

**RIL**  
**RAIN INDUSTRIES LIMITED**

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February 25, 2021

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

Sub: Annual Audited Financial Results for the Quarter and Financial Year ended on December 31, 2020 – Reg.

Ref: 1) Regulation 33 & other applicable Regulations of SEBI (LODR) Regulations, 2015  
2) Scrip Code: 500339 (BSE) and Scrip code: RAIN (NSE)

With reference to the above stated subject, please find enclosed herewith the following:

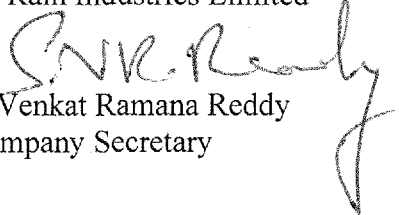
- i) Annual Audited Financial Results (Standalone, Consolidated and Segment) for the Quarter and Financial Year ended on December 31, 2020, these results were approved by the Board of Directors at their meeting held on Thursday, the February 25, 2021; and
- ii) Auditors Report issued by the Statutory Auditors of the Company on the Annual Audited Standalone and Consolidated Financial Results for the Financial Year ended on December 31, 2020.

We hereby confirm that the BSR & Associates LLP, Chartered Accountants, Statutory Auditors of the Company have issued the Audit Reports on Standalone and Consolidated Financial Statements of the Company for the Financial year ended December 31, 2020 with unmodified opinion (i.e., unqualified opinion).

This is for your information and records.

Thanking you,

Yours faithfully,  
for Rain Industries Limited

  
S. Venkat Ramana Reddy  
Company Secretary

# B S R & Associates LLP

Chartered Accountants

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Salarpuria Knowledge City  
Orwell, B Wing, 6th Floor, Unit - 3  
Sy No. 83/1, Plot No. 2, Raidurg  
Hyderabad - 500 081, India.

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## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF RAIN INDUSTRIES LIMITED

#### Report on the Audit of Consolidated Annual Financial Results

#### Opinion

We have audited the accompanying consolidated annual financial results of Rain Industries Limited (hereinafter referred to as the 'Holding Company'), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate for the year ended 31 December 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries the aforesaid consolidated annual financial results:

(i) include the annual financial results of the following entities:

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. Handy Chemicals (U.S.A.) Ltd.\*
11. Rain Carbon GmbH
12. Rain Carbon Canada Inc. (Formerly known as RÜTGERS Canada Inc.)
13. RÜTGERS Polymers Ltd\*
14. Rain Carbon BVBA
15. Rain Carbon Germany GmbH (Formerly known as RÜTGERS Germany GmbH)
16. RÜTGERS Holding Germany GmbH (Merged into Rain Carbon GmbH in July 2019)
17. Rain Carbon Wohnimmobilien GmbH & Co. KG (Formerly known as RÜTGERS Wohnimmobilien GmbH & Co. KG)
18. Rain Carbon Gewerbeimmobilien GmbH & Co. KG (Formerly known as RÜTGERS Gewerbeimmobilien GmbH & Co. KG)
19. OOO Rain Carbon LLC (Formerly known as Rain RÜTGERS LLC)
20. VFT France S.A
21. Rumba Invest BVBA & Co. KG
22. Rain Carbon Poland Sp. z o. o (Formerly known as RÜTGERS Poland Sp. z o.o)
23. Severtar Holding Ltd.
24. RÜTGERS Resins BV
25. OOO RÜTGERS Severtar
26. Rain Carbon (Shanghai) Trading Co. Ltd (Formerly known as RÜTGERS (Shanghai) Trading Co. Ltd.)
27. InfraTec Duisburg GmbH (Equity accounted investee)

\*These subsidiaries have been disposed on 31 December 2020

**INDEPENDENT AUDITORS' REPORT** (continued)

- ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 December 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

**Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/loss and other comprehensive income and other financial information of the Group including its associate in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act 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 respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of each company.

The respective Board of Directors of the companies included in the Group and of its associate is responsible for overseeing the financial reporting process of each company.

**INDEPENDENT AUDITORS' REPORT** *(continued)*

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 consolidated annual financial results.

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 consolidated annual financial results, 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 through a separate report on the complete set of financial statements 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 in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 consolidated annual financial results 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 Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associate to express an opinion on the consolidated annual Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

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**INDEPENDENT AUDITORS' REPORT** *(continued)*

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results** *(continued)*

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other Matters**

a) The consolidated annual financial results include the audited financial statements of 7 subsidiaries whose financial statements reflect Group's share of total assets of Rs. 203,039.11 million as at 31 December 2020, Group's share of total revenue of Rs. 59,085.23 million and Group's share of total net profit after tax of Rs. 3,222.73 million and Group's share of net cash inflows of Rs. 471.58 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The above financial statements are before giving effect to any intra group eliminations and consolidation adjustments. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

b) The consolidated annual financial results include the unaudited financial results of 12 subsidiaries and one associate, whose financial results reflect Group's share of total assets of Rs. 831.98 million as at 31 December 2020, Group's share of total revenue of Rs. 6,896.90 million and Group's share of total net profit after tax of Rs. 1,435.12 million and Group's share of net cash outflows of Rs. 182.58 million for the year ended on that date, as considered in the consolidated annual financial results. The above financial results are before giving effect to any intra group eliminations and consolidation adjustments. These unaudited financial results have been furnished to us by the Board of Directors and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on such annual financial results. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial results are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Board of Directors.

