RAIN INDUSTRIES LIMITED

RIL/SEs/2019 February 27, 2019

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

Dear Sir/ Madam,

Sub: Annual Audited Financial Results for the Quarter and Financial Year ended on December 31, 2018 – Reg.
Ref : Scrip Code: 500339 (BSE) & 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, 2018, these results were approved by the Board of Directors at their meeting held on Wednesday, the February 27, 2019; and
ii) Auditors Report issued by the Statutory Auditors of the Company on the Audited Standalone and Consolidated Financial Results for the Financial Year ended on December 31, 2018.

We hereby confirm that the Statutory Auditors of the Company i.e., BSR & Associates LLP, Chartered Accountants have issued the Audit Reports on Standalone and Consolidated Financial Statements of the Company for the Financial year ended December 31, 2018 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

RAIN INDUSTRIES LIMITED HYD

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B S R & Associates LLP

Chartered Accountants

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Auditor's report on consolidated financial results of Rain Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Rain Industries Limited

We have audited the accompanying annual consolidated financial results ('Statement') of Rain Industries Limited ("the Company") and its subsidiaries (the company and its subsidiaries together referred to as the 'Group') and associates, for the year ended December 31, 2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended December 31, 2018 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These consolidated annual financial results have been prepared on the basis of the consolidated annual Ind AS financial statements and unaudited consolidated quarterly financial results up to the end of the third quarter which are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated annual Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 ('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.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of certain subsidiaries incorporated outside India, included in the consolidated annual financial results, whose annual financial statements reflect total assets of ₹ 79,974.39 million as at December 31, 2018, total revenue of ₹ 83,215.66 million as well as net cash outflows of ₹ 1,562.29 million for the year ended December 31, 2018. The above financial information is before giving effect to any intra group eliminations and consolidation adjustments. The consolidated financial results also include the Group's share of net profit of ₹ 8.80 million for the year ended December 31, 2018 as considered in the Statement, in respect of associates, whose financial results have not been audited by us. The financial statements and other financial information of these subsidiaries and associates incorporated outside India is drawn up in accordance with the generally accepted accounting principles of the respective countries ('local GAAP') and have been audited by other auditors qualified to act as auditors in those countries. The Company's management has converted the financial statements of such subsidiaries and associates located outside India from the local GAAP to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management.

Auditor's report on consolidated financial results of Rain Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(continued)*

Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries and associates 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.

We did not audit the financial statements of certain subsidiaries included in the annual consolidated financial results, whose annual financial statements reflect total assets of ₹ 19,668.76 million as at December 31, 2018, total revenue of ₹ Nil as well as net cash outflows of ₹ 1.01 million for the year ended December 31, 2018. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us, and our opinion on the annual financial results, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors. Our opinion is not modified in respect of this matter.

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

(i) includes the annual financial results of the following subsidiaries and associates;

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. RÜTGERS Canada Inc.
13. RÜTGERS Polymers Ltd.
14. Rain Carbon BVBA
15. RÜTGERS Germany GmbH
16. RÜTGERS Holding Germany GmbH
17. RÜTGERS Wohnimmobilien GmbH & Co. KG
18. RÜTGERS Gewerbeimmobilien GmbH & Co. KG
19. Rain RÜTGERS LLC
20. VFT France S.A
21. Rumba Invest BVBA & Co. KG
22. RÜTGERS Poland Sp. z o.o
23. Severtar Holding Ltd.
24. RÜTGERS Resins BV
25. OOO RÜTGERS Severtar
26. RÜTGERS (Shanghai) Trading Co. Ltd.
27. Infratec Duisburg GmbH (Equity accounted investee)
28. Rain Coke Limited (Equity accounted investee) (investment sold on December 15, 2018)

Auditor's report on consolidated financial results of Rain Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(continued)*

(ii) have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations;

(iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the year ended December 31, 2018.

