterprises and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

	As at December 31, 2025	As at December 31, 2024
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	2.48	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The Company's exposure to liquidity and currency risks related to trade payables is disclosed in note 26.4 and 26.7.

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at December 31, 2025 has been made in the financial statements based on information received and available with the Company. Further, in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 17: Other current financial liabilities

	As at December 31, 2025	As at December 31, 2024
Interest accrued but not due on borrowings	0.01	-
Employee payables	7.56	4.32
Unpaid dividends*	17.35	21.25
Total	24.92	25.57

*There is no amount due and outstanding to be credited to Investor Education and Protection fund as at December 31, 2025 and December 31, 2024.

The Company's exposure to liquidity risk is included in note 26.4.

Reconciliation of liabilities (interest accrued) arising from financing activities:

	As at December 31, 2025	As at December 31, 2024
Opening balance at the beginning of the year	-	20.70
Interest accrued during the year (non-cash changes)	157.59	188.53
Interest paid during the year	(157.58)	(209.23)
Closing balance at the end of the year	0.01	-

Note 18: Other current liabilities

	As at December 31, 2025	As at December 31, 2024
Other payables		
- Statutory liabilities	8.33	8.10
- Advances from customers (Refer note 20)	0.19	0.19
Total	8.52	8.29

Note 19: Current provisions

	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits:		
- Compensated absences (Refer note 28 (c))	19.16	19.14
Total	19.16	19.14

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 20: Revenue from operations

	For the year ended December 31, 2025	For the year ended December 31, 2024
Sale of products and duty scrips (Refer note 29)	470.16	708.30
Sale of services (Refer note 29)	836.05	706.32
Revenue from operations	1,306.21	1,414.62

Notes:

(i) Break up of revenue from operations based on timing of transfer of goods or services:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Revenue from operations recognised at a point in time	470.16	708.30
Revenue from operations recognised over a period of time	836.05	706.32

(ii) Contract balances:

Particulars	As at December 31, 2025	As at December 31, 2024
Contract liabilities recorded in balance sheet (Refer note 18)	0.19	0.19

The Contract liabilities are primarily related to advance from customers for sale of products, for which revenue is recorded at a point in time. The amount of ₹ Nil included in contract liabilities as at December 31, 2024 has been recognised as revenue in the current year.

(iii) Reconciliation of sale of products and duty scrips with contract price:

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
Contract price (A)	470.16	708.30
Less - Reductions towards variable consideration components (B)	-	-
Revenue recognised (A-B)	470.16	708.30

Note 21: Other income

	For the year ended December 31, 2025	For the year ended December 31, 2024
Interest income		
Interest from banks on deposits	8.10	26.12
Interest on loans and advances (Refer note 29)	-	6.02
Interest on income tax refund	2.91	1.22
Dividend income from subsidiaries (Refer note 29)	101.34	550.45
Other non-operating income		
Rental income from operating leases (Refer note 29)	20.58	18.72
Gain on sale of investments in subsidiary	-	36.65
Profit on sale of property, plant and equipment, net	0.02	0.35
Miscellaneous income	0.37	0.13
Total	133.32	639.66

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 22: Employee benefits expense

	For the year ended December 31, 2025	For the year ended December 31, 2024
Salaries, wages and bonus	296.24	317.70
Contributions to provident and other funds (Refer note 28)	30.66	25.23
Staff welfare expenses	40.47	20.29
Total	367.37	363.22

Note 23: Finance costs

	For the year ended December 31, 2025	For the year ended December 31, 2024
Interest expense on borrowings	157.32	188.12
Other borrowing costs	0.27	0.42
Total	157.59	188.54

Note 24: Other expenses

	For the year ended December 31, 2025	For the year ended December 31, 2024
Repairs and maintenance	19.59	18.79
Insurance	10.25	10.81
Rent	7.86	11.27
Rates and taxes	5.62	4.83
Communication expenses	1.99	2.33
Travelling and conveyance	14.33	16.81
Corporate Social Responsibility (Refer note 33)	1.00	1.00
Consultancy charges	23.31	19.22
Payment to auditors (Refer note below)	21.77	37.05
Directors' sitting fees (Refer note 29)	3.56	3.56
Commission to directors (Refer note 29)	0.92	2.80
IT infrastructure expenses and licenses	233.93	206.74
Miscellaneous expenses	8.66	11.00
Total	352.79	346.21

Note:

Payment to auditors comprises (excluding GST):

	For the year ended December 31, 2025	For the year ended December 31, 2024
Statutory audit	3.41	19.60
Limited review	16.32	16.04
Other services	0.24	0.28
Reimbursement of expenses	1.80	1.13
Total	21.77	37.05

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 25: Income Taxes

(i) Income tax expense / (benefit) recognised in statement of profit and loss:

Particulars	For the year ended December 31	
	2025	2024
Current tax		
(i) Tax for current year	1.22	51.12
	1.22	51.12
Deferred tax		
(i) Attributable to the origination and reversal of temporary differences	(3.03)	(2.10)
	(3.03)	(2.10)
Total	(1.81)	49.02