B S R & Associates LLP

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**INDEPENDENT AUDITORS' REPORT** *(continued)*

**Other Matters** *(continued)*

- c) The consolidated annual financial results include the results for the quarter ended 31 December 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

*for* **B S R & Associates LLP**

Chartered Accountants

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



**Sriram Mahalingam**

Partner

Membership No: 049642

UDIN: 21049642AAAAAP7139

Place: Hyderabad

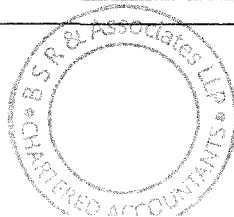
Date : February 25, 2021

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**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 Audited Financial Results for the Quarter and Year ended December 31, 2020						
Particulars		Quarter ended			Year ended	
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
		Audited - see Note 18 below	Unaudited	Audited - see Note 18 below	Audited	Audited
<b>1</b>	<b>Income</b>					
	(a) Revenue from operations	26,402.31	25,660.51	28,303.81	104,646.93	123,606.57
	(b) Other income (Refer note 4,7&9 below)	4,042.44	114.96	929.81	4,552.97	1,563.68
	<b>Total income</b>	<b>30,444.75</b>	<b>25,775.47</b>	<b>29,233.62</b>	<b>109,199.90</b>	<b>125,170.25</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of materials consumed (Refer note 8 below)	9,809.33	9,028.29	10,925.04	37,273.74	49,934.42
	(b) Purchases of stock-in-trade	1,842.09	1,933.38	3,360.36	10,320.49	13,683.11
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (Refer note 8 below)	261.46	123.66	372.52	1,251.71	3,664.04
	(d) Employee benefits expense (Refer note 7 below)	2,910.25	2,906.29	2,985.25	12,131.93	12,396.58
	(e) Finance costs	1,236.72	1,226.19	1,130.63	4,900.71	4,524.01
	(f) Depreciation and amortisation expense (Refer note 7 below)	2,169.88	2,073.76	1,948.16	7,917.17	5,940.15
	(g) Loss / (gain) on foreign currency transactions and translations (net)	329.76	297.83	120.69	617.85	(75.25)
	(h) Other expenses (Refer note 5&7 below)	7,441.32	6,398.84	6,899.12	26,281.89	29,195.88
	<b>Total expenses</b>	<b>26,000.81</b>	<b>23,988.24</b>	<b>27,741.77</b>	<b>100,695.49</b>	<b>119,262.94</b>
<b>3</b>	<b>Profit before share of loss of associates and tax (1-2)</b>	<b>4,443.94</b>	<b>1,787.23</b>	<b>1,491.85</b>	<b>8,504.41</b>	<b>5,907.31</b>
<b>4</b>	Share of profit / (loss) of associates (net of income tax)	5.46	-	(0.21)	5.46	(0.21)
<b>5</b>	<b>Profit before tax (3+4)</b>	<b>4,449.40</b>	<b>1,787.23</b>	<b>1,491.64</b>	<b>8,509.87</b>	<b>5,907.10</b>
<b>6</b>	<b>Tax expense / (benefit) (Refer note 10 and 11 below)</b>					
	- Current tax	534.54	761.23	745.32	2,384.06	3,139.42
	- Tax relating to earlier years	(33.99)	(95.95)	123.79	(253.94)	(163.21)
	- Minimum alternate tax	3.26	-	-	3.26	-
	- Deferred tax					
	(a) Deferred tax excluding (b) below	725.72	(57.63)	(593.73)	463.26	(1,540.07)
	(b) Impact on account of change in tax rate in India	-	-	-	30.92	(153.38)
	<b>Total tax expense</b>	<b>1,229.53</b>	<b>607.65</b>	<b>275.38</b>	<b>2,627.56</b>	<b>1,282.76</b>
<b>7</b>	<b>Net profit for the period/year (5-6)</b>	<b>3,219.87</b>	<b>1,179.58</b>	<b>1,216.26</b>	<b>5,882.31</b>	<b>4,624.34</b>
<b>8</b>	<b>Other comprehensive income / (loss) (net of tax) for the period/year</b>					
(a)	Items that will not be reclassified to profit or loss:					
	Remeasurements of net actuarial loss on post employment benefit plans	(1,397.14)	-	(1,860.78)	(1,397.14)	(1,860.78)
	Income tax effect	439.25	-	602.21	439.25	602.21

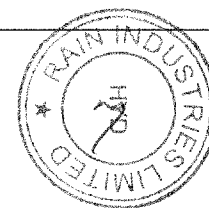
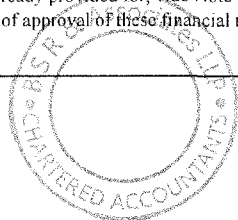