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

Sriram Mahalingam
Partner
Membership No. 049642

Place: Hyderabad
Date: February 27, 2019

RAIN INDUSTRIES LIMITED
CIN: L26942TG1974PLC001693

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(Rupees in Millions except per share data)

Statement of Consolidated Audited Financial Results for the Quarter and Year ended December 31, 2018

		Particulars	Quarter ended			Year ended	
			December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017
			Audited - see Note 15 below	Unaudited	Audited - see Note 15 below	Audited	Audited
1	**Income**						
	(a)	Revenue from operations (Refer note 5 below)	34,440.73	34,925.54	31,461.29	140,489.93	114,495.93
	(b)	Other income (Refer note 10 below)	149.75	133.25	184.41	407.81	1,109.71
		Total income	**34,590.48**	**35,058.79**	**31,645.70**	**140,897.74**	**115,605.64**
2	**Expenses**						
	(a)	Cost of materials consumed	17,408.02	14,705.93	13,208.41	61,674.48	41,047.51
	(b)	Purchases of stock-in-trade	4,417.61	5,134.02	4,283.55	18,095.78	16,425.66
	(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(978.02)	(583.30)	(2,488.52)	(2,499.37)	(3,019.44)
	(d)	Employee benefits expense (Refer note 10 below)	3,346.84	3,015.26	3,041.01	12,355.15	10,624.07
	(e)	Finance costs	1,141.42	1,126.06	1,465.02	4,565.13	5,946.71
	(f)	Depreciation and amortisation expense	1,691.20	1,314.11	1,259.92	5,550.86	5,256.27
	(g)	Excise duty (Refer note 5 below)	-	-	-	-	1,464.04
	(h)	Other expenses (Refer note 10 below)	9,065.79	7,539.98	6,531.02	31,207.98	25,227.05
		Total expenses	**36,092.86**	**32,252.06**	**27,300.41**	**130,950.01**	**102,971.87**
3	**Profit / (Loss) before share of profit of associates, exceptional items and tax (1-2)**		**(1,502.38)**	**2,806.73**	**4,345.29**	**9,947.73**	**12,633.77**
4	Exceptional items (Refer note 6 and 7 below)		-	-	1,133.00	-	1,803.30
5	**Profit / (Loss) before share of profit of associates and tax (3-4)**		**(1,502.38)**	**2,806.73**	**3,212.29**	**9,947.73**	**10,830.47**
6	Share of profit of associates, net of income tax		8.80	-	8.84	8.80	8.84
7	**Profit / (Loss) before tax (5+6)**		**(1,493.58)**	**2,806.73**	**3,221.13**	**9,956.53**	**10,839.31**
8	Tax expense / (benefit) (Refer note 11 below)						
	- Current tax		716.83	1,000.96	1,218.03	4,216.90	4,330.49
	- Deferred tax						
		(a) Deferred tax excluding (b) below	(932.20)	(90.97)	(349.99)	(573.68)	(584.65)
		(b) One time impact on account of US and Belgium tax reforms	-	-	(830.75)	-	(830.75)
	Total tax expense / (benefit)		**(215.37)**	**909.99**	**37.29**	**3,643.22**	**2,918.09**
9	**Net Profit / (Loss) for the period/year (7-8)**		**(1,278.21)**	**1,896.74**	**3,183.84**	**6,313.31**	**7,921.22**