(ii) Income tax expense / (benefit) recognised in other comprehensive income (OCI):

Particulars	For the year ended December 31	
	2025	2024
(a) Remeasurment of the defined benefit plans	0.52	(0.14)

(iii) Reconciliation of Effective tax rate:

Particulars	For the year ended December 31	
	2025	2024
Income tax expense for the year to be reconciled to the accounting profit:		
Profit before taxes	92.65	438.47
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	23.32	110.35
Effect off:		
Effects of tax-exempt income and other deductions	(25.50)	(84.65)
Foreign tax credit written off	-	23.07
Others, net	0.37	0.25
Total income taxes expenses	(1.81)	49.02
Effective tax rate	-2.0%	11.2%

(iv) Recognised deferred tax assets and liabilities:

Particulars	As at	As at
	December 31, 2025	December 31, 2024
Deferred tax assets		
Employee benefits	8.85	6.56
Total deferred tax assets	8.85	6.56
Deferred tax liabilities		
Basis difference of property, plant, and equipment	(7.98)	(8.20)
Total deferred tax liabilities	(7.98)	(8.20)
Deferred tax asset / (liability), net	0.87	(1.64)

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(v) Movement in temporary differences:

Particulars	Balance as at January 1, 2024	Recognised in profit or loss during the year	Recognised in OCI during the year	Balance as at December 31, 2024	Recognised in profit or loss during the year	Recognised in OCI during the year	Balance as at December 31, 2025
On account of depreciation and amortisation	(8.29)	0.09	-	(8.20)	0.22	-	(7.98)
On account of employee benefits	4.41	2.01	0.14	6.56	2.81	(0.52)	8.85
Total	(3.88)	2.10	0.14	(1.64)	3.03	(0.52)	0.87

(vi) Unrecognised Deferred tax assets:

Particulars	As at December 31, 2025		As at December 31, 2024	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses carry forward	54.12	13.62	99.69	25.09
Total	54.12	13.62	99.69	25.09

Particulars	As at December 31, 2025	Expiry date	As at December 31, 2024	Expiry date
To expire under current tax legislation	54.12	FY 2026-30	99.69	FY 2024-30

(vii) Non-current tax assets and current tax liabilities

Particulars	As at	
	December 31, 2025	December 31, 2024
Non-current tax assets, net	126.53	141.01
Current tax liabilities, net	29.45	29.45

(viii) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

Note 26: Financial instruments disclosure:

Note 26.1: Fair valuation measurement hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The following table shows the carrying amounts and fair values of financial assets and liabilities including their levels of fair value hierarchy:

Sl. No.	Particulars	As at December 31, 2025				As at December 31, 2024			
		Carrying amount	Level of inputs used in			Carrying amount	Level of inputs used in		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
I	Financial assets at amortised cost								
	Non-current investments	10,497.36	-	-	-	10,497.36	-	-	-
	Trade receivables	132.48	-	-	-	173.99	-	-	-
	Cash and cash equivalents	37.42	-	-	-	161.27	-	-	-
	Bank balances other than cash and cash equivalents	17.35	-	-	-	41.25	-	-	-
	Other financial assets (includes current and non-current)	1.32	-	-	-	32.11	-	-	-
		10,685.93	-	-	-	10,905.98	-	-	-
II	Financial liabilities at amortised cost								
	Borrowings (includes current and non-current)	1,700.00	-	-	-	1,700.00	-	-	-
	Trade payables	77.57	-	-	-	77.88	-	-	-
	Other current financial liabilities	24.92	-	-	-	25.57	-	-	-
		1,802.49	-	-	-	1,803.45	-	-	-

Valuation Techniques:

- (a) **Borrowings (at amortised cost):** The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.
- (b) The fair value of trade receivables, other financial assets, cash and cash equivalents, bank balances other than cash and cash equivalents, trade payables and other current financial liabilities approximate their carrying amount largely due to short-term nature of these instruments.

Note 26.2: Financial risk management

The Company has put in place risk management systems as applicable to the respective operations. The following explains the objective and processes of the Company: The Company has a system based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 26.3: Credit risk:

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, investments, cash and cash equivalents. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations
- actual or expected significant changes in the operating results of the customer
- significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers in the Company and changes in the operating results of the customer.

Based on the above analysis, the Company does not expect any credit risk from its trade receivables for any of the years reported in this financial statements.

The age wise break up of receivables, net of allowances is given below:

Particulars	As at	
	December 31, 2025	December 31, 2024
Financial assets that are neither past due not impaired	113.10	165.48
Financial assets that are past due but not impaired		
Past due 0-30 days	19.38	8.51
Total past due but not impaired	19.38	8.51
Total	132.48	173.99

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	Carrying amount as at	
	December 31, 2025	December 31, 2024
United States	98.82	146.91
Asia	33.54	25.04
Middle East	0.12	2.04
Total	132.48	173.99

At December 31, 2025, the carrying amount of the Company's most significant customer is ₹ 94.05 (December 31, 2024: ₹ 142.29).

