

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Rain Industries Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate for the quarter ended March 31, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

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

Holding company:

Rain Industries Limited, India

Subsidiaries:

- a. Rain Cements Limited, India
- b. Renuka Cements Limited, India
- c. Rain Verticals Limited, India
- d. Rain CII Carbon (Vizag) Limited, India
- e. Rain Commodities (USA) Inc., USA
- f. Rain Carbon Inc., USA
- g. Rain CII Carbon LLC, USA
- h. Rain Carbon GmbH, Germany



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- i. Rain Carbon Canada Inc., Canada
- j. Rain Carbon BV, Belgium
- k. Rain Carbon Germany GmbH, Germany
- l. Rain Carbon Poland Sp. Z o.o, Poland
- m. OOO Rutgers Severtar, Russia
- n. Rain Global Services LLC, USA
- o. Rain Carbon Wohnimmobilien GmbH & Co. KG, Germany
- p. Rain Carbon Gewerbeimmobilien GmbH & Co. KG, Germany
- q. OOO Rain Carbon LLC, Russia
- r. VFT France SA, France
- s. Rumba Invest BVBA & Co. KG, Germany
- t. Severtar Holding Ltd, Cyprus
- u. Rutgers Resins BV, Netherlands
- v. Rain Carbon (Shanghai) Trading Co. Ltd, China

Associate:

Infratech Duisburg GmbH, Germany

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 8 and 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of a subsidiary, whose unaudited interim financial results include total revenues of INR 3,336.91 million, total net profit after tax of INR 1,048.71 million, total comprehensive income of INR 1048.71 million for the quarter ended March 31, 2023 as considered in the Statement which has been reviewed by its independent auditor. The independent auditor's report on interim financial results of this entity has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this subsidiary is based solely on the report of such auditor and procedures performed by us as stated in paragraph 3 and 7.
7. The subsidiary as stated in para 6 above is located outside India whose financial results and other financial information has been prepared in accordance with the accounting principles generally accepted in its respective country and which has been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Holding Company's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in its respective country to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.



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Chartered Accountants

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of 9 subsidiaries, whose interim financial results and other financial information reflect total revenues of INR 197.03 million, total net profit after tax of INR 17.40 million, total comprehensive income of INR 17.40 million, for the quarter ended March 31, 2023 and an associate, whose interim financial results includes the Group's share of net profit of Rs. Nil and Group's share of total comprehensive income of Rs. Nil for the quarter ended March 31, 2023.

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

9. The comparative financial information of the Company for the corresponding quarter ended March 31, 2022 and the consolidated financial statements quarter and year ended December 31, 2022 were reviewed and audited by the predecessor auditor who expressed an unmodified conclusion and unmodified opinion on those standalone financial information on May 4, 2022 and February 27, 2023 respectively.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Vikas Pansari

Partner

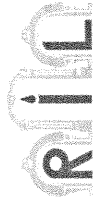
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UDIN: 230936496GXPKN6316