10	**Other comprehensive income / (loss) (net of tax) for the period/year**					
(a)	Items that will not to be reclassified to profit or loss:					
	Remeasurements of net actuarial gain (loss) on post employment benefit plans	455.72	-	(16.76)	455.72	(22.63)
	Income tax effect	(155.18)	-	3.16	(155.18)	5.36
(b)	Items that will be reclassified to profit or loss:					
	Foreign Currency Translation Reserve	(2,117.97)	2,061.79	(772.15)	1,144.65	507.31
	Effective portion of Cash Flow Hedge	-	-	(151.17)	150.97	(151.17)
	Income tax effect	-	-	32.13	(30.39)	74.23
	Total other comprehensive income / (loss) (net of tax)	**(1,817.43)**	**2,061.79**	**(904.79)**	**1,565.77**	**413.10**
11	**Total comprehensive income / (loss) for the period/year (9+10)**	**(3,095.64)**	**3,958.53**	**2,279.05**	**7,879.08**	**8,334.32**
12	**Profit / (Loss) attributable to:**					
	Owners of the Company	(1,391.27)	1,747.87	3,071.91	5,816.26	7,635.87
	Non-controlling interests	113.06	148.87	111.93	497.05	285.35
	Net Profit / (Loss) for the period/year	**(1,278.21)**	**1,896.74**	**3,183.84**	**6,313.31**	**7,921.22**
13	**Other comprehensive income / (loss) attributable to:**					
	Owners of the Company	(1,690.86)	2,020.66	(892.62)	1,642.81	389.38
	Non-controlling interests	(126.57)	41.13	(12.17)	(77.04)	23.72
	Other comprehensive income / (loss) for the period/year	**(1,817.43)**	**2,061.79**	**(904.79)**	**1,565.77**	**413.10**
14	**Total comprehensive income / (loss) attributable to:**					
	Owners of the Company	(3,082.13)	3,768.53	2,179.29	7,459.07	8,025.25
	Non-controlling interests	(13.51)	190.00	99.76	420.01	309.07
	Total comprehensive income / (loss) for the period/year	**(3,095.64)**	**3,958.53**	**2,279.05**	**7,879.08**	**8,334.32**
15	Earnings / (Loss) Per Share - Basic and Diluted (of INR 2/- each)	(4.14)	5.20	9.13	17.29	22.70
		(not annualised)	*(not annualised)*	*(not annualised)*		
(See accompanying notes to the Consolidated Audited Financial Results)						

Notes:

1 The Consolidated Audited Financial Results were reviewed by the Audit Committee on February 26, 2019 and approved by the Board of Directors at their meeting held on February 27, 2019.

2 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.

3 The Consolidated Financial Results for the year ended December 31, 2018 along with previous year presented have been audited by the statutory auditors. An unqualified report has been issued by them thereon.

4 The Board of Directors of the Company at their meeting held on November 14, 2018, have declared an Interim Dividend of INR 1/- per Equity Share i.e. 50% on face value of INR 2/- per Equity Share fully paid up for the financial year ending December 31, 2018 and no further dividend has been recommended for the said year.

5 Consequent to the introduction of Goods and Services Tax (GST) in India with effect from July 1, 2017, Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. In accordance with Indian Accounting Standard – 18 on Revenue and Schedule III of the Companies Act, 2013 unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue. Accordingly, the figures for the periods upto June 30, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding:

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(Rupees in Millions)

Particulars	Quarter ended			Year ended	
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Revenue from operations (A)	34,440.73	34,925.54	31,461.29	140,489.93	114,495.93
Excise duty (B)	-	-	-	-	1,464.04
Sale of products excluding excise duty (A - B)	34,440.73	34,925.54	31,461.29	140,489.93	113,031.89

6 On December 15, 2017, the Company's Wholly Owned Subsidiary in USA issued a conditional repayment notice to its 2021 bondholders with US Dollar denominated Notes of US$ 246 million and 2021 Euro denominated Notes of US$ 237 million (Face Value of €198 million) together called as 2021 Notes. As on December 31, 2017, the Company, in accordance with the Ind-AS 109, has recorded the changes in the carrying value of the 2021 Notes at its expected future cash outflows with a corresponding expense of INR 1,133.00 (US$ 17.5 million) arising on account of the early repayment premium and deferred financing cost in the consolidated income statement. The same is disclosed as the exceptional item in the consolidated financial results for the quarter and year ended December 31, 2017. Subsequently, on January 16, 2018 the Company repaid all the aforementioned 2021 Notes financed by a new Term Loan B of € 390 million borrowed in the Wholly Owned Subsidiary in Germany.

7 In March 2017, the Company's wholly owned step-down subsidiary in the USA issued Senior Secured Notes ("the 2025 Notes") for US$ 550 million. Interest is payable on the 2025 Notes at 7.25% per annum on a semi annual basis and the principle is repayable on April 1, 2025. The 2025 Notes are guaranteed by certain subsidiary companies of the Company in the USA. The proceeds of the 2025 Notes have been used to repay 8.00% 2018 Notes of US$ 378 million; 8.25% 2021 Notes of US$ 115 million and repay senior bank debt. All unamortised deferred financing cost pertaining to the 2018 Notes and the 2021 Notes, including redemption premium of US$ 5.4 million aggregating to INR 670.30 (US$ 10 million) have been expensed during the quarter ended March 31, 2017 and disclosed as the exceptional item in the consolidated financial results for the year ended December 31, 2017.

