

B S R & Associates LLP

Chartered Accountants

Salarpuriya Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081 - India

Telephone: +91 40 7182 2000
Fax: +91 40 7182 2399

Limited review report (unmodified) on unaudited quarterly consolidated financial results and consolidated year-to-date results of Rain Industries Limited under Regulation 33 of the Listing Regulations, 2015

To
The Board of Directors of Rain Industries Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Rain Industries Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), and its share of the net profit after tax and total comprehensive income of its associates for the quarter ended and year to date results for the period from January 1, 2021 to September 30, 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities which have been mentioned in Annexure I to this Report.

B S R & Associates LLP

Limited review report (unmodified) on unaudited quarterly consolidated financial results and consolidated year-to-date results of Rain Industries Limited under Regulation 33 of the Listing Regulations, 2015 (continued)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the financial results of 17 subsidiaries which have not been reviewed, whose financial results reflect total assets of Rs. 108,106.09 million as at September 30, 2021 and total revenue of Rs. 1,102.36 million and Rs. 2,786.88 million, total net profit after tax of Rs. 1,318.77 million and Rs. 435.06 million and total comprehensive income of Rs. 1,341.42 million and Rs. 409.64 million for the quarter ended September 30, 2021 and for the period from January 1, 2021 to September 30, 2021, respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. Nil and Rs. Nil and total comprehensive income of Rs. Nil and Rs. Nil for the quarter ended September 30, 2021 and for the period from January 1, 2021 to September 30, 2021, respectively, as considered in the consolidated unaudited financial results, in respect of 1 associate, based on its interim financial results which have not been reviewed. According to the information and explanations given to us by the management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

for **B S R & Associates LLP**

Chartered Accountants

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

**VIKASH
SOMANI**

Digitally signed by
VIKASH SOMANI
Date: 2021.10.30
18:59:43 +05'30'

Vikash Somani

Partner

Membership Number: 061272

ICAI UDIN: 21061272AAAADT8492

Place: Hyderabad

Date: 30 October 2021

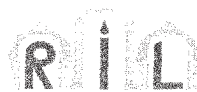
B S R & Associates LLP

Limited review report (unmodified) on unaudited quarterly consolidated financial results and consolidated year-to-date results of Rain Industries Limited under Regulation 33 of the Listing Regulations, 2015 (continued)

Annexure I

List of Subsidiaries and Associates

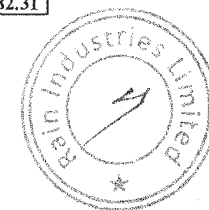
List of Subsidiaries:	
Name of the Company	
1.	Rain Cements Limited
2.	Renuka Cement Limited
3.	Rain CII Carbon (Vizag) Limited
4.	Rain Commodities (USA) Inc.
5.	Rain Carbon Inc.
6.	Rain Carbon Holdings, LLC
7.	Rain Global Services LLC
8.	Rain CII Carbon LLC
9.	CII Carbon Corp.
10.	Rain Carbon GmbH
11.	Rain Carbon Canada Inc.
12.	Rain Carbon BV
13.	Rain Carbon Germany GmbH
14.	Rain Carbon Wohnimmobilien GmbH & Co. KG
15.	Rain Carbon Gewerbeimmobilien GmbH & Co. KG
16.	OOO Rain Carbon
17.	VFT France S.A
18.	Rumba Invest BVBA & Co. KG
19.	Rain Carbon Poland Sp. z o.o
20.	Severtar Holding Ltd.
21.	RÜTGERS Resins BV
22.	OOO RÜTGERS Severtar
23.	Rain Carbon (Shanghai) Trading Co. Ltd
24.	Rain Verticals Limited (Investment made on April 6, 2021)
25.	Handy Chemicals (U.S.A.) Ltd. (Investment sold on 31 December 2020)
26.	RÜTGERS Polymers Ltd. (Investment sold on 31 December 2020)
List of Associate:	
Name of the Company	
1.	InfraTec Duisburg GmbH