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Investments

The Company has investments in wholly-owned and step down subsidiaries, thereby limiting the exposure to credit risk. All the counterparties have sound financial position with positive net worth. The Company does not expect any losses from non-performance by these counter parties.

Cash and bank balances:

Credit risk on cash and bank balances is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Other financial assets:

There is no significant loss allowance for other financial assets.

Note 26.4: Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of December 31, 2025, cash and cash equivalents are held with major banks.

Maturity of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payment and excludes impact of netting arrangements (if any):

As at December 31, 2025

Contractual cash flows	Carrying value	Less than 1 year	1-2 years	2-5 years	5-10 years	Later	Total
Non-derivative financial liabilities							
Borrowings	1,700.00	255.00	850.00	595.00	-	-	1,700.00
Interest payments*	0.01	138.51	113.37	36.82	-	-	288.69
Trade payables	77.57	77.57	-	-	-	-	77.57
Other current financial liabilities**	24.91	24.91	-	-	-	-	24.91

As at December 31, 2024

Contractual cash flows	Carrying value	Less than 1 year	1-2 years	2-5 years	5-10 years	Later	Total
Non-derivative financial liabilities							
Borrowings	1,700.00	1,700.00	-	-	-	-	1,700.00
Interest payments*	-	158.95	-	-	-	-	158.95
Trade payables	77.88	77.88	-	-	-	-	77.88
Other current financial liabilities**	25.57	25.57	-	-	-	-	25.57

* Includes committed interest payments on borrowings and Interest accrued but not due on borrowings.

** Excludes Interest accrued but not due on borrowings.

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 26.5: Market risk:

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and borrowings.

Note 26.6: Interest rate risk:

Interest rate risk is measured by using the cashflow sensitivity for change in variable interest rates. Any movement in the market interest rates could have an impact on the Company's cash flows as well as costs. In order to manage the Company's position with regard to interest rate risk, it adopts a policy of ensuring an optimal mix of its interest rate risk exposure. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's borrowing with variable interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows.

Particulars	Interest rate exposure as at	
	December 31, 2025	December 31, 2024
Variable rate instruments		
Financial liabilities	(1,700.00)	(1,700.00)

Cash flow sensitivity for variable rate instruments:

Impact on Profit and loss due to 1% change in interest rate: A reasonably possible change of 1% in interest rates at the reporting date would have increased/(decreased) entities equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	December 31, 2025		December 31, 2024	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Impact on Profit and loss (before tax)				
Variable-rate instruments	(17.00)	17.00	(17.00)	17.00

Note 26.7 Currency risk:

Currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, shared service arrangements with group entities, and advance to group entity. The currency in which these transactions are denominated are US dollar (USD) and EUR. There are no outstanding balances in any other currency apart from USD and EUR. The Company evaluates exchange rate exposure arising from foreign currency transactions.

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The following table analyses foreign currency risk from non derivative financial instruments as at December 31, 2025:

Particulars*	Amount in ₹		Total
	USD	EUR	
Foreign Currency involved			
Assets:			
EEFC Balance	7.10	-	7.10
Trade receivables (Refer note 26.3)	98.94	-	98.94
	106.04	-	106.04
Liabilities:			
Trade payables (Refer note 29)	11.96	-	11.96
	11.96	-	11.96

*Includes intercompany balances.

The following table analyses foreign currency risk from non derivative financial instruments as at December 31, 2024:

Particulars*	Amount in ₹		Total
	USD	EUR	
Foreign Currency involved			
Assets:			
EEFC Balance	6.76	-	6.76
Trade receivables (Refer note 26.3)	148.95	-	148.95
Loans to subsidiary (Refer note 29)	-	30.11	30.11
	155.71	30.11	185.82
Liabilities:			
Trade Payables (Refer note 29)	11.39	-	11.39
	11.39	-	11.39

*Includes intercompany balances

Sensitivity Analysis:

A reasonably possible strengthening/weakening of the US dollar (USD), Euro (EUR) against all other currencies as at December 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Impact on Profit / (loss) before tax and equity before tax due to 1% change in foreign currency rates:

Particulars	December 31, 2025		December 31, 2024	
	Strengthening	Weakening	Strengthening	Weakening
USD	0.94	(0.94)	1.44	(1.44)
EUR	-	-	0.30	(0.30)

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 27: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'Net debt' to 'equity'. For this purpose, adjusted net debt is defined as total interest-bearing loans and borrowings less cash and cash equivalents. The Company's Net debt to equity ratio is as follows.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The Company monitors capital on the basis of the following gearing ratio.