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(b)	Items that will be reclassified to profit or loss:					
	Foreign currency translation reserve	1,131.16	(223.56)	927.13	1,814.70	1,281.03
	Effective portion of Cash Flow Hedge	(1.20)	1.20	0.78	(0.78)	0.78
	Income tax effect	-	-	-	-	-
	<b>Total other comprehensive income / (loss) (net of tax)</b>	<b>172.07</b>	<b>(222.36)</b>	<b>(330.66)</b>	<b>856.03</b>	<b>23.24</b>
9	<b>Total comprehensive income for the period/year (7+8)</b>	<b>3,391.94</b>	<b>957.22</b>	<b>885.60</b>	<b>6,738.34</b>	<b>4,647.58</b>
10	<b>Profit attributable to:</b>					
	Owners of the Company	3,069.48	1,181.60	1,147.62	5,581.67	3,913.84
	Non-controlling interests	150.39	(2.02)	68.64	300.64	710.50
	<b>Net Profit for the period/year</b>	<b>3,219.87</b>	<b>1,179.58</b>	<b>1,216.26</b>	<b>5,882.31</b>	<b>4,624.34</b>
11	<b>Other comprehensive income / (loss) attributable to:</b>					
	Owners of the Company	105.31	(60.13)	(424.65)	1,034.73	(159.90)
	Non-controlling interests	66.76	(162.23)	93.99	(178.70)	183.14
	<b>Other comprehensive income / (loss) for the period/year</b>	<b>172.07</b>	<b>(222.36)</b>	<b>(330.66)</b>	<b>856.03</b>	<b>23.24</b>
12	<b>Total comprehensive income / (loss) attributable to:</b>					
	Owners of the Company	3,174.79	1,121.47	722.97	6,616.40	3,753.94
	Non-controlling interests	217.15	(164.25)	162.63	121.94	893.64
	<b>Total comprehensive income for the period/year</b>	<b>3,391.94</b>	<b>957.22</b>	<b>885.60</b>	<b>6,738.34</b>	<b>4,647.58</b>
13	Earnings Per Share - Basic and Diluted (of INR 2/- each)	9.13	3.51	3.41	16.60	11.64
		<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>		
	(See accompanying notes to the Consolidated Audited Financial Results)					

**Notes:**

- The Consolidated Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 25, 2021.
- The Consolidated Audited Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of 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 Financial Results for the year ended December 31, 2020 along with previous year presented have been audited by the statutory auditors. An unqualified report has been issued by them thereon.
- 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. The sale has resulted in loss of control over subsidiaries and accordingly derecognized the assets and liabilities at their carrying amounts on date of sale as per "IND AS 110 – Consolidated financial statements".
- 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. This resulted in a temporary stoppage of operations at this facility from August 23, 2020. The production was resumed partially on October 22, 2020 and 100% during first week of November 2020, while the restoration activities are still going on. The Company is having adequate insurance coverage subject to normal deductibles. The Company incurred an amount of INR 341.61 and INR 117.78 towards repairs for the quarter ended December 31, 2020 and September 30, 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 quarter and year ended December 31, 2020.
- Due to the nationwide lockdown announced by the Government of India in the month of March 2020 to respond to the Covid 19 outbreak, the operations of the Group were impacted in India due to temporary shutdown of all plants. The management started operating its plants in India, in a phased manner from first week of April 2020. Meanwhile, the plants in Europe and North America continued to operate. However, there were certain disruptions in supply-chain, causing delays in completion of expansion projects. Further the pandemic has affected volumes across the Group with some impact on gross margins. The Group has continued to evaluate the impact of this pandemic on its business operations, liquidity and financial position and based on management's review of current indicators and economic conditions there is no material impact on its financial results as at December 31, 2020, and carrying value of its assets, except certain inventory related write-downs, which are already provided for, vide 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.



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7 On August 6, 2019, Board of Rain Carbon Inc., a wholly owned step down subsidiary of the Company, decided to close down one of the Group's facility in Uithoorn, Netherlands in light of eroding profitability for hydrocarbon and C9 aromatic resins, particularly for printing inks and adhesive in a phased manner by March 31, 2020. Although the facility in Uithoorn was closed, the operations were transferred to Duisburg, Germany by way of a business transfer compensation agreement. The management evaluated the costs of closure and created a total provision for INR 1,076.11 for the year ended December 31, 2019, of which INR 235.64 was recorded in Employee benefits expense towards severance payments and INR 840.47 was recorded in Other expenses. In addition to the above provision, depreciation and amortisation expense includes an accelerated depreciation of Plant and Machinery amounting to INR 587.96 and INR 218.16 for the quarter ended December 31, 2019 and September 30, 2019 respectively. Further, additional accelerated depreciation of INR 139.16 was recognised during the quarter ended March 31, 2020.

During the quarter ended June 30, 2020, management has taken all necessary steps required for closure of plant including requirements from environmental point of view in cleaning up all the waste. Based on the measures taken by management alongwith the employees in cleaning up the plant, there is a reduction in the cost estimated during 2019 and could make a net saving of approximately INR 156.12. This has been recorded during the quarter as reversal of provision for the estimate under the heading Other income.

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 the abnormal fall in net realizable 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 quarter ended March 31, 2020, other inventory adjustments towards NRV of INR 70.53 apart from above COVID - 19 is accounted under cost of materials consumed.

9 (i) During the quarter ended June 30, 2019, Other income includes reversal of provision made in 2018 for claims made against one of its subsidiary company towards environmental issues for an amount of INR 130.50 as the matter has been settled in the court.