RAIN INDUSTRIES LIMITED
CIN: L26942TG1974PLC001693

Regd. Off: "Rain Center", 34, Srinagar Colony, Hyderabad - 500 073, Telangana State, India. Ph.No.040-40401234; Fax:040-40401214
Email: secretarial@rain-industries.com / www.rain-industries.com

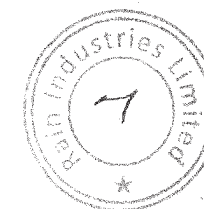
(Rupees in Millions except per share data)						
Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months ended September 30, 2021						
Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	December 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue from operations	38,490.05	36,434.68	25,660.51	105,007.28	78,244.62	104,646.93
(b) Other income (Refer note 6 below)	586.87	371.22	114.96	1,384.92	510.53	4,552.97
Total income	39,076.92	36,805.90	25,775.47	106,392.20	78,755.15	109,199.90
2 Expenses						
(a) Cost of materials consumed (Refer note 8 below)	18,317.48	15,351.19	9,028.29	45,428.05	27,464.41	37,273.74
(b) Purchases of stock-in-trade	3,683.33	3,137.45	1,933.38	8,977.13	8,478.40	10,320.49
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (Refer note 8 below)	(1,487.81)	5.37	123.66	(1,927.83)	990.25	1,251.71
(d) Employee benefits expense	3,123.94	3,000.75	2,906.29	9,424.34	9,221.68	12,131.93
(e) Finance costs	1,174.94	1,220.23	1,226.19	3,590.77	3,663.99	4,900.71
(f) Depreciation and amortisation expense	1,990.31	2,012.51	2,073.76	5,982.93	5,747.29	7,917.17
(g) Loss / (gain) on foreign currency transactions and translations (net)	(115.69)	(24.35)	297.83	(199.18)	288.09	617.85
(h) Other expenses (Refer note 5 below)	8,644.13	8,461.54	6,398.84	24,586.35	18,840.57	26,281.89
Total expenses	35,330.63	33,164.69	23,988.24	95,862.56	74,694.68	100,695.49
3 Profit before share of profit of associates, exceptional items and tax (1-2)	3,746.29	3,641.21	1,787.23	10,529.64	4,060.47	8,504.41
4 Exceptional items	-	-	-	-	-	-
5 Profit before share of profit of associates and tax (3-4)	3,746.29	3,641.21	1,787.23	10,529.64	4,060.47	8,504.41
6 Share of profit of associates (net of income tax)	-	-	-	-	-	5.46
7 Profit before tax (5+6)	3,746.29	3,641.21	1,787.23	10,529.64	4,060.47	8,509.87
8 Tax expense / (benefit) (Refer note 9 & 10 below)						
- Current tax	898.21	1,044.06	761.23	3,057.18	1,849.52	2,384.06
- Tax relating to earlier years	142.90	-	(95.95)	142.53	(219.95)	(253.94)
- Minimum alternate tax	-	-	-	-	-	3.26
- Deferred tax						
(a) Deferred tax excluding (b) below	16.03	(60.87)	(57.63)	(328.54)	(262.46)	463.26
(b) Impact on account of change in tax rate in India	-	-	-	-	30.92	30.92
Total tax expense	1,057.14	983.19	607.65	2,871.17	1,398.03	2,627.56
9 Net profit for the period/year (7-8)	2,689.15	2,658.02	1,179.58	7,658.47	2,662.44	5,882.31