Particulars	As at	
	December 31, 2025	December 31, 2024
Total borrowings, net of cash and cash equivalents	1,662.58	1,538.73
Equity	9,038.03	9,278.36
Net debt to equity ratio	0.18	0.17

Note 28: Assets and liabilities related to employee benefits

a) Contribution plans:

Amounts towards defined contribution plans have been recognised under "Contributions to provident and other funds" in Note 22: ₹ 19.15 (December 31, 2024 - ₹ 20.31).

b) Defined Benefit plans:

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

Inherent risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at December 31, 2025. The following table sets forth the status of the various defined benefit plans of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

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forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(i) Amounts recognised in the Balance Sheet are as follows:

Particulars	As at December 31, 2025	As at December 31, 2024
Present value of funded obligation	36.09	29.34
Less: Fair value of plan assets	20.08	22.41
Net liability	16.01	6.93

(ii) Amounts recognised in the Statement of profit and loss account are as follows:

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
Current service cost	4.82	4.30
Past service cost (Refer note below)	5.84	-
Interest on net defined benefit liability/(asset)	0.50	0.12
Total	11.16	4.42

Note: On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, (collectively, the "Labour Codes") which consolidate twenty- nine existing labour laws into a unified framework governing employee benefits during employment and post employment. The Labour Codes introduce several changes, including a uniform definition of wages and enhanced leave related benefits. The Company has assessed the financial implications of these changes which has resulted in net increase in gratuity and compensated absences liabilities arising out of past service cost amounting to ₹ 5.84 during the year ended December 31, 2025. As the Government is still in the process of issuing related rules to the New Labour Codes, the Company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

(iii) Amount recognised in other comprehensive income / (loss) for the year ended December 31, 2025 is ₹ (2.08) (December 31, 2024: ₹ 0.56).

(iv) Reconciliation of opening and closing balances of the present value of the obligations:

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
Opening defined benefit obligation	29.34	24.09
Current service cost	4.82	4.30
Past service cost	5.84	-
Interest cost	1.78	1.53
Remeasurements due to:		
Changes in financial assumptions	0.58	0.92
Experience adjustments	(2.38)	(0.12)
Benefits paid	(3.89)	(1.38)
Closing defined benefit obligation	36.09	29.34

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

(v) Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
Opening fair value of plan assets	22.41	22.14
Interest on plan assets	1.28	1.41
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	0.28	0.24
Benefits paid	(3.89)	(1.38)
Closing fair value of plan assets	20.08	22.41
Actual return on plan assets	1.56	1.65

(vi) Major Category of plan assets as a percentage to fair value of plan assets:

Particulars	As at December 31, 2025	As at December 31, 2024
Insurer managed funds	100%	100%

(vii) Principal Actuarial assumptions used:

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
Discount rates on benefit obligations	6.70%	6.90%
Expected salary increase rates	8.50%	8.50%
Retirement Age	58 Years	58 Years

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the Funds during the estimated term of the obligations.

Assumptions regarding future mortality and experience are set in accordance with published rates under Indian assured lives mortality 2012-2014. The discount rate is based on the prevailing market yield in Indian government securities as at balance sheet date for estimated term of obligation.

(viii) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2025 shown below:

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(1.42)	1.53
Future salary growth (0.5% movement)	1.13	(1.09)

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts for the year ended December 31, 2024 shown below:

Particulars	Increase	Decrease
Discount rate (0.5% movement)	(1.02)	1.09
Future salary growth (0.5% movement)	0.87	(0.83)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

- (ix) The Company expects to contribute a sum of ₹ 1.00 to the plan for the next annual reporting period (December 31, 2024: ₹ 1.00).
- (x) As at December 31, 2025 the weighted average duration of the defined benefit obligation is 8.37 years (December 31, 2024: 7.52 years).
- (xi) Maturity profile of the defined benefit obligation:

Particulars	As at December 31, 2025	As at December 31, 2024
Year 1	6.59	8.35
Year 2	1.72	1.18
Year 3	3.84	1.18
Year 4	3.14	3.55
Year 5	3.18	2.81
Thereafter	53.32	39.01

c) Compensated absences

The Company provides for accumulation of compensated absences to its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods or receive cash in lieu thereof as per Company policy. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability for compensated absences, classified as current, amounted to ₹ 19.16 as at December 31, 2025 (December 31, 2024: ₹ 19.14).

The principal assumptions used for computation of defined benefit plan equally apply to the computation of compensated absences and are accordingly considered in the estimation of benefits.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 29: Related Party Disclosures

a) Names of related parties and description of relationship

Sl. No	Relationship	Name
(a) List of related parties where control exists		
(i)	Subsidiaries	1 Rain Cements Limited [RCL]
		2 Renuka Cement Limited [RenCL]
		3 Rain Verticals Limited [RVL]
		4 Rain Commodities (USA) Inc. [RCUSA]
		5 Rain Global Services LLC [RGS]*
		6 Rain Carbon Inc. [RCI]
		7 Rain CII Carbon (Vizag) Limited [RCCVL]
		8 Rain CII Carbon LLC [RCC]
		9 Rain Carbon GmbH [RCG]
		10 Rain Carbon Canada Inc.
		11 Rain Carbon BV [RCBV]
		12 VFT France SA [VFSA]
		13 Rain Carbon Wohnimmobilien GmbH & Co. KG
		14 Rain Carbon Gewerbeimmobilien GmbH & Co. KG
		15 Rain Carbon Germany GmbH
		16 OOO Rain Carbon **
		17 Rain Carbon Poland Sp. z. o. o
		18 OOO RÜTGERS Severtar [OOOSevertar]
		19 Severtar Holding Ltd [Severtar] (Refer note 37)
		20 Severtar Holding ILLC [SHILLC] (Refer note 37)
		21 Rumba Invest BVBA & Co. KG [Rumba]
		22 Rain Carbon (Shanghai) Trading Co. Ltd.
		23 Rain Holdings Limited[RHL]
		24 Rain Commodities FZCO***
(b) Other related parties where transactions have taken place during the year/balances exist at year end		
(i)	Enterprise where key managerial personnel along with their relatives exercise significant influence	1 Pragnya Priya Foundation (PPF)
		2 Sujala Investments Private Limited
		3 Rain Enterprises Private Limited
		4 Nivee Holdings Private Limited
		5 Arunachala Holdings Private Limited
		6 PCL Financial Services Private Limited
		7 Arunachala Logistics Private Limited

