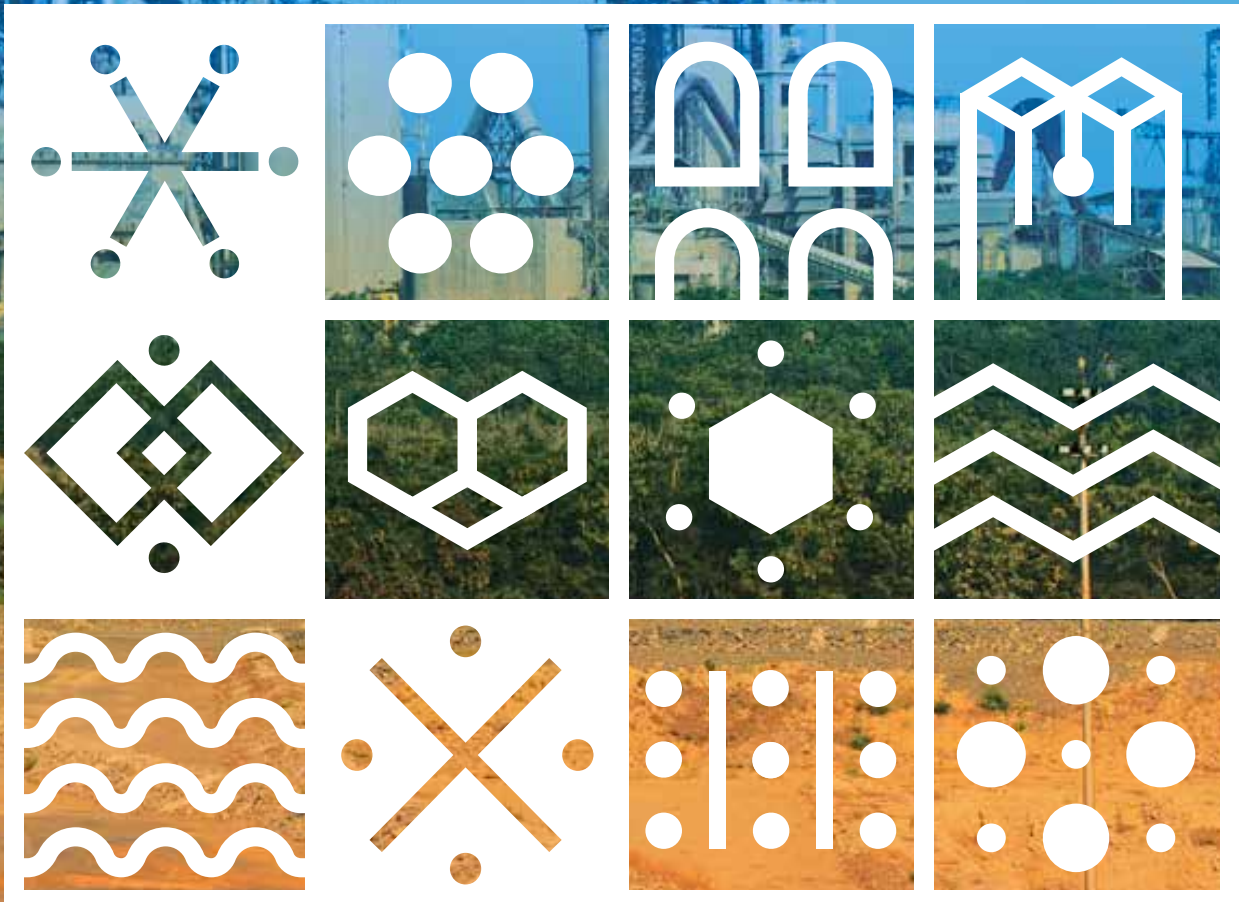


ACTING RESPONSIBLY.  
ADVANCING SUSTAINABLY.





## COVER EXPLANATION

Since our journey began at RAIN Industries Limited (RAIN), we have been steadily expanding the scale and scope of our business worldwide. We have constantly innovated and expanded capacities to build a better future for all our stakeholders – employees, customers, investors, vendors, communities and the environment. We are making materials for today and tomorrow, and the cover's iconography reflects our contributions for a sustainable world.