10	Other comprehensive income / (loss) (net of tax) for the period/year						
(a)	Items that will not be reclassified to profit or loss:						
	Remeasurements of net actuarial loss on post employment benefit plans	-	-	-	-	-	(1,397.14)
	Income tax effect	-	-	-	-	-	439.25
(b)	Items that will be reclassified to profit or loss:						
	Foreign currency translation reserve	(643.51)	1,026.38	(223.56)	(67.56)	683.54	1,814.70
	Effective portion of Cash Flow Hedge	0.06	0.20	1.20	(0.27)	0.42	(0.78)
	Income tax effect	-	-	-	-	-	-
	Total other comprehensive income / (loss) (net of tax)	(643.45)	1,026.58	(222.36)	(67.83)	683.96	856.03
11	Total comprehensive income for the period/year (9+10)	2,045.70	3,684.60	957.22	7,590.64	3,346.40	6,738.34
12	Profit attributable to:						
	Owners of the Company	2,355.64	2,352.93	1,181.60	6,771.17	2,512.19	5,581.67
	Non-controlling interests	333.51	305.09	(2.02)	887.30	150.25	300.64
	Net Profit for the period/year	2,689.15	2,658.02	1,179.58	7,658.47	2,662.44	5,882.31
13	Other comprehensive income / (loss) attributable to:						
	Owners of the Company	(643.30)	937.50	(60.13)	(128.42)	929.42	1,034.73
	Non-controlling interests	(0.15)	89.08	(162.23)	60.59	(245.46)	(178.70)
	Other comprehensive income / (loss) for the period/year	(643.45)	1,026.58	(222.36)	(67.83)	683.96	856.03
14	Total comprehensive income / (loss) attributable to:						
	Owners of the Company	1,712.34	3,290.43	1,121.47	6,642.75	3,441.61	6,616.40
	Non-controlling interests	333.36	394.17	(164.25)	947.89	(95.21)	121.94
	Total comprehensive income for the period/year	2,045.70	3,684.60	957.22	7,590.64	3,346.40	6,738.34
15	Paid-up equity share capital (Face value of INR 2/- per share)	672.69	672.69	672.69	672.69	672.69	672.69
16	Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)						54,662.27
17	Earnings Per Share - Basic and Diluted (of INR 2/- each)	7.00	7.00	3.51	20.13	7.47	16.60
		(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	
	(See accompanying notes to the Consolidated Unaudited Financial Results)						

Notes:

- The Consolidated Unaudited Financial Results were reviewed by the Audit Committee on October 29, 2021 and approved by the Board of Directors at their meeting held on October 30, 2021.
- The Consolidated Unaudited Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ('The Act') read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Consolidated Unaudited Financial Results for the Quarter and Nine Months ended September 30, 2021 have been subjected to a "Limited Review" by the statutory auditors of the Company. An unqualified report has been issued by them thereon.
- The Board of Directors of the Company at their meeting held on October 30, 2021, have declared an Interim Dividend of INR 1/- per Equity Share i.e. 50% on face value of INR 2/- per Equity Share fully paid up for the financial year ending December 31, 2021.



- 5 Hurricane Laura made landfall in Lake Charles, Louisiana on August 27, 2020; where the Company's Subsidiary has a CPC manufacturing plant and a co-generation power plant. The hurricane impacted the facilities at Lake Charles and the roads, port and other infrastructure in the area around Lake Charles. The Company is having adequate insurance coverage subject to normal deductibles. The Company incurred an amount of INR 117.78 and INR 459.39 towards repairs for the quarter ended September 30, 2020 and year ended December 31, 2020 respectively, which was recorded under the heading Other expenses. The Company also incurred an amount of INR 476.86 towards capital expenditure for the year ended December 31, 2020.

The Company incurred an additional amount of INR 100.42 and INR 328.20 towards repairs which was recorded under the heading Other expenses and INR 18.55 and INR 334.61 towards capital expenditure for the quarter and nine months ended September 30, 2021 respectively.

Also on August 29, 2021, Hurricane Ida made landfall in Chalmette, Gramercy and Norco, Louisiana; where the Company's Subsidiary have CPC manufacturing plants and a co-generation power plant due to which there is a temporary stoppage of operations at these facilities. The Company incurred an amount of INR 110.56 towards repairs for the quarter and nine months ended September 30, 2021, which was recorded under the heading Other expenses.