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Sl. No	Relationship	Name
(ii)	Key Managerial Personnel (KMP) and their relatives	1 Mr. Jagan Mohan Reddy Nellore Managing Director
		2 Mr. N. Radha Krishna Reddy - Vice Chairman Non-Executive Director
		3 Mr. N. Sujith Kumar Reddy Non-Executive Director
		4 Mr. N. Venkata Pranav Reddy Relative of Managing Director
		5 Mr. N. Shiv Keshav Reddy Relative of Managing Director
		6 Mr. N. Sridutt Reddy Relative of Managing Director
		7 Mr. T. Srinivasa Rao Chief Financial Officer
		8 Mr. S. Venkat Ramana Reddy Company Secretary
		9 Ms. N. Indira Reddy Relative of Managing Director
		10 Ms. N Anupama Reddy Relative of Managing Director
(iii)	Non-executive directors and their relatives	1 Mr. N. Radha Krishna Reddy - Vice Chairman (Non-Executive Director with effect from December 10, 2024)
		2 Mr. Jagan Mohan Reddy Nellore - Vice Chairman (Non-Executive Director till December 9, 2024)
		3 Mr. N. Sujith Kumar Reddy - Non-Executive Director
		4 Mr. Brian Jude McNamara - Independent Director (Chairman)
		5 Mr. Varun Batra - Independent Director
		6 Mr. Robert Thomas Tonti - Independent Director
		7 Ms. B. Shanti Sree - Independent Director
		8 Ms. N Akhila Reddy - Relative of Non-executive Director

* Liquidated on January 28, 2025.

** Transferred to RHL on November 13, 2024.

*** Subsidiary in UAE under Rain Holding Limited with effect from May 30, 2024.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

b) Transactions with related parties for the year ended December 31, 2025

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/(From)
Sales					
- RCCVL	465.74	-	-	-	(30.23)
Purchases					
- OOO Severtar	-	-	-	-	11.96
Revenue from Services *					
- RCCVL	255.19	-	-	-	-
- RCL	123.93	-	-	-	-
- RHL	10.59	-	-	-	-
- RCI	445.35	-	-	-	(94.05)
Rental Income					
- RCCVL	10.29	-	-	-	-
- RCL	10.29	-	-	-	-
Remuneration *** (Short-term employee benefits)					
- T. Srinivasa Rao	-	-	25.62	-	-
- S. Venkat Ramana Reddy	-	-	7.87	-	-
Dividend Paid					
- Sujala Investments Private Limited	-	37.92	-	-	-
- Rain Enterprises Private Ltd	-	25.32	-	-	-
- Nivee Holdings Private Limited	-	8.14	-	-	-
- Arunachala Holdings Private Limited	-	5.27	-	-	-
- PCL Financial Services Private Limited	-	3.78	-	-	-
- Arunachala Logistics Private Limited	-	0.99	-	-	-
- Mr. N. Radha Krishna Reddy	-	-	-	10.38	-
- Mr. T. Srinivasa Rao	-	-	0.09	-	-
- Mr. N. Sujith Kumar Reddy	-	-	-	10.03	-
- Ms. N Anupama Reddy	-	-	27.30	-	-
- Ms. N. Indira Reddy	-	-	7.51	-	-
- Ms. N. Akhila Reddy	-	-	-	1.87	-
- Mr. Jagan Mohan Reddy Nellore****	-	-	0.00	-	-
Corporate Social Responsibility expenditure					
- PPF	-	1.00	-	-	-

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/(From)
Dividend Income Received from					
- RCL	101.34	-	-	-	-
Sitting Fees to Non-executive directors of the Company (Refer note (d) below)	-	-	-	3.56	-
Commission to Non-executive directors of the Company (Refer note (d) below)	-	-	-	0.92	0.92
Reimbursement of payments made to Subsidiary					
- RCCVL	(9.18)	-	-	-	-
Corporate Guarantee (released)/ given on behalf of the Company by**					
- RCL	-	-	-	-	400.00
- RCCVL	(300.00)	-	-	-	1,800.00

*Transactions are disclosed on billed basis, hence unbilled revenue amounting to ₹ 8.20 has not been included above.