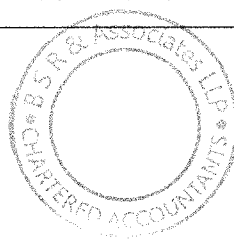
(ii) During the quarter ended December 31, 2019, Other income includes income from sale of land in Hanau, Germany at one of its subsidiary company amounting to INR 156.16 and INR 516.13 relating to insurance claim settlement proceeds received by the US subsidiary.

10 The Company's US Subsidiary filed its 2019 U.S. tax return on due date of October 15, 2020. At the time of finalizing its tax return for 2019 year, 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) finalized regulations (T.D. 9902) with respect to the global intangible low-taxed income (GILTI) high-tax exception ("Final Regulations"), such election was not available at the time of finalizing 2019 annual consolidated financial statements resulting in a refund of taxes paid for the year 2019 in October 2020 and accordingly recorded the impact of the same amounting to INR 106.51 as a reversal of earlier year income tax expense during the quarter ended September 30, 2020 as it considers the election as a reasonable tax claim. Any consequential impact of the Company's US Subsidiary continued assessment of the estimates will be recorded in the period in which the estimates are revised.

The Company's US Subsidiary filed its 2018 U.S. tax return on due date of October 15, 2019. At the time of finalizing its tax return for 2018 year, management opted for the group election under section 163J as compared to single entity election for the purposes of determining its total taxable income at the time of finalizing its 2018 annual consolidated financial statements resulting in a refund of taxes paid for the year 2018 in October 2019 and accordingly recorded the impact of the same amounting to INR 287.00 as a reversal of earlier year income tax expense during the quarter ended September 30, 2019 and year ended December 31, 2019 as it considers the election as a reasonable tax claim. Any consequential impact of the Company's US Subsidiary continued assessment of the estimates will be recorded in the period in which the estimates are revised.

11 (i) 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. Out of the two major Indian subsidiaries in the Group, One entity elected to exercise the option permitted u/s 115BAA of the Income-tax act, 1961 in the quarter and year ended December 31, 2019. Accordingly, the Group computed provision for income tax for the year ended December 31, 2019 with respect to the Indian subsidiary using the new tax rate and re-measured its Deferred Tax Liabilities basis the rate prescribed in the said section. The change in tax rate resulted in reversal of Deferred Tax Liabilities amounting to INR 153.38 during the year ended December 31, 2019. During quarter ended March 31, 2020, the other Indian subsidiary company also has 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 and reduction in deferred tax benefit by INR 30.92 for the quarter ended March 31, 2020. During the quarter ended December 31, 2020, the Company also has evaluated and adopted the new tax rate of 25.168%. Accordingly, the Company 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 write-off of Minimum Alternate Tax Credit by INR 3.26 for the quarter and year ended December 31, 2020.

(ii) Pursuant to the closure of its operations in Uithoorn (refer note 7 above), the Group's German subsidiary entered into a Business transfer compensation agreement with its subsidiary in Netherlands for a consideration representing the agreed transfer price of INR 3,338.02. The compensation agreement being an inter-company transaction does not affect the Group's consolidated financial statements, however considering the local German tax rules, the underlying fair value of business assets acquired, which will be amortised over a period for tax purposes, has been considered to create a tax asset for the German subsidiary representing the temporary timing difference between book base and tax bases. Accordingly, the Group recognized deferred tax benefit for an amount of INR 1,112.07 for the year ended December 31, 2019.



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12 Effective January 1, 2020, the Group adopted Ind AS 116 - Leases, using the modified retrospective approach replacing the existing lease standard. Under the modified retrospective approach, the provisions of the new lease standard are to be applied by the Group from the effective date (i.e., January 01, 2020) without adjusting the comparative periods. The Group has recognised INR 4,423.70 as Right of use asset and Lease Liability of INR 4,423.70 as on the date of transition i.e., January 1, 2020. Further, an amount of INR 27.63 has been reclassified from Non-Current/Current Assets to Right of use asset for prepaid operating lease rentals and an amount of INR 72.57 has been adjusted to Right of use asset from Non-Current Liabilities for lease equalization reserve. In respect of leases that were classified as finance lease, under Ind AS 17, an amount of INR 972.73 has been reclassified from Property, Plant and Equipment to Right of use asset. In the consolidated statement of profit and loss for the quarter and year ended December 31, 2020, the nature of expenses in respect of operating leases has changed from lease rent in previous period to depreciation on the Right of use asset and finance cost for interest accrued on lease liability. There is no material impact on profit after tax and earnings per share for the quarter and year ended December 31, 2020 upon adoption of Ind AS 116.

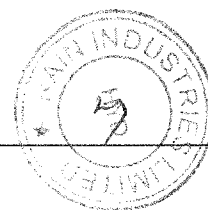
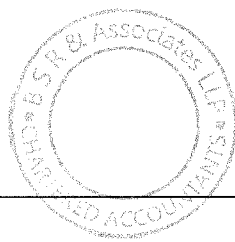
13 The Management has decided to sell the assets in its Moundsville plant located in US. Pending completion of the transaction, the assets have been classified as "Assets held for sale" in the statement of Consolidated Assets and Liabilities.

