DCM SHRIRAM

BSE Limited Phiroze JeeJeeBhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd., "Exchange Plaza", 5th Floor, Plot No. C-1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai: 400 051
SCRIP CODE: 523367	**SCRIP CODE: DCMSHRIRAM**

Kind Attn: Department of Corporate Communications/ Head Listing Department

Sub: Annual Report for the Financial Year 2018-19 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith Annual Report for the Financial Year 2018-19.

This is for your information and records.

Thanking you,

Yours faithfully
For DCM Shriram Limited

DCM SHRIRAM LTD. NEW DELHI

(Sameet Gambhir)
Company Secretary

Dated: 27.6.2019

Encl.: As above

DCM SHRIRAM

Growing with trust



ANNUAL REPORT 2018-19

DCM SHRIRAM LTD.

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Corporate Information

Registered Office

DCM Shriram Limited
CIN – L74899DL1989PLC034923
1st Floor, Kanchenjunga Building,
18, Barakhamba Road,
New Delhi – 110 001.
Tel. No. : (91) 11-23316801
Fax No. : (91) 11-23318072
Email : response@dcmshriram.com
Website : www.dcmshriram.com

Bankers

Punjab National Bank
State Bank of India
HDFC Bank Limited
Standard Chartered Bank
Kotak Mahindra Bank Limited
ICICI Bank Limited

Statutory Auditors

M/s. Price Waterhouse Chartered Accountants LLP,
Chartered Accountants,
Gurugram (Haryana)

Board of Directors

Mr. Ajay S. Shriram
Chairman & Senior Managing Director

Mr. Vikram S. Shriram
Vice Chairman & Managing Director

Mr. Ajit S. Shriram
Joint Managing Director

Mr. K. K. Kaul
Whole Time Director

Mr. K.K. Sharma
Whole Time Director (EHS)

Mr. Pradeep Dinodia
Non-Executive Independent Director

Mr. Vimal Bhandari
Non-Executive Independent Director

Mr. Sunil Kant Munjal
Non-Executive Independent Director

Ms. Ramni Nirula
Non-Executive Independent Director

Mr. Pravesh Sharma
Non-Executive Independent Director

Justice (Retd.) Vikramajit Sen
Non-Executive Independent Director

Mr. Sharad Shrivastva
LIC Nominee

Company Secretary

Mr. Sameet Gambhir

Board Audit Committee

Mr. Pradeep Dinodia
Chairman

Mr. Sunil Kant Munjal

Ms. Ramni Nirula

Mr. Pravesh Sharma

Stock Exchanges where the Securities of the Company are Listed

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block-G,
Bandra – Kurla Complex, Bandra (East),
Mumbai-400051.

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

(It is confirmed that annual listing fee for the financial year 2019-20 has been paid by the Company to the above Stock Exchanges.)

From L to R: Mr. Ajay S. Shriram and Mr. Vikram S. Shriram



CMD/VCMDs Message - Annual 2018-19

Dear Friends,

We are pleased to report a steady growth in our financial and operating performance in the year gone by. The overall margins at the PBDIT level was 18% against 16% last year, reflecting healthy realizations and tight cost control. Cash generation has further improved, providing us adequate leverage to make investments commensurate with the company growth ambitions.

The Chemicals business contributed significantly to the improved financial performance. Post completion of capacity expansion, production facilities of Chlor-Alkali operated at its full potential. The steady increase in market demand along and our proficiency in achieving higher sales volume, has given us the confidence to undertake further capital investments – which are under implementation.

Sugar business was able to turn around by strategically widening the product offering. The business faced head winds on accounts of low domestic sugar prices consequent to record sugar production in the country. International prices too were soft making exports difficult. It was encouraging to see both the Central and the State Governments work in tandem and take corrective measures. This helped in reducing the hardships faced by cane farmers. The policy on bio fuels is forward looking, and our investment in Ethanol production helped improve profitability. A new distillery for expansion of ethanol production is under implementation.