- 6 On December 31, 2020, the Group completed the sale of its Wholly Owned Subsidiaries engaged in the manufacturing and distribution of Polynaphthalene Sulfonates - RUTGERS Polymers Limited and Handy Chemicals (U.S.A.) Limited, for an aggregate cash consideration of INR 6,386.27 which resulted in a gain of INR 3,864.20 which was recorded under the heading Other income during the year ended December 31, 2020. The sale resulted in loss of control over both subsidiaries and accordingly the Group derecognised the assets and liabilities at their carrying amounts on date of sale as per "IND AS 110 – Consolidated financial statements".

During the quarter ended June 30, 2021, upon completion of certain additional formalities on sale transaction, a partial amount retained in escrow account during year-end was released and recorded as income during the quarter amounting to INR 40.10 under the heading Other income.

- 7 During the year ended December 31, 2020, due to the COVID-19 pandemic, there was nationwide lockdown in India and supply disruptions in various other countries, which affected the operations across the Group. However, the situation started improving from the third quarter of 2020. Again with resurgence of COVID-19, the Group continues to evaluate the impact of this pandemic on its business operations, liquidity and financial position. Based on management's review of current indicators and economic conditions there is no material impact on its financial results as at September 30, 2021, and carrying value of its assets, except certain inventory related write-downs, which are already provided during 2020, as explained in Note 8. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions.

- 8 (i) Due to the change in the macro-economic conditions like effect of COVID-19 and fall in crude oil prices, there was a sharp decline in the prices of products. This resulted in abnormal fall in net realisable value (NRV) of inventories. Accordingly, an amount of INR 374.88 and INR 1,654.93 was recorded towards inventory write down under the heading Changes in inventories of finished goods, work-in-progress and stock-in-trade for the quarter ended September 30, 2020 and year ended December 31, 2020 respectively.

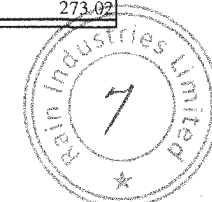
(ii) During the year ended December 31, 2020, other inventory adjustments towards NRV of INR 70.53 (apart from the above mentioned impact of COVID-19) is accounted under cost of materials consumed.

- 9 The Company's US Subsidiary filed its 2020 U.S. tax return on due date of October 15, 2021. At the time of finalising its tax return for 2020 year as consistent approach, management opted for GILTI High Tax Exception (HTE). The GILTI high-tax exception will exclude from GILTI income of a CFC that incurs a foreign tax at a rate greater than 90% of the U.S. corporate rate, currently 18.9%. In July, 2020, the U.S. Department of Treasury ("Treasury") and the Internal Revenue Service (IRS) finalised regulations (T.D. 9902) with respect to the global intangible low-taxed income (GILTI) high-tax exception ("Final Regulations"), such election was also made at the time of finalising 2020 annual consolidated financial statements and also in prior years, because of change in the estimates during tax return 2020 an additional tax expense of INR 142.90 recorded and remitted.

- 10 On September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 01, 2019, subject to certain conditions. During the year ended December 31, 2020, the parent Company and one of the Indian subsidiary company evaluated and adopted the new tax rate of 25.168%. Accordingly, the Group remeasured its current tax expense and Deferred tax asset/liability basis the rate prescribed in the said section. The change in tax rate resulted in reduction in current tax expense by INR 124.00, write-off of Minimum Alternate Tax Credit by INR 3.26 and reduction in deferred tax benefit by INR 30.92 for the year ended December 31, 2020.

