



# RAIN INDUSTRIES LIMITED

RIL/SEs/2024

May 9, 2024

The General Manager Department of Corporate Services <b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400 001	The Manager Listing Department <b>The National Stock Exchange of India Limited</b> Bandra Kurla Complex Bandra East Mumbai – 400 051
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Dear Sir/ Madam,

Sub: Press Release on the Un-Audited Financial Results of the Company (Standalone, Consolidated and Segment) for the First Quarter ended March 31, 2024.–Reg.

Ref : Scrip Code: 500339 (BSE) and Scrip code : RAIN (NSE)

With reference to the above stated subject, please find enclosed herewith the Press Release on the Un-Audited Financial Results of the Company (Standalone, Consolidated and Segment) for the First Quarter ended March 31, 2024.

This is for your kind information and record.

Thanking you,

Yours faithfully,  
for Rain Industries Limited

S. Venkat Ramana Reddy  
Company Secretary



## RAIN INDUSTRIES LIMITED

Press Release

May 9, 2024

### Results for the first quarter ended March 31, 2024

RAIN INDUSTRIES LIMITED ("RAIN" / "the Company") reported its unaudited financial results for the first quarter ended March 31, 2024.

#### Financial Highlights for Q1 CY 24

- Revenue from Operations was ₹36.70 billion vs ₹52.54 billion in Q1 2023
- Adjusted EBITDA was ₹3.26 billion vs ₹6.85 billion in Q1 2023
- Adjusted Net Loss After Tax was ₹ (1.62) billion vs Net Profit After Tax of ₹2.15 billion in Q1 2023
- Adjusted Loss per share was ₹ (4.81) vs Earning per share of ₹6.38 in Q1 2023

#### Summary of Consolidated Income Statement

(₹ in Millions)

Particulars	Q1 2024	Q4 2023	Q1 2023	CY 2023
Net Revenue	36,570	40,788	52,093	180,518
Other Operating Income	132	218	442	897
<b>Revenue from Operations</b>	<b>36,702</b>	<b>41,006</b>	<b>52,535</b>	<b>181,415</b>
<b>Reported EBITDA</b>	<b>3,466</b>	<b>1,678</b>	<b>5,370</b>	<b>17,374</b>
<b>Adjusted EBITDA</b>	<b>3,258</b>	<b>2,779</b>	<b>6,846</b>	<b>20,137</b>
<i>Adjusted EBITDA Margin</i>	8.9%	6.8%	13.0%	11.1%
<b>Profit / (Loss) Before Tax</b>	<b>(339)</b>	<b>(9,794)</b>	<b>2,030</b>	<b>(4,824)</b>
Tax Expense, Net	826	995	612	3,138
Non-controlling Interest	294	399	365	1,417
<b>Reported Profit / (Loss) After Tax</b>	<b>(1,459)</b>	<b>(11,188)</b>	<b>1,053</b>	<b>(9,379)</b>
<b>Adjusted Profit / (Loss) After Tax</b>	<b>(1,617)</b>	<b>(1,960)</b>	<b>2,145</b>	<b>1,526</b>
Adjusted Earnings / (Loss) Per Share in (₹) *	(4.81)	(5.83)	6.38	4.54

\*Quarterly Earnings Per Share is not annualised.



## RAIN INDUSTRIES LIMITED

Set forth below is selected Segment information:

### Carbon

Particulars (₹ in Millions except volume data)	Q1 CY24	Q4 CY23	Q1 CY23	CY 2023	Variance Q1 CY24 vs Q4 CY23	Variance Q1 CY24 vs Q1 CY23
(a) Sales Volumes <sup>(1)</sup> (000 Metric Tonne)	511	584	626	2,315	(12.5%)	(18.4%)
(b) Net Revenue <sup>(1)</sup>	24,687	29,330	40,718	132,968	(15.8%)	(39.4%)
(c) Adjusted EBITDA <sup>(2)</sup>	2,474	2,793	6,289	17,566	(11.4%)	(60.7%)
(d) Adjusted EBITDA Margin (%)	10.0%	9.5%	15.4%	13.2%	0.5%	(5.4%)

### Advanced Materials

Particulars (₹ in Millions except volume data)	Q1 CY24	Q4 CY23	Q1 CY23	CY 2023	Variance Q1 CY24 vs Q4 CY23	Variance Q1 CY24 vs Q1 CY23
(a) Sales Volumes <sup>(1)</sup> (000 Metric Tonne)	69	62	61	254	11.3%	13.1%
(b) Net Revenue <sup>(1)</sup>	8,213	7,196	7,603	32,317	14.1%	8.0%
(c) Adjusted EBITDA <sup>(2)</sup>	616	(551)	320	1,509	211.8%	92.5%
(d) Adjusted EBITDA Margin (%)	7.5%	(7.7%)	4.2%	4.7%	15.2%	3.3%

### Cement

Particulars (₹ in Millions except volume data)	Q1 CY24	Q4 CY23	Q1 CY23	CY 2023	Variance Q1 CY24 vs Q4 CY23	Variance Q1 CY24 vs Q1 CY23
(a) Sales Volumes <sup>(1)</sup> (000 Metric Tonne)	806	896	787	3,238	(10.0%)	2.4%
(b) Net Revenue <sup>(1)</sup>	3,670	4,262	3,772	15,233	(13.9%)	(2.7%)
(c) Adjusted EBITDA <sup>(2)</sup>	168	537	237	1,062	(68.7%)	(29.1%)
(d) Adjusted EBITDA Margin (%)	4.6%	12.6%	6.3%	7.0%	(8.0%)	(1.7%)

**Notes:**

(1) Net of inter-company and inter-segment sales.