Agri-input businesses remained steady while the Hybrid Seed business faced uncertain regulatory environment. Our R&D efforts in the hybrid seed business have made significant headway in terms of product innovation. We hope to see more clarity in the policy towards research led agricultural biotechnology products, so that domestic industry can flourish.

Fenesta Windows and Doors Business has witnessed several years of steady profits and growth. It has encouraged us to expand the range of offering into adjacent categories, starting with Aluminum Windows. As market leaders, we set the benchmark standards for the industry and try and exceed consumer expectations.

A steady increase in sales of our company's products is closely linked to the GDP growth of the Indian economy. India continues to maintain its position as being the fastest growing major economy, led by favorable macro-economic factors. We believe that the growing aspirations of the Indian middle class will spur investments and increase industrial output. Our positive outlook for the economy gives us the confidence to proactively enhance our production capabilities and market reach.

Our employees are our biggest strength. It is the company's endeavor to develop a culture that promotes innovation, individual learning and teamwork. We encourage our employees to be outward looking so that they imbibe global best practices.

Our company remains committed towards ensuring best standards of Corporate Governance. We continue to adopt practices that ensure highest levels of accountability and transparency.

As a responsible corporate citizen, we are committed to give back to society. Our CSR programme has been substantially scaled in the last one year and has become integral with our operating units. A strategic long term plan has been prepared that will improve the well being of the communities we engage with. Evaluation studies have shown that the work carried out by the company has had a positive impact on health and well being indicators due to better hygiene and sustained sensitization. The Company's tradition of contributing to education, ranging from village schools to premier Collages continues. This is achieved by way of funds as well as top management attention.

We would like to take this opportunity to thank all our stakeholders – members of the board, business associates, employees, suppliers, government agencies, lenders and shareholders – who have contributed to the growth of our company. With their cooperation, we are confident of delivering superior value to all stakeholders.

With best wishes,



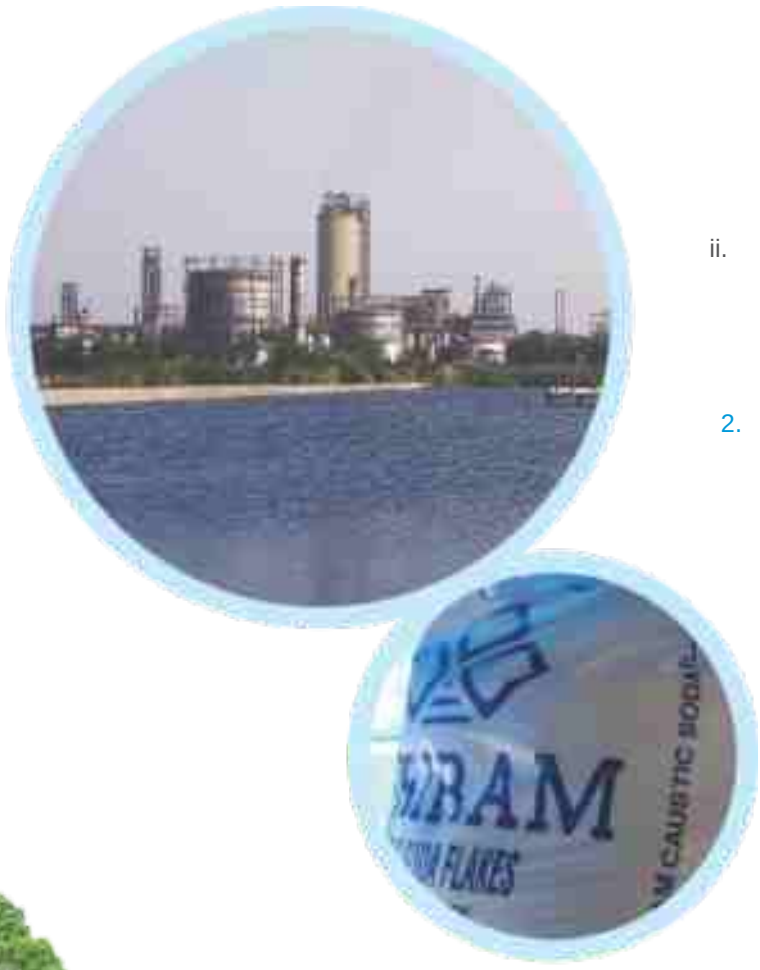
(Vikram S. Shriram)
Vice Chairman & Managing Director