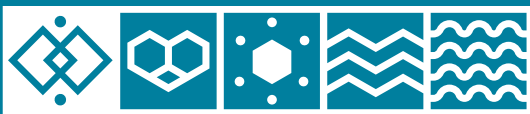
### CARBON

Calcined Petroleum Coke (CPC)

Coal Tar Pitch (CTP)

Other Carbon Products (OCP)

Energy



### ADVANCED MATERIALS

Naphthalene Derivates

Petrochemical Intermediates

Engineered Products

Resins



### CEMENT

Ordinary Portland Cement (OPC)

Portland Pozzolana Cement (PPC)

## FINANCIAL PERFORMANCE IN 2019

₹ 122,873 million

Revenue

₹ 17,427 million

Operating Profit\*

₹ 5,211 million

Profit After Tax\*

₹ 15.49

Earnings Per Share\*

\*Adjusted with exceptional items

## SUSTAINABILITY AND SAFETY PERFORMANCE IN 2019

513 kilo tonnes

Saved CO<sub>2</sub> Emissions (Management estimate)

0.29\*/0.26\*

Total Recordable Incident Rate (TRIR)/  
Total Lost-Time Incident Rate (TLIR)

₹ 197 million

CSR and related expenditure

\* For the Carbon and Advanced Materials business segments

# Contents

## OVERVIEW AND PROGRESS

- 04 Corporate identity
- 08 Our presence
- 10 From the Vice Chairman's desk
- 14 Key performance indicators

## FOCUSED ON VALUE CREATION

- 20 Business model
- 22 Upcycling
- 26 Innovation
- 28 Expansions

## OUR BUSINESSES

- 32 Carbon
- 35 Advanced materials
- 38 Cement

## OUR COMMITMENT

- 44 Global Excellence Centre
- 46 Safety
- 48 People
- 51 Green stewardship
- 54 Corporate social responsibility

## GOVERNANCE

- 58 Corporate governance framework
- 60 Risk management
- 62 Board of directors
- 64 Key awards

## STATUTORY REPORTS

- 66 Notice
- 72 Board's report
- 151 Management discussion and analysis
- 155 Report on corporate governance

## FINANCIAL STATEMENTS

- 180 Standalone financial statements
- 228 Consolidated financial statements

# Corporate information

## BOARD OF DIRECTORS

### MR HL ZUTSHI

Chairman (Independent Director)

### MR N RADHAKRISHNA REDDY

Managing Director

### MR JAGAN MOHAN REDDY NELLORE

Vice Chairman

### MR N SUJITH KUMAR REDDY

Director

### MR VARUN BATRA

Independent Director

### MR BRIAN JUDE MCNAMARA

Independent Director

### MS NIRMALA REDDY

Independent Director

### MS RADHIKA VIJAY HARIBHAKTI

Independent Director

## CHIEF FINANCIAL OFFICER

### MR T SRINIVASA RAO

## COMPANY SECRETARY

### MR S VENKAT RAMANA REDDY

## STATUTORY AUDITORS

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 – 500 081,  
Telangana State, India.

## INTERNAL AUDITORS

Ernst & Young LLP  
Oval Office, 18, iLabs Center, Hitech City  
Madhapur, Hyderabad – 500 081,  
Telangana State, India.

## SECRETARIAL AUDITORS

DVM & Associates LLP  
Practicing Company Secretaries  
6/3/154-159,  
Flat No. 303, 3rd Floor, Royal Majestic,  
Prem Nagar Colony,  
Near Banjara Hills Care Hospital,  
Hyderabad – 500 004,  
Telangana State, India.

## REGISTERED OFFICE

“RAIN Center”, 34, Srinagar Colony,  
Hyderabad – 500 073,  
Telangana State, India.  
**Phone No.** + 91 (40) 40401234  
**Fax No.** + 91 (40) 40401214  
**Email:** secretarial@rain-industries.com  
**Website:** www.rain-industries.com  
**CIN:** L26942TG1974PLC001693

## BANKS

IDBI Bank Limited  
ICICI Bank Limited  
Citibank, NA

## REGISTRARS & SHARE TRANSFER AGENTS

KFin Technologies Private Limited  
(Unit: RAIN Industries Limited)  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032,  
Telangana State, India.  
**Fax:** +91 40 23420814;  
**Phone:** +91 40 67161566  
**Email:** einward.ris@kfintech.com /  
murthy.psrch@kfintech.com