14 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	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Revenue from operations	146.67	75.53	297.47	476.25	637.91
Profit before tax	369.60	3.84	356.98	346.43	387.17
Profit after tax	290.88	2.63	333.49	273.02	354.39

15 Statement of Consolidated Assets and Liabilities:

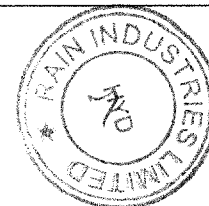
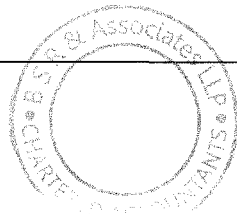
Particulars	As at December 31, 2020	As at December 31, 2019
	Audited	Audited
<b>ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	41,306.06	32,381.13
(b) Capital work in progress	9,313.55	13,624.09
(c) Right of use asset	4,913.36	-
(d) Goodwill	64,726.35	62,216.87
(e) Other intangible assets	298.01	319.04
(f) Equity accounted investments	98.74	82.97
(g) Financial assets		
(i) Investments	46.77	43.39
(ii) Loans	327.43	327.47
(iii) Other financial assets	4.17	16.69
(h) Deferred tax asset (net)	8,545.95	6,218.13
(i) Non-current tax assets (net)	885.38	727.13
(j) Other non-current assets	2,528.38	2,593.50
<b>Total non-current assets</b>	<b>132,994.15</b>	<b>118,550.41</b>
<b>2. Current assets</b>		
(a) Inventories	15,856.70	17,421.58
(b) Financial assets		
(i) Investments	-	260.00
(ii) Trade receivables	10,914.65	11,050.49
(iii) Cash and cash equivalents	15,198.32	10,951.58
(iv) Bank balances other than cash and cash equivalents	2,800.04	738.26
(v) Loans	32.18	16.05
(vi) Other financial assets	2,750.98	1,042.09
(c) Current tax assets (net)	477.32	340.96
(d) Other current assets	1,747.86	1,916.74
(e) Assets held for sale (refer note 13 above)	39.41	61.41
<b>Total current assets</b>	<b>49,817.46</b>	<b>43,799.16</b>
<b>Total assets</b>	<b>182,811.61</b>	<b>162,349.57</b>



<b>EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
(a) Equity share capital	672.69	672.69
(b) Other equity	54,662.27	48,926.36
	55,334.96	49,599.05
(c) Non-controlling interests	1,715.02	1,954.70
<b>Total equity</b>	<b>57,049.98</b>	<b>51,553.75</b>
<b>2. Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	80,011.96	73,555.51
(ii) Other financial liabilities	75.08	140.86
(b) Provisions	15,751.66	12,275.08
(c) Deferred tax liability (net)	4,178.58	2,372.45
(d) Non-current tax liabilities (net)	-	417.07
(e) Other non-current liabilities	32.32	54.25
<b>Total non-current liabilities</b>	<b>100,049.60</b>	<b>88,815.22</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	5,162.32	3,969.95
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	17.87	18.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	8,203.76	7,876.14
(iii) Other financial liabilities	8,122.68	5,676.37
(b) Other current liabilities	1,407.31	1,198.96
(c) Provisions	1,511.11	2,377.58
(d) Current tax liabilities (net)	1,286.98	863.12
<b>Total current liabilities</b>	<b>25,712.03</b>	<b>21,980.60</b>
<b>Total equity and liabilities</b>	<b>182,811.61</b>	<b>162,349.57</b>

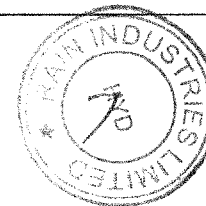
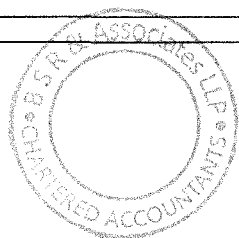
16 Statement of Consolidated Cash flows:

Particulars	Year ended	Year ended
	December 31, 2020	December 31, 2019
	Audited	Audited
<b>A. Cash flow from operating activities</b>		
Profit before tax	8,509.87	5,907.10
Adjustments for :		
Depreciation and amortisation expense	7,917.17	5,940.15
Profit on sale of property, plant and equipment (net)	(13.87)	(118.21)
Interest and other borrowing costs	4,900.71	4,524.01
Interest income	(320.08)	(403.22)
Dividend income from current investments	(6.01)	(7.43)
Gain on sale of subsidiaries	(3,864.20)	-
Advances written off	1.71	68.18
Assets written off	-	20.99