(Ajay S. Shriram)
Chairman & Sr. Managing Director



Our Businesses



1. Chloro-Vinyl Businesses:

i. Chlor- Alkali: DCM Shriram's Chlor-Alkali (Chemicals) business comprises Caustic Soda (Lye and flakes), Chlorine and associated chemicals including Hydrochloric acid, Stable Bleaching powder, Aluminium Chloride, Compressed Hydrogen and Sodium Hypochlorite.

The Company has two manufacturing facilities located at Kota (Rajasthan) and Bharuch (Gujarat) with full coal based captive power. The company's caustic soda capacity at Bharuch is 1013 TPD and at Kota is 498 TPD.

ii. Plastics Business: A highly integrated business, located at the Kota plant, it involves manufacturing of PVC resins and Calcium Carbide with captive production of Acetylene, Chlorine and Coal based power.

2. Sugar:

This business comprises 4 plants in Central U.P. with a total capacity of 38,000 TCD. These units have a total power cogeneration capacity of 141 MW and are also supported by 150 KLD Distillery at the Hariawan Unit.

3. Agri-Input Businesses:

i. Shriram Farm Solutions: This business provides a complete basket of Agri-inputs, viz. Hybrid seeds, Pesticides, Bulk fertilizers, Micro-nutrients and other Value added inputs, through its broad distribution network. The business also provides high quality agronomy services aimed at increasing farmer productivity.

ii. Bioseed: Bioseed business is present across the entire Seeds value chain, i.e. Research, Production, Processing, Extension activities and Marketing with established significant presence in India, Philippines, Vietnam and Indonesia. The Company is present in both Field and Vegetable Crops in India. In Philippines, Vietnam and Indonesia the business is present primarily in Corn.

iii. Fertilizer: The Company operates the dual feed naphtha/LNG based Urea plant with a capacity of 3.79 lakh MT, at its integrated manufacturing facility at Kota.



4. Other Businesses

i. Fenesta Building Systems manufactures UPVC (Un-Plasticized PVC) windows and door systems under the brand "Fenesta" and is also venturing into manufacturing of aluminium doors & windows. These businesses offer complete solutions starting from Design, Fabrication to Installation at the customer's site. As a part of its marketing initiatives, the business has set up self-owned Fenesta branded showrooms across multiple cities in India.

ii. Cement: The company's cement business is located at its Kota plant with a manufacturing capacity of 4 lakh MT. The cement business leverages the waste generated from the Calcium Carbide production process to produce cement.

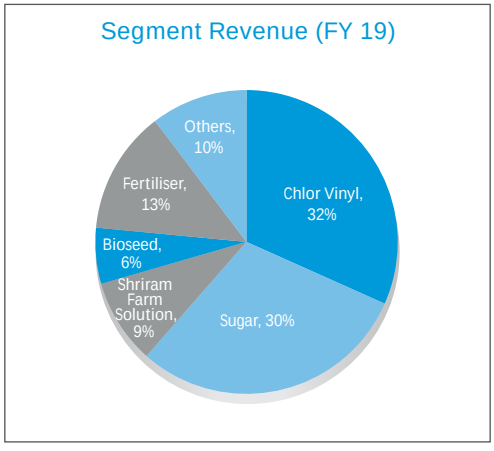
iii. PVC Compounding: The business operates under a 50:50 Joint Venture with Axiall LLC (now a Westlake company, USA). The business' PVC compounding capacity is 32,564 MT / Annum