Place: Mumbai

Date: May 9, 2023

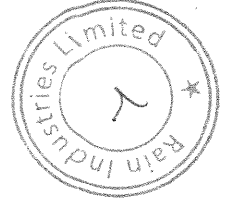




RAIN INDUSTRIES LIMITED
CIN: L26942TG1974PLC001693

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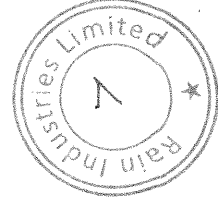
Statement of unaudited Consolidated Financial Results for the Quarter ended March 31, 2023 (Rupees in Millions, except per share data)						
Particulars	Quarter ended			Year ended		
	March 31, 2023	December 31, 2022	March 31, 2022	December 31, 2022	Audited	
	Unaudited	Audited - see Note 9 below	Unaudited	Audited		
1 Income						
(a) Revenue from operations	52,534.94	54,568.11	44,365.39	210,109.97		
(b) Other income	247.99	469.94	169.38	1,051.33		
Total income	52,782.93	55,038.05	44,534.77	211,161.30		
2 Expenses						
(a) Cost of materials consumed	20,610.11	22,104.49	20,411.43	88,707.34		
(b) Purchases of stock-in-trade	11,132.60	9,178.63	3,784.33	30,330.99		
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,433.61	(44.73)	(1,523.44)	(6,148.40)		
(d) Employee benefits expense	3,352.92	3,587.35	3,191.44	13,629.61		
(e) Finance costs	1,627.80	1,498.96	1,203.14	5,237.40		
(f) Depreciation and amortisation expense	1,927.26	1,884.08	1,982.09	7,903.10		
(g) Impairment loss (Refer note 4 below)	-	-	-	465.64		
(h) Loss / (gain) on foreign currency transactions and translations (net)	94.73	307.45	78.93	648.29		
(i) Other expenses	10,573.60	13,169.79	10,502.46	47,117.49		
Total expenses	50,752.63	51,686.02	39,630.38	187,891.46		
3 Profit before share of profit/(loss) of associates and tax (1-2)	2,030.30	3,352.03	4,904.39	23,269.84		
4 Share of profit/(loss) of associates (net of income tax)	-	2.83	-	2.83		
5 Profit before tax (3+4)	2,030.30	3,354.86	4,904.39	23,272.67		
6 Tax expense, net						
- Current tax	419.89	689.84	1,765.71	5,295.23		
- Deferred tax charge / (credit), net (Refer note 6 below)	191.62	1,405.17	(0.43)	2,208.47		
Total tax expense, net	611.51	2,095.01	1,765.28	7,503.70		
7 Net profit/ (loss) for the period/year (5-6)	1,418.79	1,259.85	3,139.11	15,768.97		



8	Other comprehensive income / (loss) (net of tax) for the period/year					
(a)	Items that will not be reclassified to profit or loss:					
	Remeasurements of defined benefit plans, net of tax			5,613.75		5,613.75
(b)	Items that will be reclassified to profit or loss:					
	Foreign currency translation reserve			(588.52)	517.64	3,860.76
	Total other comprehensive income / (loss) (net of tax)			5,025.23	517.64	9,474.51
9	Total comprehensive income / (loss) for the period/year (7+8)			6,285.08	3,656.75	25,243.48
10	Profit/ (loss) attributable to:					
	Owners of the Company			895.21	2,774.37	14,386.45
	Non-controlling interests			364.64	364.74	1,382.52
	Net Profit/ (loss) for the period/year			1,259.85	3,139.11	15,768.97
11	Other comprehensive income / (loss) attributable to:					
	Owners of the Company			5,725.79	582.68	9,126.14
	Non-controlling interests			(700.56)	(65.04)	348.37
	Other comprehensive income / (loss) for the period/year			5,025.23	517.64	9,474.51
12	Total comprehensive income / (loss) attributable to:					
	Owners of the Company			6,621.00	3,357.05	23,512.59
	Non-controlling interests			(335.92)	299.70	1,730.89
	Total comprehensive income / (loss) for the period/year			6,285.08	3,656.75	25,243.48
13	Paid-up equity share capital (Face value of INR 2/- per share)			672.69	672.69	672.69
14	Other equity					83,595.68
15	Earnings / (loss) Per Share - Basic and Diluted (Face value of INR 2/- each)			3.13	2.66	42.77
	(See accompanying notes to the unaudited Consolidated Financial Results)			(not annualised)	(not annualised)	

Notes:

- 1 The above Statement of unaudited consolidated financial results of Rain Industries Limited ("the Company"), which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on May 8, 2023 and May 9, 2023 respectively. The Statutory Auditors have carried out a limited review on the unaudited consolidated financial results and issued unmodified report thereon.



2 The Board of Directors at their meeting held on May 9, 2023 declared an interim dividend of 50% (INR 1 per equity share on face value of INR 2 each), aggregating to INR 336.35 million.

The Group through a press release dated September 9, 2022, had temporarily shut-down one of its operating unit in Europe. The management had evaluated the impact of the same on the impairment, if any, of relevant assets at entity as well as at group level. With the information available as at the reporting date, the management believes there is no impairment at either of these levels for goodwill and/ or relevant property, plant and equipment. Further, there are no other impacts on the consolidated financial results. Since the impact assessment of such situation is a continuous process given the uncertainties associated with its nature and duration, the Group will continue to monitor any material changes to future economic conditions.

In the year 2018, the Group had initiated a "Dual-Solvent Process (DSP)" project towards replacement of the existing phenol distillation plant. However, due to technical problems faced during the test runs, the facility could not be used as initially planned. Based on the evaluation, an impairment loss of INR 465.64 had been recognised in the consolidated statement of profit and loss for the year ended December 31, 2022. The Group will continue to monitor any material changes to future economic conditions.