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Provision / write down of inventories	233.68	127.74
Other income	(26.80)	-
Liabilities / provisions no longer required written back	(124.26)	(481.25)
Bad debts written off	8.31	2.33
Provision for doubtful debts and advances	0.81	88.28
Share of loss / (profit) of associates (net of income tax)	(5.46)	0.21
Provision / (reversal) of provision for plant closure costs	(156.12)	1,076.21
Foreign exchange (gain) / loss, net	568.42	(95.54)
<b>Operating profit before working capital changes</b>	<b>17,623.88</b>	<b>16,649.55</b>
<b>Adjustments for changes in working capital:</b>		
Inventories	1,778.04	6,410.54
Trade receivables	(373.32)	5,272.13
Financial assets and other assets	710.25	563.81
Trade payables, other liabilities and provisions	917.94	(3,540.37)
<b>Cash generated from operations</b>	<b>20,656.79</b>	<b>25,355.66</b>
Income taxes paid, net	(2,431.34)	(2,955.86)
<b>Net cash from operating activities</b>	<b>18,225.45</b>	<b>22,399.80</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets, including capital advances	(10,805.36)	(11,936.71)
Proceeds from sale of property, plant and equipment	210.58	21.67
Inter corporate deposits (placed)/released	(2,074.51)	(3.70)
Purchase of current investments	-	(260.00)
Proceeds from sale of investments	6,693.48	-
Bank deposits and other bank balances	(2,019.67)	28.87
Interest received	274.24	350.41
Dividends received on current investments	6.01	7.43
<b>Net cash used in investing activities</b>	<b>(7,715.23)</b>	<b>(11,792.03)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	675.79	-
Repayment of non-current borrowings	(769.03)	(172.81)
Proceeds/(Repayment) of current borrowings, net	714.28	(1,027.58)
Sales tax deferment paid	(99.58)	(53.06)
Payment of lease liabilities	(1,071.94)	(121.12)
Payment of interest on lease liabilities	(218.19)	(33.48)
Interest and other borrowing costs paid	(4,532.40)	(4,365.85)
Dividend paid to owners of the company (including tax on dividend)	(336.34)	(382.30)
Dividend paid to non-controlling interests (including tax on dividend)	(367.99)	(372.19)
<b>Net cash used in financing activities</b>	<b>(6,005.40)</b>	<b>(6,528.39)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>4,504.82</b>	<b>4,079.38</b>
<b>Cash and cash equivalents - opening balance</b>	<b>10,951.58</b>	<b>7,734.16</b>
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(258.08)	(861.96)
<b>Cash and cash equivalents - closing balance</b>	<b>15,198.32</b>	<b>10,951.58</b>



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**Consolidated Segment wise revenue and results:**

The Company has considered business segment as the primary segment for reporting. The products considered for business segment are:

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

Particulars	Quarter ended			Year ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<b>1) Segment revenue</b>					
(a) Carbon	17,981.48	17,009.35	20,351.61	72,519.17	87,118.09
(b) Advanced Materials	7,161.90	7,629.00	7,523.12	29,493.22	34,378.00
(c) Cement	2,927.84	2,866.15	2,229.65	10,300.16	10,384.39
<b>Total</b>	<b>28,071.22</b>	<b>27,504.50</b>	<b>30,104.38</b>	<b>112,312.55</b>	<b>131,880.48</b>
Less: Inter segment revenue	1,668.91	1,843.99	1,800.57	7,665.62	8,273.91
<b>Revenue from operations</b>	<b>26,402.31</b>	<b>25,660.51</b>	<b>28,303.81</b>	<b>104,646.93</b>	<b>123,606.57</b>
<b>2) Segment results</b>					
(a) Carbon	2,981.74	3,216.46	3,399.27	12,262.62	11,687.63
(b) Advanced Materials	519.47	1,172.08	115.80	2,976.50	1,490.78
(c) Cement	636.65	875.78	243.23	2,148.05	1,554.13
<b>Total</b>	<b>4,137.86</b>	<b>5,264.32</b>	<b>3,758.30</b>	<b>17,387.17</b>	<b>14,732.54</b>
Less: i) Depreciation and amortisation expense	2,169.88	2,073.76	1,948.16	7,917.17	5,940.15
ii) Finance costs	1,236.72	1,226.19	1,130.63	4,900.71	4,524.01
iii) Other un-allocable income (net)	(3,712.68)	177.14	(812.34)	(3,935.12)	(1,638.93)
iv) Share of (profit) / loss of associates (net of income tax)	(5.46)	-	0.21	(5.46)	0.21
<b>Profit before tax</b>	<b>4,449.40</b>	<b>1,787.23</b>	<b>1,491.64</b>	<b>8,509.87</b>	<b>5,907.10</b>

**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.

18 Figures for the quarter ended December 31 are the balancing figures between the audited figures in respect of the full financial year ended December 31 and the unaudited figures for the nine months ended September 30.


19 The figures of the previous year / periods have been regrouped / reclassified, wherever considered necessary to correspond with the current period's classification / disclosure.

20 The Investors can view Standalone Audited Financial Results of the Company on the Company's website [www.rain-industries.com](http://www.rain-industries.com) or on the BSE Limited website [www.bseindia.com](http://www.bseindia.com) or on the National Stock Exchange of India Limited website [www.nseindia.com](http://www.nseindia.com).

Place: Hyderabad  
Date: February 25, 2021



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

  
N Radha Krishna Reddy  
Managing Director  
DIN: 00021052

13/21

# B S R & Associates LLP

Chartered Accountants

14/21

Salarpuria Knowledge City  
Orwell, B Wing, 6th Floor, Unit - 3  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Rain Industries Limited

Report on the audit of the Standalone Annual Financial Results

### Opinion

We have audited the accompanying standalone annual financial results of Rain Industries Limited (hereinafter referred to as the "Company") for the year ended 31 December 2020 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 December 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 together with the ethical requirements that are relevant to our audit of the 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 opinion on the Standalone annual financial results.

### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 annual financial results.