8 The Hon'ble Supreme Court of India ("the Supreme Court") in its order dated July 26, 2018 restricted the import of raw pet coke into India by Cement, Lime Kiln, Calcium Carbide and Gasification Industries where it is used as feedstock in their manufacturing process. Consequently, the Group along with other Calciners made applications to the Supreme Court to permit import of raw pet coke by the calcining industry; as the Group uses raw pet coke as feedstock in the calcining process. On October 9, 2018, the Supreme Court granted permission to import 1.40 million tons of raw pet coke annually by the Indian Calciners and 0.50 million tons of Calcined Petroleum Coke ("CPC") annually by the Indian Aluminium Smelters.

During January 2019, the Group made three applications to the Supreme Court presenting various alternative allocation options but the same were dismissed by the Supreme Court. However, while the Group believes that the quantitative restrictions imposed by the Supreme Court could have a short term impact on its business plans in India, the Management is confident that the order will not significantly impact the Group's long term plans.

9 During December 2018, certain Subsidiary Companies of the Company in the North America, along with four other third party defendants, was named in a lawsuit filed in federal court in Minnesota. The Plaintiffs, comprised of 9 municipalities in the Minneapolis and St. Paul metropolitan area, and sought a court order directing the defendants to remove sediment contaminated with polycyclic aromatic hydrocarbons (PAHs) from their municipal storm water drainage ponds which they claimed was caused by runoff from the defendants' products.

The Company's US Subsidiary believes this law suit is currently in an early stage as the plaintiffs have been granted time to file amended complaints post which the Company's US Subsidiary will respond to the amended complaints. The timing of resolution of this case cannot be reasonably determined given that the complaints seeking damages are at a very early stage and court hearings have not commenced. Accordingly, the Company's US Subsidiary has not considered any provision for this law suit in the consolidated results for the year ended December 31, 2018.

10 (i) Other expenses for the quarter ended 31 December 2018 includes (a) provision made towards amount receivable from one customer in Venezula of INR 782.10 (US$10.85 million) as the Company expects delays in recovering the outstanding balance on account of deteriorating economic conditions and restriction on repatriation of funds from Venezula; and (b) provision made towards certain fines and penalties towards environmental issues at one of its subsidiary company for an amount of INR 161.61.

(ii) Employee benefits expense include severance payments on account of reorganisation within Ruetgers Group amounting to INR 170.79 (€ 2.07 million).

(iii) Other income include profit of INR 60.00 on account of transfer of investment in Rain Coke Limited (which implemented 22 MW Solar Power Plant in Andhra Pradesh) to GreenKo Group, during December 2018.

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11 (i) On December 22, 2017, the Tax Cuts and Jobs Act ("US Tax Legislation") was enacted. The US Tax Legislation significantly revises the U.S. corporate income tax by, among other things, lowering corporate income tax rates, implementing the territorial tax system and imposing a repatriation tax on deemed repatriation of accumulated earnings of foreign subsidiaries up to December 31, 2017.

(ii) The Group continues to assess the impact of the changes in reforms during the year. The Company's US Subsidiary has filed its 2017 U.S. tax return on due date of October 15, 2018. Due to deemed repatriation of accumulated foreign earnings as of December 31, 2017 under amended section 965 for tax year 2017, the transition tax liability stood as INR 215.03 (US$2.98 million). However there are foreign tax credits identified and available for utilization in future years which have been recognized as a tax asset to the extent there is future taxable income and foreign sourced income based on prudent, feasible and sustainable tax planning strategies. Also for the year 2018, at the time of finalizing consolidated financial results the Company's US Subsidiary has undistributed current earnings generated from its foreign subsidiaries which are subject to GILTI required by the 2017 Tax Act. Based on currently available information, the Group's GILTI tax for the year 2018 is estimated to be INR 242.51 (US$3.36 million) approximately. Management has remeasured its US tax assets and liabilities and recorded the impact of the new taxes as an income tax expense in the consolidated financial results for the year ended December 31, 2018.