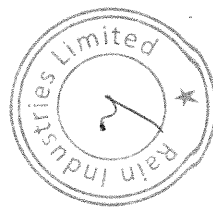
Due to the global implications of the conflict between Russia and Ukraine that started in February 2022, there has been an increase in volatility in the commodity prices, stock and foreign exchange markets. Given this geopolitical uncertainty resulting from this war and the likelihood that changes may occur rapidly or unexpectedly, management has evaluated information available in this regard to assess its potential impact on the Group's activities such as supply chain disruption, closure / abandonment of operations / manufacturing facilities, travel restrictions, market volatility, recoverability of inter-company loans and repatriation of dividends between group entities, etc. Based on the internal assessment, the management believes that the operations of its Russian entities and the rest of the entities are largely independent of each other and hence it does not foresee any significant impact of the above events on its financial results. Further, the Group has complied with the various sanctions imposed. Considering the continuing uncertainties, the Group will continue to closely monitor any material changes to future economic conditions.

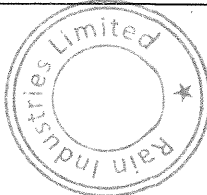
During the quarter ended December 31, 2022, the Group's German subsidiary had re-assessed the deferred tax assets based on the scheduled reversal of deferred tax liabilities and projected future taxable income due to significant increase in operating costs driven by higher natural gas prices and tax losses. Based on such assessment, the Group's German subsidiary had reversed the deferred tax assets amounting to INR 1,075.43 in the consolidated financial results.

During the quarter ended December 31, 2022, the Group's US subsidiary based on its assessment of scheduled reversals of deferred tax liabilities and projected future taxable income, had reversed the deferred tax assets amounting to INR 246.71 towards interest carry forward.

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

Particulars	Quarter ended			Year ended
	March 31, 2023 Unaudited	December 31, 2022 Audited - see Note 9 below	March 31, 2022 Unaudited	
Revenue from operations	153.61	190.78	128.89	540.74
Profit/(loss) before tax	(1.58)	(0.56)	(14.76)	323.87
Profit/(loss) after tax	(9.87)	0.60	(15.59)	277.47



8	Consolidated Segment wise revenue and results:				
	Particulars	Quarter ended			Year ended
		March 31, 2023 Unaudited	December 31, 2022 Audited - see Note 9 below	March 31, 2022 Unaudited	December 31, 2022 Audited
	1) Segment revenue				
	(a) Carbon	42,697.50	44,775.51	33,561.91	164,366.21
	(b) Advanced Materials	9,249.15	8,671.94	10,366.34	43,457.48
	(c) Cement	3,773.46	4,089.85	3,850.48	15,343.46
	Total	55,720.11	57,537.30	47,778.73	223,167.15
	Less: Inter segment revenue	3,185.17	2,969.19	3,413.34	13,057.18
	Revenue from operations	52,534.94	54,568.11	44,365.39	210,109.97
	2) Segment results				
	(a) Carbon	4,917.26	7,509.13	6,567.06	34,305.27
	(b) Advanced Materials	284.12	(1,236.82)	854.87	960.19
	(c) Cement	230.72	292.26	577.24	1,214.32
	Total	5,432.10	6,564.57	7,999.17	36,479.78
	Less: Depreciation and amortisation expense	1,927.26	1,884.08	1,982.09	7,903.10
	Less: Impairment loss	-	-	-	465.64
	Less: Finance costs	1,627.80	1,498.96	1,203.14	5,237.40
	Add: Interest income	215.76	108.44	103.99	497.80
	Add/Less: Unallocable (income) / expense	(62.50)	62.06	(13.54)	(101.60)
	Add: Share of (profit)/loss of associates (net of income tax)	-	2.83	-	2.83
	Profit before tax	2,030.30	3,354.86	4,904.39	23,272.67
	Segmental assets and liabilities:				
	The assets and liabilities 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.				
9	The figures for the quarter ended December 31, 2022 are balancing figures between audited figures in respect of full financial year and the unaudited figures up to the third quarter ended September 30, 2022 which were subjected to limited review.				
10	The Investors can view the unaudited Consolidated 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 .				
11	Previous period figures have been regrouped/reclassified wherever necessary to conform to the current period classification.				
	Place: Hyderabad				For and on behalf of the Board of Directors RAIN INDUSTRIES LIMITED
	Date: May 9, 2023				
		 N Radha Krishna Reddy Managing Director DIN: 00021052			