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

Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2021 Unaudited	June 30, 2021 Unaudited	September 30, 2020 Unaudited	September 30, 2021 Unaudited	September 30, 2020 Unaudited	December 31, 2020 Audited
Revenue from operations	86.50	92.63	75.53	302.35	329.58	476.25
Profit / (loss) before tax	1.59	(10.52)	3.84	(11.27)	(23.17)	346.43
Profit / (loss) after tax	1.59	(10.52)	2.63	(11.12)	(17.86)	273.02



Consolidated Segment wise revenue and results:

The Chief Operating Decision Maker ("CODM") reviews the business performance at the business segment level. Accordingly, the business segments are considered as the primary segments for reporting. The segments reported are as follows:

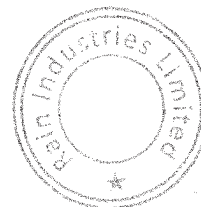
- (a) Carbon
- (b) Advanced Materials
- (c) Cement

Particulars	Quarter ended			Nine Months ended		Year ended
	September 30, 2021 Unaudited	June 30, 2021 Unaudited	September 30, 2020 Unaudited	September 30, 2021 Unaudited	September 30, 2020 Unaudited	December 31, 2020 Audited
1) Segment revenue						
(a) Carbon	27,477.95	25,195.00	17,009.35	74,079.73	54,537.69	72,519.17
(b) Advanced Materials	10,712.00	10,058.79	7,629.00	27,937.46	22,331.32	29,493.22
(c) Cement	3,435.21	3,864.04	2,866.15	10,648.71	7,372.32	10,300.16
Total	41,625.16	39,117.83	27,504.50	112,665.90	84,241.33	112,312.55
Less: Inter segment revenue	3,135.11	2,683.15	1,843.99	7,658.62	5,996.71	7,665.62
Revenue from operations	38,490.05	36,434.68	25,660.51	105,007.28	78,244.62	104,646.93
2) Segment results						
(a) Carbon	4,729.00	4,834.63	3,216.46	14,309.48	9,280.88	12,262.62
(b) Advanced Materials	836.37	726.77	1,172.08	2,073.95	2,457.03	2,976.50
(c) Cement	643.61	916.98	875.78	2,135.81	1,511.40	2,148.05
Total	6,208.98	6,478.38	5,264.32	18,519.24	13,249.31	17,387.17
Less: i) Depreciation and amortisation expense	1,990.31	2,012.51	2,073.76	5,982.93	5,747.29	7,917.17
ii) Finance costs	1,174.94	1,220.23	1,226.19	3,590.77	3,663.99	4,900.71
iii) Loss / (gain) on foreign currency transactions and translations	(115.69)	(24.35)	297.83	(199.18)	288.09	617.85
iv) Other un-allocable income (net)	(586.87)	(371.22)	(120.69)	(1,384.92)	(510.53)	(4,552.97)
v) Share of profit of associates (net of income tax)	-	-	-	-	-	(5.46)
Profit before tax	3,746.29	3,641.21	1,787.23	10,529.64	4,060.47	8,509.87

Segmental assets and liabilities:

As certain assets of the Company are often deployed interchangeably between segments, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for segment assets and liabilities have not been disclosed in the above table.

- 13 The Investors can view Standalone Unaudited Financial Results of the Company on the Company's website www.rain-industries.com or on the BSE Limited's website www.bseindia.com or on the National Stock Exchange of India Limited's website www.nseindia.com.



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

N Radha Krishna Reddy
Managing Director
DIN: 00021052

Place: Hyderabad
Date: October 30, 2021

B S R & Associates LLP

Chartered Accountants

Salarpuriya Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081 - India

Telephone: +91 40 7182 2000
Fax: +91 40 7182 2399

Limited Review Report (unmodified) on unaudited quarterly standalone financial results and standalone year to date results of Rain Industries Limited pursuant to Regulation 33 of the Securities and Exchange Boards of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

To

The Board of Directors of Rain Industries Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Rain Industries Limited for the quarter and year to date results for the period from 1 January 2021 to 30 September 2021 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No. 116231W/W-100024

**VIKASH
SOMANI**

Digitally signed by
VIKASH SOMANI
Date: 2021.10.30
19:00:44 +05'30'

Vikash Somani

Partner

Membership No: 061272

ICAI UDIN: 21061272AAAADR7137

Place: Hyderabad

Date: 30 October 2021

Principal Office:

B S R & Associates (a partnership firm with Registration No. BA692268) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063