**

- (i) The corporate guarantee given by RCCVL is towards credit facility of ₹ 1,800.00 from banks which includes Term loan of ₹ 1,700.00, working capital credit facility of ₹ 100.00. The term loan outstanding as on December 31, 2025 is ₹ 1,700.00.
- (ii) The corporate guarantee given by RCL is towards credit facility of ₹ 400.00 from banks for working capital credit facility of ₹ 400.00.

***** Long-term employee benefits paid to Key managerial personnel:**

The managerial personnel are covered by the Company's gratuity policy, personal accident insurance policy, mediclaim insurance policy taken and are eligible for leave encashment along with other employees of the Company. The proportionate premium paid towards these policies and provision made for leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are not determined on an individual basis.

****Rounding off norm adopted by the company. The actual amount is ₹ 100 in absolute terms.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

c) Transactions with related parties for the year ended December 31, 2024

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/(From)
Sales					
- RCCVL	682.97	-	-	-	(16.12)
Purchases					
- RCGG	2.47	-	-	-	-
- OOO Severtar	21.74	-	-	-	11.39
Revenue from Services*					
- RCCVL	136.89	-	-	-	-
- RCL	123.49	-	-	-	(6.47)
- RHL	3.72	-	-	-	(1.90)
- RCI	463.87	-	-	-	(142.29)
Loans Repaid					
- RCL	(500.00)	-	-	-	-
- RCUSA	166.63	-	-	-	-
Interest Income					
- RCUSA	6.02	-	-	-	-
Interest Expense					
- RCL	29.86	-	-	-	-
Rental Income					
- RCCVL	9.36	-	-	-	-
- RCL	9.36	-	-	-	-
Remuneration*** (Short-term employee benefits)					
- T. Srinivasa Rao	-	-	23.71	-	-
- S. Venkat Ramana Reddy	-	-	7.62	-	-
Dividend Paid					
- Sujala Investments Private Limited	-	37.77	-	-	-
- Rain Enterprises Private Ltd	-	25.32	-	-	-
- Nivee Holdings Private Limited	-	8.14	-	-	-
- Arunachala Holdings Private Limited	-	5.27	-	-	-
- PCL Financial Services Private Limited	-	3.78	-	-	-
- Arunachala Logistics Private Limited	-	0.99	-	-	-
- Mr. N. Radha Krishna Reddy	-	-	-	10.38	-
- Mr. T. Srinivasa Rao	-	-	0.09	-	-
- Mr. N. Sujith Kumar Reddy	-	-	-	10.03	-

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Nature of Transaction	Subsidiary Companies	Enterprise where key managerial personnel along with their relatives exercise significant control	Key Managerial Personnel and their relatives	Non-executive directors and their relatives	Balance Outstanding To/(From)
- Ms. N Anupama Reddy	-	-	27.30	-	-
- Ms. N. Indira Reddy	-	-	7.51	-	-
- Ms. N. Akhila Reddy	-	-	-	1.87	-
- Mr. Jagan Mohan Reddy Nellore****	-	-	0.00	-	-
Corporate Social Responsibility expenditure					
- PPF	-	1.00	-	-	-
Dividend Income Received from					
- RCL	50.67	-	-	-	-
- RCUSA	334.78	-	-	-	-
- RCCVL	165.00	-	-	-	-
Sitting Fees to Non-executive directors of the Company (Refer note (d) below)	-	-	-	3.56	-
Commission to Non-executive directors of the Company (Refer note (d) below)	-	-	-	2.80	2.80
Sale of investment#					
- RHL	351.34	-	-	-	(30.11)
Corporate Guarantee (released)/ given on behalf of the Company by**					
- RCL	400.00	-	-	-	400.00
- RCCVL	100.00	-	-	-	2,100.00

#During the year ended December 31, 2024, the Company has divested its investment in the subsidiary OOO Rain Carbon, Russia of ₹322.61 and sold its stake to Rain Holdings Limited (a subsidiary of the Company) for a sale consideration of ₹351.34 (EUR 4.0 million) and recognised a gain of ₹36.65 in other income in the standalone financial statements.

*Transactions are disclosed on billed basis, hence unbilled revenue amounting to ₹7.21 has not been included above.

**

(i) The corporate guarantee given by RCCVL is towards credit facility of ₹2,100.00 from banks which includes Term loan of ₹1,700.00, working capital credit facility of ₹100.00 and non-fund based limit of ₹300.00. The term loan outstanding as on December 31, 2024 is ₹1,700.00.

*****Long-term employee benefits paid to Key managerial personnel:**

The managerial personnel are covered by the Company's gratuity policy, personal accident insurance policy, mediclaim insurance policy taken and are eligible for leave encashment along with other employees of the Company. The proportionate premium paid towards these policies and provision made for leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are not determined on an individual basis.

****Rounding off norm adopted by the company. The actual amount is ₹100 in absolute terms.

Terms and conditions of transactions with related parties: All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in case within 60 days of the reporting date. None of the balance is secured.

No trade or other receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due from firms or private limited companies respectively in which any director is a partner or a director or a member.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Reconciliation of opening and closing balances of loans to related parties as per the requirement of section 186(4) of Companies Act, 2013:

Loans to Rain Commodities (USA) Inc.