(iii) 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. Management expects to complete its assessment by December 31, 2019.

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

(Rupees in Millions)

Particulars	Quarter ended			Year ended	
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Revenue from operations	431.71	118.42	220.17	1,053.53	596.21
Profit / (Loss) Before Tax	454.20	(34.75)	(3.98)	773.34	385.30
Profit / (Loss) After Tax	356.03	(27.59)	(3.98)	604.66	321.06

13 Statement of Consolidated Assets and Liabilities:

(Rupees in Millions)

Particulars	As at December 31, 2018	As at December 31, 2017
	Audited	Audited
ASSETS		
1. Non-current assets		
(a) Property, plant and equipment	30,989.82	29,040.78
(b) Capital work in progress	7,947.90	4,412.47
(c) Goodwill	61,315.31	57,622.46
(d) Other intangible assets	304.93	233.41
(e) Equity accounted investments	83.08	138.95
(f) Financial assets		
(i) Investments	43.39	199.01
(ii) Loans	313.55	311.08
(iii) Other financial assets	10.14	-
(g) Deferred tax asset (net)	2,773.21	2,817.18
(h) Non-current tax assets (net)	661.27	824.22
(i) Other non-current assets	1,322.01	335.75
Total non-current assets	**105,764.61**	**95,935.31**

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2. Current assets		
(a) Inventories	23,683.33	19,985.34
(b) Financial assets		
(i) Investments	-	10.00
(ii) Trade receivables	16,044.02	16,717.20
(iii) Cash and cash equivalents	7,734.16	7,241.69
(iv) Bank balances other than cash and cash equivalents	778.25	2,174.22
(v) Loans	21.99	23.67
(vi) Other financial assets	608.52	242.76
(c) Current tax assets, net	27.36	-
(d) Other current assets	2,832.33	3,172.88
Total current assets	**51,729.96**	**49,567.76**
Total assets	**157,494.57**	**145,503.07**
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	672.69	672.69
(b) Other equity	45,554.72	38,768.34
Total equity attributable to equity holders of the Company	46,227.41	39,441.03
Non-controlling interests	1,433.25	1,013.24
Total equity	**47,660.66**	**40,454.27**
2. Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	72,420.19	37,397.17
(ii) Other financial liabilities	138.86	400.10
(b) Provisions	9,823.21	9,654.08
(c) Deferred tax liability (net)	1,236.71	1,739.64
(d) Non-current tax liabilities (net)	420.44	484.92
(e) Other non-current liabilities	94.25	129.94
Total non-current liabilities	**84,133.66**	**49,805.85**
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	5,021.59	3,190.80
(ii) Trade payables	13,476.33	11,475.73
(iii) Other financial liabilities	3,931.22	37,813.70
(b) Provisions	1,609.07	788.94
(c) Current tax liabilities (net)	789.84	1,067.23
(d) Other current liabilities	872.20	906.55
Total current liabilities	**25,700.25**	**55,242.95**
Total equity and liabilities	**157,494.57**	**145,503.07**

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14 Consequent to the functional integration of RAIN businesses over past years, the Company decided to redesign the way the Company's product portfolio and resources are managed and aligned its internal reporting to the Chief Operating Decision Maker. Marketing of the products has been switched from a site and product based model to a market specific approach, which allows the team to optimize the marketing efforts and segregate its products produced from value-added processes. This structural change reflects the business rationale of the Company by aligning products along their major value chains (raw material to end-product) in addition to increasing focus on value-added processes that are meaningful contributors to the Company's earnings. The resulting segments have been called Carbon, Cement and Advanced Materials. This change is effective from January 1, 2018, and as expected from an Advanced Materials producer, the transition should stimulate new strategic initiatives to further improve the overall performance of the Company. Accordingly, Management has presented its segment under new structure for the quarter and year ended December 31, 2018 including the comparative periods.