(2) Adjusted EBITDA is profit before Depreciation & Amortization, Impairment Loss, Interest and Tax adjusted with exceptional items, if any.



## RAIN INDUSTRIES LIMITED

### Results of Operations

#### Quarter Ended March 31, 2024, Compared to Quarter Ended March 31, 2023

- Net Revenue of ₹36.57 billion during Q1 CY24 was a decrease of ~29.8% as compared to ₹52.09 billion during Q1 CY23.
  - Carbon sales volumes during Q1 CY24 were 511 thousand metric tonnes, a decrease of 18.4% as compared to 626 thousand metric tonnes in Q1 CY23. The decrease in volumes was primarily driven by reduced volumes from the calcination business due to destocking by the Asian smelters. During Q1 CY24, the average blended realisation decreased by ~25.7% on account of lower market quotations across all regions. There was an appreciation of EURO against Indian Rupee by ~2.2% and an appreciation of USD against Indian Rupee by ~0.9%. Overall, due to the aforesaid reasons, revenue from the Carbon segment decreased by ~39.4% in Q1 CY24, as compared to Q1 CY23.
  - Advanced Materials sales volumes during Q1 CY24 were 69 thousand metric tonnes, an increase of 13.1% as compared to 61 thousand metric tonnes in Q1 CY23. The increase in volumes was primarily driven by Red Sea crisis impacting Asian supplies, revamp of HHCR plant and availability of raw materials compared to earlier quarters. During Q1 CY24, realisations decreased by 4.5% due to fall in commodity prices offset by an appreciation of EURO against Indian Rupee by ~2.2%. Due to the aforesaid reasons, revenue from the Advanced Materials segment increased by ~8.0% during Q1 CY24, as compared to Q1 CY23.
  - Cement revenue decreased by 2.7% during Q1 CY24 as compared to Q1 CY23 due to decrease in realisations by 5.0% offset by increase in volumes by 2.4%.
- During Q1 CY24, Adjusted EBITDA was ₹3,258 million, as compared to Adjusted EBITDA of ₹6,846 million achieved during Q1 CY23, a decrease of ₹3,588 million.
  - Carbon segment Adjusted EBITDA decreased by ₹3,815 million, as compared to Q1 CY23, driven primarily due to lower volumes coupled with impact on margins due to delay in raw material costs decreasing in-line with fall in finished goods prices, which was partially offset by appreciation of USD and EURO against Indian Rupee.
  - Advanced Materials segment Adjusted EBITDA increased by ₹296 million as compared to Q1 CY23 due to increased volumes, reduced energy prices and appreciation of EURO against Indian Rupee.
  - Cement segment Adjusted EBITDA decreased by ₹69 million due to decreased realisations coupled with marginal increase in operating costs.
- Reconciliation of Reported EBITDA and Adjusted EBITDA for Q1 CY24 is as follows:

(₹ in Millions)

Particulars	Q1 2024
<b>A. Reported EBITDA</b>	<b>3,466</b>
<i>B. Adjustments/exceptional items:</i>	
• Expenses towards non-recurring items	16
• Foreign Exchange Loss / (Gain) on Inter Company Debt Note	(224)
<b>C. Adjusted EBITDA (A + B)</b>	<b>3,258</b>



## RAIN INDUSTRIES LIMITED

- Finance costs were ₹2.35 billion during Q1 CY24 as compared to ₹1.63 billion in Q1 CY23. The increase was primarily on account of increased interest rates due to refinancing of long term-debt, market rate increases and appreciation of USD and EURO against Indian Rupee compared to Q1 CY23 offset partially due to lower working capital borrowings.
- The Company recorded an income tax expense of ₹0.83 billion for Q1 CY24 as compared to ₹0.61 billion for Q1 CY23. The effective tax rate ("ETR") was higher than normal range due to non-recognition of deferred tax assets in Germany and US on tax attributes.
- The Adjusted Profit / (Loss) After Tax during Q1 CY24 was ₹ (1.62) billion as compared to Adjusted Profit After Tax of ₹2.15 billion during Q1 CY23.
- The Company achieved an Adjusted Earnings / (Loss) per Share of ₹ (4.81) during Q1 CY24 as compared to Adjusted Earnings per Share of ₹6.38 during Q1 CY23.
- Reconciliation of Reported Profit / (Loss) After Tax and Adjusted Profit / (Loss) After Tax for Q1 CY24 is as follows:

(₹ in Millions)