# ACTING RESPONSIBLY. ADVANCING SUSTAINABLY.

*At RAIN Industries Limited (RAIN), safety, responsibility and sustainability are deeply embedded in everything we do. Our products, processes and the entire canvas of global operations are designed to create value for stakeholders with a long-term perspective.*

*We are continuously embedding occupational health and safety, process safety, environmental stewardship, and social and governance parameters in every aspect of our business.*

Carbon Distillation and Advanced Materials Plant in Castrop-Rauxel, Germany



*Our focus is to constantly improve business performance every year through a prudent decision-making process, which is guided by years of research and specialised competencies in the markets where we operate. Despite business uncertainties and challenges, we are continuously growing our market share and remain an industry leader.*

#### **WE EXTRACT VALUE FROM INDUSTRIAL BY-PRODUCTS**

We transform by-products from other industries into value-added materials, which contributes to resource efficiency and carbon productivity. By extracting more value from these industrial by-products, we are upcycling.

#### **WE CARE FOR OUR PEOPLE, COMMUNITIES AND ASSETS**

The safety and welfare of our employees and the communities where we operate is of crucial importance to us. We have two CSR arms—the RÜTGERS Foundation and the Pragnya Priya Foundation—to bring a positive change in the society. Through the RÜTGERS Foundation in Europe, we support scientific endeavours such as research, working groups and project days for students of all age groups. The Pragnya Priya Foundation in India focuses its efforts on improving the lives of people living in underprivileged and rural communities by providing them with health and education facilities, undertaking rural development and protecting the environment. We continue to pursue excellence in safety to better protect our employees and promote an environment where safe behaviour is supported and valued.

#### **WE ACT RESPONSIBLY FOR THE PLANET**

Our state-of-the-art waste-heat recovery (WHR) power plants supply the surrounding communities with electricity, indirectly reducing some of the greenhouse gas emissions from the generation of electricity by thermal power plants (coal and natural gas). Our flue-gas desulphurisation (FGD) plants reduce sulphur dioxide (SO<sub>2</sub>) emissions by up to 98%. We will continue to craft innovative, cost-effective solutions to reduce our environmental impact, helping us fulfil our responsibility towards the planet and society.

As a company committed to value creation, we will continue to work hard to live up to the expectations of our stakeholders. It is our endeavour to act responsibly for their wellbeing and advance sustainably while balancing profitability with environmental and societal commitments.



# Our expanding universe

*RAIN is a worldwide producer of a diversified portfolio of products that are critical raw materials for staples of everyday life. We are vertically integrated and operate in three business segments: Carbon, Advanced Materials and Cement.*

Headquartered in Hyderabad, India, we have 18 strategically positioned manufacturing facilities in eight countries across Asia, North America and Europe. Our 2,700-plus employees are go-getters helping to drive growth and sustainability.

We have long-standing relationships with most of our major customers, including several bellwethers in the global aluminium, graphite and specialty chemicals industries, as well as with most of our major raw material suppliers, including several of the world's largest oil refiners and steel producers.

Our scale and process sophistication provide us the flexibility to capitalise on market opportunities by selecting from a wide range of raw materials, adjusting the composition of our product mix and manufacturing products that meet customers' stringent specifications.

Our production facility locations and integrated global logistics network also strategically position us to capitalise on market opportunities by addressing raw material supply and product demand across developed and emerging markets.

## Materials for today and tomorrow



### CARBON

*Our Carbon business segment converts the by-products of oil refining and a liquid by-product derived from the conversion of coal into metallurgical coke used for pig iron and steel production into high-value carbon-based products that are critical raw materials for the aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory and other global industries. We are the world's largest producer of coal tar pitch (CTP) and second-largest producer of calcined petroleum coke (CPC).*

### ADVANCED MATERIALS

*Our Advanced Materials business segment extends the value chain of our carbon processing through downstream refining of a portion of this output into high-value advanced material products that are critical raw materials for the specialty chemicals, coatings, construction, petroleum and other global industries.*

### CEMENT

*Our Cement segment consists of two integrated cement plants that operate in the South Indian market and is self-sufficient in limestone, the critical raw material required for cement production.*