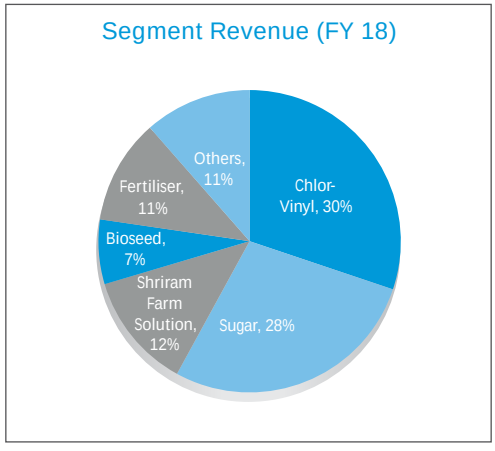
iv. Hariyali Kisaan Bazaar: The Company has rationalized this business and discontinued the retail operations except for sale of fuel.

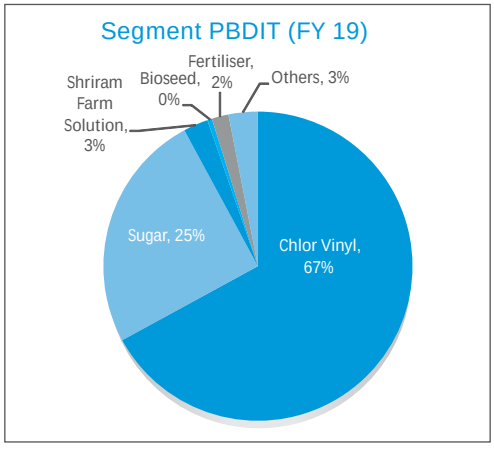


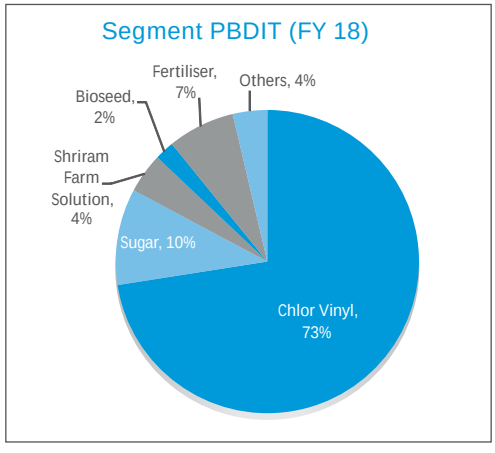


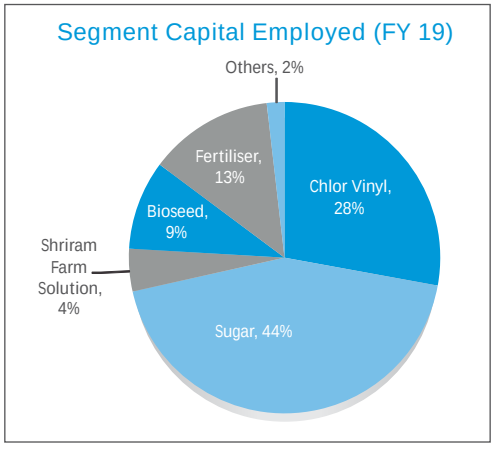
Business Mix

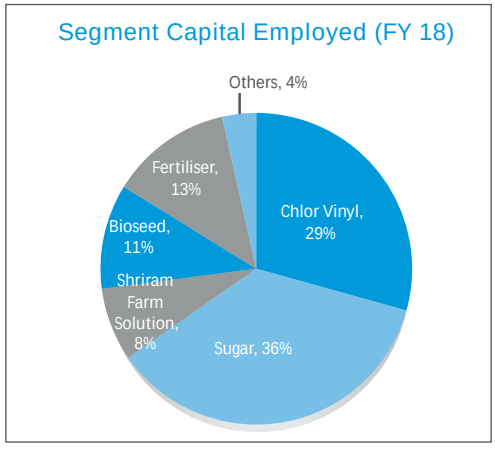












Financial Highlights

(Rs. Crores)