Particulars	Q1 2024
<b>A. Reported Profit / (Loss) After Tax</b>	<b>(1,459)</b>
<i>B. Adjustments/Exceptional items:</i>	
• Expenses towards non-recurring items	16
• Foreign Exchange Loss / (Gain) on inter-company Debt Note	(224)
• Tax impact on above adjustments	50
<b>C. Adjusted Profit / (Loss) After Tax (A + B)</b>	<b>(1,617)</b>



## RAIN INDUSTRIES LIMITED

### Debt Summary

As of March 31, 2024, the Company had a Gross Debt of US\$ 1,059 million (including Working Capital Debt of US\$ 102 million), Cash and cash equivalents of US\$ 240 million (including restricted cash), Unamortised Deferred Finance Cost of US\$ 20 million and Net Debt of US\$ 799 million.

(US\$ <sup>(1)</sup> in Millions)

Particulars	As on Mar 31, 2024	As on Dec. 31, 2023	Repayment Terms
USD-denominated Senior Secured Notes	50	50	Matures in Apr 2025
USD-denominated Senior Secured Notes	449	450	Matures in Sep 2029
Euro-denominated Senior Secured Term Loan <sup>(2)</sup>	372	380	Matures by Oct 2028
Senior Bank Debt and other debt	22	22	Matures in Nov 2025
Liability towards Right-of-use of Assets	64	63	Finance leases
<b>Gross Term Debt</b>	<b>957</b>	<b>965</b>	
Add: Working Capital Debt	102	102	
Less: Deferred Finance Cost	20	21	
<b>Total Debt</b>	<b>1,039</b>	<b>1,046</b>	
Less: Cash and cash equivalents <sup>(3)</sup>	240	268	
<b>Net Debt</b>	<b>799</b>	<b>778</b>	

(1) As major part of the Debt is denominated in US Dollars, the Debt of the Company is presented in US Dollars.

(2) Debt of €343.5 million converted at USD/EURO rates of 1.08 and 1.11 as of Mar. 31, 2024 and Dec. 31, 2023 respectively.

(3) Includes inter-corporate deposits with financial institutions (HDFC) and investment in liquid mutual fund.

During the quarter ended March 31, 2024, the Company incurred capital expenditures of US\$17 million, including expansion CAPEX for solar power plants in India and other maintenance projects across all locations.

With the existing Cash and cash equivalents and undrawn working-capital loan facilities, the Company is well placed to fund CAPEX projects and meet debt-servicing obligations in the medium term. The major debt repayments are scheduled to start in October 2028.



## RAIN INDUSTRIES LIMITED

### Foreign Exchange Rates

The Company has used the below-mentioned average and closing exchange rates for conversion of foreign entities' financial statements included in the Consolidated Statement of Profit and Loss, and Consolidated Balance Sheet items, respectively.

Average Rate of Exchange	Q1 CY24	Q4 CY23	Q1 CY23	CY 2023	Variance Q1 CY24 vs Q4 CY23	Variance Q1 CY24 vs Q1 CY23
Indian Rupee / US Dollar	83.03	83.27	82.27	82.60	0.3%	(0.9%)
Indian Rupee / Euro	90.20	89.56	88.26	89.32	(0.7%)	(2.2%)
Russian Ruble / US Dollar	91.01	92.77	73.11	85.33	1.9%	(24.5%)
Canadian Dollar / Euro	1.46	1.47	1.45	1.46	0.7%	(0.7%)

Closing Rate of Exchange	Q1 CY24	Q4 CY23	Q1 CY23	CY 2023	Variance Q1 CY24 vs Q4 CY23	Variance Q1 CY24 vs Q1 CY23
Indian Rupee / US Dollar	83.37	83.12	82.22	83.12	(0.3%)	(1.4%)
Indian Rupee / Euro	90.22	92.00	89.61	92.00	1.9%	(0.7%)
Russian Ruble / US Dollar	92.16	90.13	77.24	90.13	(2.3%)	(19.3%)
Canadian Dollar / Euro	1.47	1.46	1.47	1.46	(0.7%)	-



## RAIN INDUSTRIES LIMITED

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### About RAIN:

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

### For further information please contact:

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**Safe Harbour:** *Some of the statements made in this release that are not historical facts can be construed as forward-looking statements. These forward-looking statements include the RAIN's financial and growth projections as well as statements concerning its plans, strategies, intentions, and beliefs concerning its business and the markets in which it operates. These statements are based on information currently available to RAIN and are not guarantees of future performance and involve several risks, uncertainties, and assumptions. Many factors could cause results to materially differ from those stated. These factors include, but are not limited to, changes in laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates of countries with which RAIN does business; competitive pressures, the loss of one or more key customer or supplier relationships; customer insolvencies, successful integration of structural changes, including restructuring plans, acquisitions divestitures and alliances; cost and availability of raw materials; and other economic, business, competitive, regulatory and/or operational matters affecting the Company and its subsidiaries generally. RAIN assumes no obligation to update forward-looking statements and takes no responsibility for any consequence of decisions made based on such statements.*