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

(Rupees in Millions)

Particulars	Quarter ended			Year ended	
	December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017
1) Segment Revenue					
(a) Carbon	24,301.61	23,280.92	21,589.88	97,293.97	73,012.84
(b) Advanced Materials	8,581.19	10,531.21	8,380.61	37,845.55	34,530.14
(c) Cement	2,250.30	2,206.04	2,136.84	9,137.87	9,705.73
Total	**35,133.10**	**36,018.17**	**32,107.33**	**144,277.39**	**117,248.71**
Less: Inter Segment Revenue	692.37	1,092.63	646.04	3,787.46	2,752.78
Net Sales / Revenue from Operations	**34,440.73**	**34,925.54**	**31,461.29**	**140,489.93**	**114,495.93**
2) Segment Results					
Profit before Depreciation and amortisation expense, Finance Costs, Forex Loss/(Gain), Other Income, Exceptional items, Share of profit from associates and tax from each segment					
(a) Carbon	527.75	4,088.05	5,739.72	15,688.70	16,476.73
(b) Advanced Materials	259.94	1,087.85	884.03	3,471.54	5,384.70
(c) Cement	276.63	126.93	262.07	709.33	865.61
Total	**1,064.32**	**5,302.83**	**6,885.82**	**19,869.57**	**22,727.04**
Less: i) Depreciation and amortisation expense	1,691.20	1,314.11	1,259.92	5,550.86	5,256.27
ii) Finance Costs	1,141.42	1,126.06	1,465.02	4,565.13	5,946.71
iii) Forex loss / (gain)	(116.17)	189.18	(75.52)	213.66	(797.88)
iv) Other Income (excluding forex gain)	(149.75)	(133.25)	(108.89)	(407.81)	(311.83)
v) Exceptional items	-	-	1,133.00	-	1,803.30
vi) Share of profit from associates	(8.80)	-	(8.84)	(8.80)	(8.84)
Total Profit / (Loss) Before Tax	**(1,493.58)**	**2,806.73**	**3,221.13**	**9,956.53**	**10,839.31**

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.

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15 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.

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

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

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

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RAIN INDUSTRIES LIMITED HYD

Place: Hyderabad
Date: February 27, 2019

Jagan Mohan Reddy Nellore
Managing Director
DIN:00017633

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City
Orwell, B Wing, 6th Floor, Unit-3
Sy. No. 83/1, Plot No. 2, Raidurg
Hyderabad-500081, India

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Auditor's Report on Annual Standalone Financial Results of Rain Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors of Rain Industries Limited

We have audited the accompanying annual standalone financial results of Rain Industries Limited ('the Company") for the year ended December 31, 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended December 31, 2018 and the corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These standalone financial results have been prepared on the basis of the annual standalone Ind AS financial statements and reviewed quarterly standalone Ind AS financial results upto the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone Ind AS financial results based on our audit of the such annual standalone Ind AS financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Auditor's Report on Annual Standalone Financial Results of Rain Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (continued)

1. In our opinion and to the best of our information and according to the explanations given to us these annual standalone financial results:
   (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
   (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended December 31, 2018.

for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Sriram Mahalingam
Partner
Membership No. 049642