## Building scale

2.1 MTPA

CALCINATION

1.3 MTPA

COAL TAR DISTILLATION

0.7 MTPA

ADVANCED MATERIALS

4.0 MTPA

CEMENT

## Nurturing excellence

10

CARBON PLANTS

2

CARBON & ADVANCED  
MATERIALS PLANTS

3

ADVANCED MATERIALS  
PLANTS

3

CEMENT PLANTS

## Growing sustainably

5

WHR POWER  
PLANTS

~116 MW 4

WHR POWER  
GENERATION CAPACITY

4

WHR STEAM  
PLANTS

~59 MW 4

WHR STEAM  
GENERATION CAPACITY

4

FLUE-GAS  
DESULPHURISATION  
PLANTS

### KEY PRODUCTS

CALCINED PETROLEUM COKE (CPC)  
COAL TAR PITCH (CTP)  
OTHER CARBON PRODUCTS (OCP)  
ENERGY

Refer  
Page 32  
for additional  
information

### KEY PRODUCTS

RESINS  
NAPHTHALENE DERIVATES  
PETROCHEMICAL INTERMEDIATES  
ENGINEERED PRODUCTS

Refer  
Page 35  
for additional  
information

### KEY PRODUCTS

ORDINARY PORTLAND CEMENT (OPC)  
PORTLAND POZZOLANA CEMENT (PPC)

Refer  
Page 38  
for additional  
information

## Looking back with pride

*Our remarkable journey, since our evolution from a regional cement producer into one of the world's largest suppliers of carbon-based materials, began at a very modest scale in 1998 in Visakhapatnam, India. Today, we operate across three continents, supported by our industry-leading production capacities and integrated teams.*



RAIN Calcining Limited begins operations in Visakhapatnam, India, with a production capacity of 0.3 million tonnes per annum (MTPA) of CPC

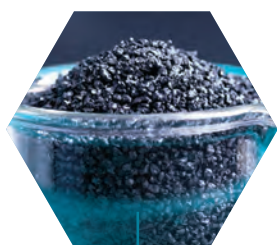


RAIN Calcining Limited merges with RAIN Commodities Limited

RAIN Calcining Limited acquires CII Carbon LLC, the world's second-largest CPC producer, giving rise to RAIN CII Carbon LLC



RAIN CII Carbon LLC installs fifth energy-producing WHR facility in the USA and adds FGD system



RAIN Calcining Limited doubles its production capacity to become the fifth-largest global CPC producer



RAIN Cements Limited executes a brownfield expansion to produce 1.5 MTPA of cement at its plant in Kurnool, India



RAIN acquires RÜTGERS, the world's second-largest coal tar distiller at that time

1998

2005

2007

2008

2012

2013





RAIN completes brownfield expansion of its phthalic anhydride project in Zelzate, Belgium



RAIN completes greenfield coal tar distillation facility with a 0.3 MTPA capacity in Cherepovets, Russia, through a joint venture with PAO Severstal



RAIN breaks ground on a vertical-shaft calciner in Andhra Pradesh Special Economic Zone in India and on a hydrogenated hydrocarbon resins (HHCR) production facility at its Castrop-Rauxel site in Germany

RAIN sets up a CPC blending facility with a capacity to blend up to 1 MTPA of CPC in Visakhapatnam, India

RAIN installs a 6.4 MW WHR plant at cement plant in Kurnool, India

RAIN commissions a third CARBORES® reactor with 17,000 TPA capacity in Castrop-Rauxel, Germany



RAIN commissions FGD system in Chalmette, Louisiana, USA



RAIN completes de-bottlenecking of distillation plant in Hamilton, Canada, increasing production capacity from 240,000 TPA to 263,000 TPA

RAIN refinances debt, resulting in reduction of interest cost, optimised mix of floating versus fixed-debt and currency mix between US Dollar and Euro



RAIN commissions 4.1 MW WHR plant at the cement plant in Suryapet, India

RAIN launches anhydrous carbon pellets (ACP), a new proprietary material that will address the shortage of anode-grade green petroleum coke

RAIN Empress, a new double-hulled vessel in Europe, completes its first commercial delivery of NOVARES® hydrocarbon resins