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 annual financial results, 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

**Rain Industries Limited**  
**Independent Auditors' Report (continued)**

**Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results 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.

**Other Matters**

The standalone annual financial results include the results for the quarter ended 31 December 2020 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

*for B S R & Associates LLP*  
*Chartered Accountants*  
ICAI Firm Registration No. 116231W/W-100024



**Sriram Mahalingam**  
*Partner*  
Membership No: 049642  
UDIN : 21049642AAAAAN8020

Place: Hyderabad  
Date : 25 February 2021

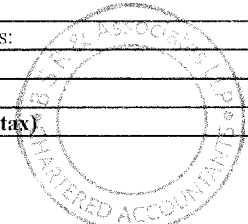




RAIN INDUSTRIES LIMITED  
CIN: L26942TG1974PLC001693

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 Standalone Audited Financial Results for the Quarter and Year ended December 31, 2020						
Particulars		Quarter ended			Year ended	
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
		Audited - see Note 10 below	Unaudited	Audited - see Note 10 below	Audited	Audited
1	<b>Income</b>					
	(a) Revenue from operations	146.67	75.53	297.47	476.25	637.91
	(b) Other income	394.34	26.74	417.47	499.88	610.16
	<b>Total income</b>	<b>541.01</b>	<b>102.27</b>	<b>714.94</b>	<b>976.13</b>	<b>1,248.07</b>
2	<b>Expenses</b>					
	(a) Purchases of stock-in-trade	56.15	18.82	211.96	150.88	301.59
	(b) Employee benefits expense	45.65	45.55	46.19	183.05	187.16
	(c) Finance costs	22.04	24.67	44.46	121.39	186.70
	(d) Depreciation and amortisation expense	1.66	1.70	1.42	6.43	5.86
	(e) Loss / (gain) on foreign currency transactions and translations (net)	(4.18)	(10.82)	2.52	10.76	8.22
	(f) Other expenses	50.09	18.51	51.41	157.19	171.37
	<b>Total expenses</b>	<b>171.41</b>	<b>98.43</b>	<b>357.96</b>	<b>629.70</b>	<b>860.90</b>
3	<b>Profit before tax (1-2)</b>	<b>369.60</b>	<b>3.84</b>	<b>356.98</b>	<b>346.43</b>	<b>387.17</b>
4	<b>Tax expense / (benefit)</b>					
	- Current tax	14.92	1.21	23.49	9.61	32.78
	- Tax relating to earlier years	60.63	-	-	60.63	-
	- Minimum alternate tax (Refer note 5 below)	3.26	-	-	3.26	-
	- Deferred tax	(0.09)	-	-	(0.09)	-
5	<b>Net profit for the period/year (3-4)</b>	<b>290.88</b>	<b>2.63</b>	<b>333.49</b>	<b>273.02</b>	<b>354.39</b>
6	<b>Other comprehensive income (net of tax) for the period/year</b>					
(a)	Items that will not to be reclassified to profit or loss:					
	Remeasurements of net actuarial gain on post employment benefit plans	1.68	-	0.09	1.68	0.09
	Income tax effect	-	-	-	-	-
(b)	Items that will be reclassified to profit or loss:					
	Foreign currency translation reserve	-	-	-	-	-
	Income tax effect	-	-	-	-	-
	<b>Total other comprehensive income (net of tax)</b>	<b>1.68</b>	<b>-</b>	<b>0.09</b>	<b>1.68</b>	<b>0.09</b>



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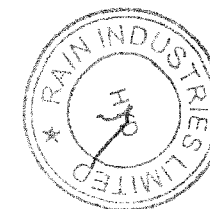
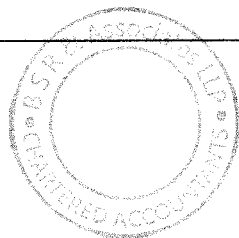
7	<b>Total comprehensive income for the period/year (5+6)</b>	<b>292.56</b>	<b>2.63</b>	<b>333.58</b>	<b>274.70</b>	<b>354.48</b>
8	Earnings Per Share - Basic & Diluted (of INR 2/- each)	0.86	0.01	0.99	0.81	1.05
		<i>(not annualised)</i>	<i>(not annualised)</i>	<i>(not annualised)</i>		
(See accompanying notes to the Standalone Audited Financial Results)						

**Notes:**

- The Standalone Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 25, 2021.
- The Standalone Audited Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of 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 Standalone Financial Results for the year ended December 31, 2020 along with previous year presented have been audited by the statutory auditors of the Company. An unqualified report has been issued by them thereon.
- There is no impact on the financial results of the Company due to the nationwide lockdown announced by the Government of India in the month of March 2020. 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 Company will continue to monitor any material changes to future economic conditions.
- 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 quarter and year ended December 31, 2020, the Company has evaluated and adopted the new tax rate of 25.168%. Accordingly, the Company 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 write-off of Minimum Alternate Tax Credit by INR 3.26 for the quarter and year ended December 31, 2020.