Place: Hyderabad
Date: February 27, 2019

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, 2018

		Particulars	Quarter ended			Year ended	
			December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017
			Audited - see Note 7 below	Unaudited	Audited - see Note 7 below	Audited	Audited
1		**Income**					
	(a)	Revenue from operations	431.71	118.42	220.17	1,053.53	596.21
	(b)	Other income	495.37	50.44	47.17	1,037.89	593.38
		Total income	**927.08**	**168.86**	**267.34**	**2,091.42**	**1,189.59**
2		**Expenses**					
	(a)	Purchases of stock-in-trade	327.37	43.97	156.54	725.52	359.75
	(b)	Employee benefits expense	49.74	54.37	34.26	187.10	122.65
	(c)	Finance costs	54.65	52.04	39.71	196.08	176.90
	(d)	Depreciation expense	1.52	1.38	1.01	5.20	6.00
	(e)	Other expenses	39.60	51.85	39.80	204.18	138.99
		Total expenses	**472.88**	**203.61**	**271.32**	**1,318.08**	**804.29**
3		**Profit / (Loss) before tax (1-2)**	**454.20**	**(34.75)**	**(3.98)**	**773.34**	**385.30**
4		Tax expense (benefit)					
		- Current tax	98.17	(7.16)	-	168.68	64.24
		- Deferred tax	-	-	-	-	-
5		**Net Profit / (Loss) for the period/year (3-4)**	**356.03**	**(27.59)**	**(3.98)**	**604.66**	**321.06**
6		**Other comprehensive income (net of tax) for the period/year**					
(a)		*Items that will not to be reclassified to profit or loss:*					
		Remeasurements of net actuarial gain on post employment benefit plans	0.07	-	0.18	0.07	0.18
		Income tax effect	-	-	-	-	-
(b)		Items that will be reclassified to profit or loss:					
		Foreign Currency Translation Reserve	-	-	-	-	-
		Income tax effect	-	-	-	-	-
		Total other comprehensive income (net of tax)	**0.07**	**-**	**0.18**	**0.07**	**0.18**
7		**Total comprehensive income/(loss) for the period/year (5+6)**	**356.10**	**(27.59)**	**(3.80)**	**604.73**	**321.24**
8		Earnings / (Loss) Per Share - Basic & Diluted (of INR 2/- each)	1.06	(0.08)	(0.01)	1.80	0.95
			(not annualised)	*(not annualised)*	*(not annualised)*		

(See accompanying notes to the Standalone Audited Financial Results)

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Notes:

1 The Standalone Audited Financial Results were reviewed by the Audit Committee on February 26, 2019 and approved by the Board of Directors at their meeting held on February 27, 2019.

2 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.

3 The Standalone Financial Results for the year ended December 31, 2018 along with previous year presented have been audited by the statutory auditors of the Company. An unqualified report has been issued by them thereon.

4 The Board of Directors of the Company at their meeting held on November 14, 2018, have declared an Interim Dividend of INR 1/- per Equity Share i.e. 50% on face value of INR 2/- per Equity Share fully paid up for the financial year ending December 31, 2018 and no further dividend has been recommended for the said year.

5 Statement of Standalone Assets and Liabilities:

(Rupees in Millions)

Particulars	As at December 31, 2018	As at December 31, 2017
	Audited	Audited
ASSETS		
1. Non-current assets		
(a) Property, Plant and Equipment	74.83	72.17
(b) Other Intangible assets	1.30	-
(c) Financial Assets		
(i) Investments	9,169.65	9,169.65
(ii) Loans	2,904.32	1,918.85
(d) Deferred tax asset, net	1.45	1.45
(e) Non-current tax assets, net	311.21	302.27
(f) Other non-current assets	0.72	-
Total non-current assets	**12,463.48**	**11,464.39**
2. Current assets		
(a) Financial Assets		
(i) Trade receivables	327.16	15.12
(ii) Cash and cash equivalents	18.17	28.53
(iii) Bank balances other than (ii) above	42.82	39.48
(iv) Loans	170.98	927.00
(v) Other financials assets	55.79	35.81
(b) Other current assets	2.34	1.01
Total current assets	**617.26**	**1,046.95**
Total assets	**13,080.74**	**12,511.34**
EQUITY AND LIABILITIES		
(a) Equity Share Capital	672.69	672.69
(b) Other Equity	8,485.92	8,553.88
Total equity	**9,158.61**	**9,226.57**

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	2. Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	3,308.70	1,900.40
	(b) Provisions	4.97	4.45
	Total non-current liabilities	**3,313.67**	**1,904.85**
	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables	335.73	13.42
	(ii) Other financial liabiltiies	223.92	1,331.22
	(b) Provisions	1.41	0.83
	(c) Other Current liablities	5.27	4.64
	(d) Current tax liabilities, net	42.13	29.81
	Total current liabilities	**608.46**	**1,379.92**
	Total equity and liabilities	**13,080.74**	**12,511.34**

6 The segment results are included in Consolidated Audited Financial Results in compliance with Ind AS 108 "Operating Segments".

7 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.

8 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

Jagan Mohan Reddy Nellore
Managing Director
DIN:00017633

Place: Hyderabad
Date: February 27, 2019

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