Particulars	For the year ended	
	December 31, 2025	December 31, 2024
As at the beginning of the year	-	166.23
Repaid during the year	-	(166.63)
Exchange gain	-	0.40
As at the end of the year	-	-

Information pursuant to Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	As at	
	December 31, 2025	December 31, 2024
Loans to subsidiaries		
Loan to Rain Commodities (USA) Inc.:		
Amount outstanding as at the year ended	-	-
Maximum amount outstanding	-	166.63

d) Sitting fees and Commission to Non-executive directors

Name of the Director	Sitting fees		Commission	
	For the year ended		For the year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Mr. Varun Batra	0.80	0.80	0.23	0.70
Mr. Robert Thomas Tonti	0.80	0.80	0.23	0.70
Mr. Brian Jude Mcnamara	1.16	1.16	0.23	0.70
Ms. B. Shanti Sree	0.80	0.80	0.23	0.70
Total	3.56	3.56	0.92	2.80

Note 30: Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at	As at
	December 31, 2025	December 31, 2024
(I) Contingent liabilities		
(a) In respect of demands/ claims arising on account of:		
- Income tax	16.84	16.69

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long-term contracts which needs to be provided for in the books of account.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

The Company has reviewed all its pending litigations including legal proceedings initiated in the ordinary course of business except as disclosed above. The Company does not expect the outcome of these proceedings to have a material and adverse effect on its financial position and accordingly no adjustment in respect thereof is expected.

Note 31: Additional Regulatory Information

- (i) The title deeds of immovable properties are held in the name of the Company. Further, the property held at Srinagar Colony, Hyderabad is held in the name of Priyadarshini Cement Limited which is the erstwhile name of the Company.
- (ii) The Company has not revalued its Property, plant and equipment and intangible assets during the year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (iv) During the year there are no loans or advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are repayable on demand.
- (v) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.
- (vi) The Company has a working capital credit facility amounting to ₹ 100.00 secured by current assets from one bank (refer note 13 for details). The facility as per the agreement does not require submission of quarterly return or statement of current assets to the bank.
- (vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(viii) Details of Key Financial Ratios:

Key Financial Ratios	2025	2024	Variance	Reason for variance
(a) Current Ratio	0.53	0.23	130%	Repayment of current borrowings has resulted in increase in current ratio.
(b) Debt-Equity Ratio	0.19	0.18	6%	Not Applicable
(c) Debt Service Coverage Ratio	0.14	0.82	(83%)	Debt repayment has resulted in decrease in debt service coverage ratio.
(d) Return on Equity Ratio	1.03%	4.21%	(76%)	Decrease in profit during the year has resulted in decrease in Return on Equity Ratio.
(e) Trade Receivables turnover ratio	8.52	8.32	2%	Not Applicable
(f) Trade payables turnover ratio	6.07	9.71	(38%)	Decrease in purchase of stock-in-trade resulted in a reduced Trade Payables Turnover Ratio.
(g) Net capital turnover ratio	(1.61)	(16.57)	90%	Decrease in current borrowings has resulted in increase in Net capital turnover ratio.
(h) Net profit ratio	7.23%	27.53%	(74%)	Decrease in profit during the year has resulted in decrease in Net profit ratio
(i) Return on Capital employed	2.33%	5.71%	(59%)	Decrease in profit during the year has resulted in decrease in Return on Capital employed
(j) Return on investment	9.00%	4.84%	86%	The increase in return on investment was driven by higher interest income, despite a reduction in deposit balances

The company does not have any opening or closing inventory and hence Inventory turnover ratio is not applicable.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Definition of Ratios:

- (a) **Current Ratio:** The numerator consists of current assets and the denominator consists of current liabilities.
 - (b) **Debt-Equity Ratio:** The numerator consists of Borrowings and the denominator consists of Equity.
 - (c) **Debt Service Coverage Ratio:** The numerator consists of Earnings before interest, depreciation, profit or loss on sale of fixed assets and assets written off and the denominator consists of borrowings repaid during the year including interest thereon.
 - (d) **Return on Equity Ratio:** The numerator consists of Profit after tax and the denominator consists of Average Equity.
 - (e) **Trade Receivables Turnover Ratio:** The numerator consists of Revenue from operations and the denominator consists of Average Trade receivables.
 - (f) **Trade Payables Turnover Ratio:** The numerator consists of total purchases of stock-in-trade and the denominator consists of Average Trade payables.
 - (g) **Net Capital Turnover Ratio:** The numerator consists of Revenue from operations and the denominator consists of average working capital (current assets minus current liabilities).
 - (h) **Net Profit Ratio:** The numerator consists of Profit after tax and the denominator consists of Revenue from operations.
 - (i) **Return on Capital employed:** The numerator consists of Earnings before interest and taxes and the denominator consists of equity, total borrowings and deferred tax liabilities, net of intangible assets.
 - (j) **Return on Investment:** The numerator consists of interest income earned on fixed deposits and loans and the denominator consists of average fixed deposits held and loans given.
- (ix) The Company has not advanced or loaned or invested funds, to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (x) The Company have not received any fund, from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xi) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (xii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.
- (xiii) The Company has not traded or invested in Cryptocurrency or Virtual Currency during the year.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 32: Earnings per Share (EPS)