2014

2015

2016

2017

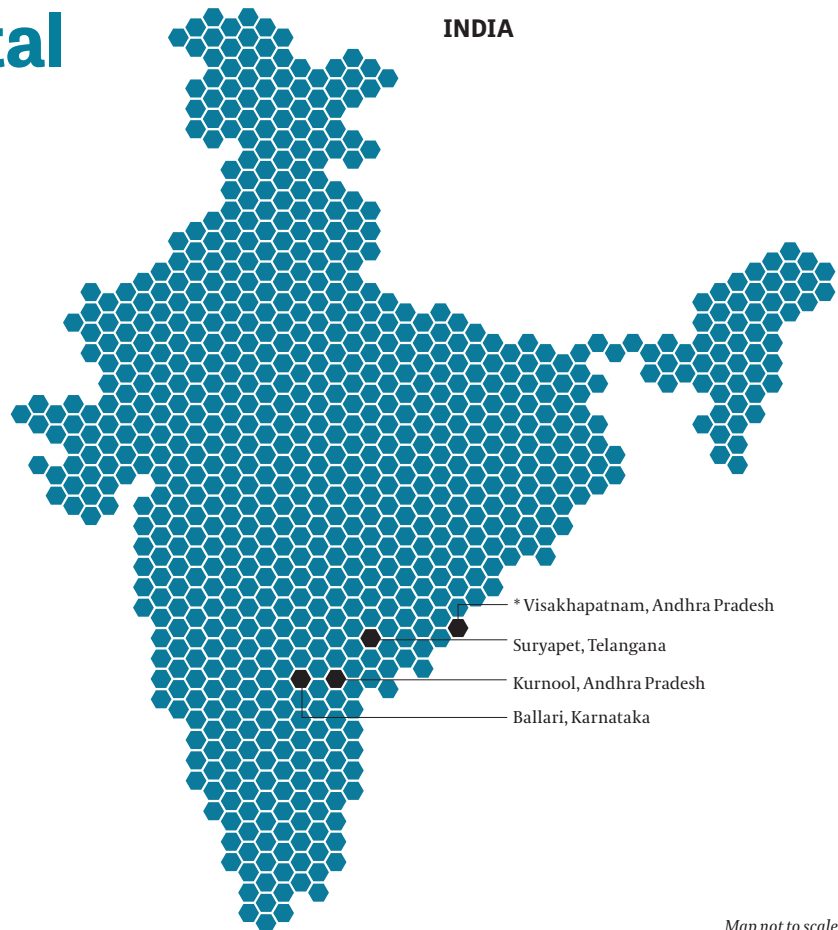
2018

2019

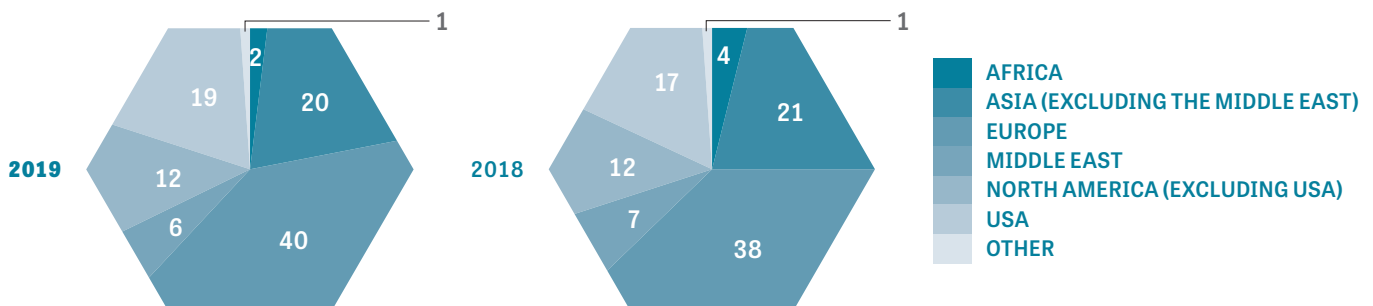
## OUR PRESENCE

# Transcontinental spectrum of operations

Our extensive network of 18 production facilities is the foundation of our global operations. They are strategically located close to raw material supplies and close to markets to meet the on-time demands of customers and to capitalise on emerging opportunities across the globe.



## REVENUE BY GEOGRAPHY (%) \*



\* By location of customers