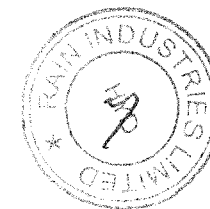
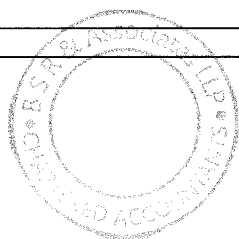
6 Statement of Standalone Assets and Liabilities:

Particulars	As at	As at
	December 31, 2020	December 31, 2019
	Audited	Audited
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
(a) Property, Plant and Equipment	69.40	70.05
(b) Other Intangible assets	1.07	1.22
(c) Financial Assets		
(i) Investments	9,169.65	9,169.65
(ii) Loans	88.72	2,281.70
(d) Deferred tax asset, net	1.54	1.45
(e) Non-current tax assets, net	119.83	254.04
(f) Other non-current assets	0.43	-
<b>Total non-current assets</b>	<b>9,450.64</b>	<b>11,778.11</b>



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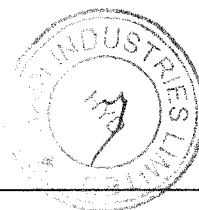
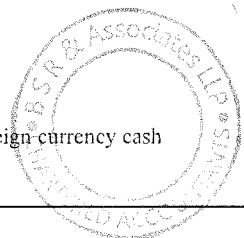
<b>2. Current assets</b>		
(a) Financial Assets		
(i) Trade receivables	47.45	49.92
(ii) Cash and cash equivalents	207.78	202.67
(iii) Bank balances other than cash and cash equivalents	35.54	42.79
(iv) Loans	2,252.06	686.63
(v) Other financial assets	4.83	0.62
(b) Other current assets	2.03	2.71
<b>Total current assets</b>	<b>2,549.69</b>	<b>985.34</b>
<b>Total assets</b>	<b>12,000.33</b>	<b>12,763.45</b>
<b>EQUITY AND LIABILITIES</b>		
(a) Equity Share Capital	672.69	672.69
(b) Other Equity	8,442.40	8,504.05
<b>Total equity</b>	<b>9,115.09</b>	<b>9,176.74</b>
<b>2. Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	521.09	2,699.16
(b) Provisions	6.36	6.57
<b>Total non-current liabilities</b>	<b>527.45</b>	<b>2,705.73</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	5.91	3.83
(ii) Other financial liabilities	2,295.66	739.88
(b) Other Current liabilities	37.14	14.88
(c) Provisions	2.32	1.30
(d) Current tax liabilities, net	16.76	121.09
<b>Total current liabilities</b>	<b>2,357.79</b>	<b>880.98</b>
<b>Total equity and liabilities</b>	<b>12,000.33</b>	<b>12,763.45</b>



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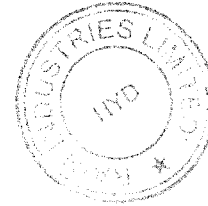
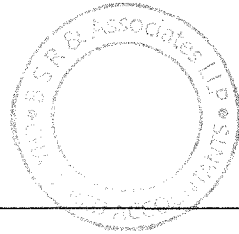
## Statement of Standalone Cash flows:

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
	Audited	Audited
<b>A. Cash flow from operating activities</b>		
Profit before tax	346.43	387.17
Adjustments for :		
Depreciation and amortisation expense	6.43	5.86
Interest and other borrowing costs	121.39	186.70
Interest income	(117.05)	(231.72)
Dividend received from Subsidiaries	(369.41)	(366.34)
Liabilities / provisions no longer required written back	(0.57)	-
Foreign exchange loss. net	10.62	8.54
<b>Operating profit / (loss) before working capital changes</b>	<b>(2.16)</b>	<b>(9.79)</b>
<b>Adjustments for changes in working capital:</b>		
Trade receivables	3.22	277.22
Financial assets and other assets	(3.82)	20.65
Trade payables	2.44	(311.86)
Other current liabilities	22.47	(10.30)
Other financial liabilities	(7.69)	(0.38)
Provisions	2.49	1.58
<b>Cash generated from / (used in) operations</b>	<b>16.95</b>	<b>(32.88)</b>
Income taxes (paid) / refund received, net	(40.50)	164.46
<b>Net cash (used in) / from operating activities</b>	<b>(23.55)</b>	<b>131.58</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets, including capital advances	(5.63)	(1.00)
Loans repaid during the year	710.76	172.15
Bank deposits and other bank balances	7.25	0.03
Interest received	115.02	205.61
Dividend received from Subsidiaries	369.41	366.34
<b>Net cash from investing activities</b>	<b>1,196.81</b>	<b>743.13</b>
<b>C. Cash flow from financing activities</b>		
Repayment of non-current borrowings	(711.70)	(172.37)
Interest and other borrowing costs paid	(120.02)	(181.49)
Dividend paid	(336.34)	(336.35)
<b>Net cash used in financing activities</b>	<b>(1,168.06)</b>	<b>(690.21)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>5.20</b>	<b>184.50</b>
<b>Cash and cash equivalents - opening balance</b>	<b>202.67</b>	<b>18.17</b>
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(0.09)	-
<b>Cash and cash equivalents - closing balance</b>	<b>207.78</b>	<b>202.67</b>



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- 8 Effective January 1, 2020, the Company adopted Ind AS 116, Leases, using the modified retrospective approach replacing the existing lease standard. The adoption of the standard did not have any impact to the financial results of the Company.
- 9 The segment results are included in Consolidated Audited Financial Results in compliance with Ind AS 108 "Operating Segments".
- 10 The figures for the quarter ended December 31 are the balancing figures between the audited figures in respect of the full financial year ended December 31 and the unaudited figures for the nine months ended September 30.
- 11 The figures of the previous year / periods have been regrouped / reclassified, wherever considered necessary to correspond with the current period's classification / disclosure.



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

A handwritten signature in black ink.

**N Radha Krishna Reddy**  
**Managing Director**  
**DIN: 00021052**

Place: Hyderabad  
Date: February 25, 2021

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