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
a. Profit for the year	94.46	389.45
b. Weighted average number of equity shares of ₹ 2/- each outstanding during the year (Nos.)	336,345,679	336,345,679
Earnings per Share		
c. Basic and Diluted - [a]/[b] - (₹)	0.28	1.16

Note 33: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social responsibility (CSR) Committee has been formed by the Company. The proposed areas for CSR activities, as per the CSR policy of the Company are promotion of education, rural development activities, medical facilities, employment and ensuring environmental sustainability which are specified in Schedule VII of the Companies Act, 2013. Expenditure incurred under Section 135 of the Companies Act, 2013 on CSR activities are as below:

Gross amount required to be spent by the Company during the year ended December 31, 2025 is Nil (December 31, 2024: Nil)

Particulars	For the year ended December 31, 2025	For the year ended December 31, 2024
Amount to be spent	-	-
Amount of expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On Purposes other than (i) above	1.00	1.00
Shortfall at the end of the year	-	-
Previous year shortfall	-	-
Reason for shortfall	Not Applicable	
Related party transaction	1.00	1.00
Name of the entity: Pragnya Priya Foundation		

The CSR amount is incurred towards Promotion of Health and Education

Note 34: The Company has leased its assets to its wholly owned subsidiaries in India. The leases are operating and cancellable in nature. There are no finance leases.

Note 35: The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to building lease that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Note 36: Segment Reporting

In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 37: Russia-Ukraine war

Due to the global implications of the geopolitical conflict between Russia and Ukraine that started in February 2022, there has been an increase in volatility in the commodity prices, stock and foreign exchange markets. Given this geopolitical uncertainty and the likelihood that changes may occur rapidly or unexpectedly, management has evaluated information available in this regard to assess its potential impact on the subsidiaries activities such as supply chain disruption, closure and abandonment of operations, travel restrictions, market volatility, recoverability of inter-company loans and repatriation of dividends between group entities, etc. Based on the internal assessment, the management believes that the operations of its Russian entities and the rest of the entities are largely independent of each other and hence it does not foresee any significant impact of the above events on its accompanying standalone financial statements.

In light of the global circumstances, the step-down subsidiary i.e., Severtar Holding Limited (SHL), Cyprus, is encountering difficulties in fulfilling regulatory requirements. These challenges include filing statutory and tax returns, conducting statutory audits, completing other secretarial compliances, and addressing applicable sanctions etc., as the Board of the said subsidiary is non-functional. OOO RUTGERS Severtar ("OOORS"), Cherepovets, Russia is a 100% Subsidiary of SHL.

During the year ended December 31, 2024, the shareholders of SHL, had applied for re-domiciliation of SHL to another foreign jurisdiction, Special Administrative Region (SAR) of Kaliningrad, and had obtained the provisional certificate of incorporation for the re-domiciled entity i.e. Severtar Holding ILLC, Kaliningrad (SHILLC) with a timeline to regularise the provisional certificate of incorporation by December 2025. As the time limit is expired, management basis legal opinion, has assessed that there is no material impact under the applicable laws and regulations.

Further, management is in the process of completing pending compliances and also evaluating other available options to regularise in Cyprus and Kaliningrad. In the interim and based on the completion of preliminary steps in Kaliningrad, OOORS has been distributing dividends directly to the respective shareholders of SHILLC (as authorised by SHILLC), in compliance with the applicable regulations in the said Jurisdiction.

Considering the continuing uncertainties resulting from the aforesaid matters, the management will continue to closely monitor the compliance of applicable regulations including sanctions. Based on the internal assessment and external counsel opinions, management believes that it is in compliance with the applicable laws and regulations and does not foresee any recoverability related issues on such investments.

Note 38: Audit trail

The Company has used two accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature at the database level was enabled from September 15, 2025 for one accounting software and December 5, 2025 for the other accounting software. Further no instance of audit trail feature being tampered with was noted in respect of accounting software where the audit trail has been enabled. Additionally, the Company has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the previous year to the extent it was enabled and recorded.

Notes

forming part of the standalone financial statements for the year ended December 31, 2025 (continued)

All amounts are in Indian Rupees Millions, except share data and where otherwise stated

Note 39: Subsequent events

The Company has performed an evaluation of subsequent events from the balance sheet date through February 27, 2026, the date at which standalone financial statements were made available to be issued and determined that there are no items to disclose.

As per our report of even date attached

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

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of

Rain Industries Limited

CIN: L26942TG1974PLC001693

per **Vikas Pansari**

Partner

Membership number: 093649

Jagan Mohan Reddy Nellore

Managing Director

DIN: 00017633

N. Sujith Kumar Reddy

Director

DIN: 00022383

T. Srinivasa Rao

Chief Financial Officer

M. No.: F29080

S. Venkat Ramana Reddy

Company Secretary

M. No.: A14143

Place: Mumbai

Date: February 27, 2026

Place: Hyderabad

Date: February 27, 2026