Financial Highlights										
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Gross Revenue										
- Own Products	2682.3	2683.4	3409.6	4087.0	4444.3	4157.2	3969.5	4843.5	5,885.0	6,866.5
- Traded	947.7	1595.7	1794.1	1683.2	1986.9	1693.2	2014.5	1242.9	1,079.2	876.8
- Other Operating Income	--	16.8	33.0	22.0	23.2	32.9	46.3	30.8	42.4	27.8
Gross Revenue from operations	3630.0	4295.9	5236.6	5792.1	6454.4	5883.3	6030.2	6117.2	7,006.6	7,771.1
Net Revenue from operations	3519.1	4151.3	5039.2	5538.9	6182.2	5639.2	5780.5	5788.5	6,900.5	7,771.1
PBDIT	367.6	231.9	364.8	574.1	558.9	450.3	545.6	817.9	1,091.0	1,456.3
Finance Cost	88.6	103.9	160.3	154.8	148.6	111.8	85.4	71.4	83.0	118.9
PBDT	279.0	128.0	204.5	419.2	410.3	338.6	460.2	746.4	1,008.0	1,337.4
Depreciation & Amortisation	163.0	160.0	156.9	146.8	137.9	110.2	98.0	113.7	140.7	157.2
PBT	116.1	-32.0	47.6	272.5	272.4	228.4	362.3	632.7	867.3	1,180.2
Exceptional Items	6.5	--	-38.1	-53.6	--	--	--	–	–	--
Profit After Tax (after share of profit/(loss) of joint venture and minority interest)	84.3	-14.3	11.9	202.9	242.4	210.8	301.8	551.7	669.6	905.5
Cash Profit*	267.8	125.5	202.9	406.3	360.4	318.8	397.0	705.6	864.5	1,091.8
Share Capital - Equity	33.3	33.3	33.3	33.3	32.8	32.6	32.6	32.6	32.6	31.4
Net Worth	1329.6	1306.4	1315.2	1495.4	1686.6	1858.5	2093.1	2529.8	2,987.0	3,469.8
Long Term Loans	1090.0	919.6	965.7	836.7	746.4	421.0	337.2	565.6	621.5	1,072.2
Short Term Loans	370.9	771.6	852.7	720.4	430.9	338.9	727.1	508.3	134.1	537.9
Total Loans (Gross)	1460.9	1691.3	1818.4	1557.1	1177.3	759.8	1064.3	1073.9	755.6	1,610.1
Total Loans (Net)	1503.1	1685.0	1571.3	1435.9	683.1	688.3	1057.5	928.0	653.2	1,265.0
Total Assets	3654.2	3885.9	4628.6	4751.2	4852.3	4416.7	5007.1	5573.9	5,651.7	7,136.4
Earnings per share (Rs.)**	5.1	-0.9	2.6	15.3	14.6	13.0	18.6	34.0	41.2	57.1
Dividend per share (Rs.)**	0.8	0.4	0.4	1.6	2.0	2.2	3.2	5.8	8.2	9.8

Ratios										
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Return on Net Worth (%)	6.5	-	0.9	14.4	15.2	11.9	15.3	23.9	24.3	28.0
PBDIT to Net Sales (%)	10.4	5.6	7.2	10.4	9.0	8.0	9.4	14.1	15.8	18.7
PAT to Net Sales (%)	2.4	-	0.2	3.7	3.9	3.7	5.2	9.5	9.7	11.7
Total Loans (Gross) / PBDIT	4.0	7.3	5.0	2.7	2.1	1.7	2.0	1.3	0.7	1.1
Total Loans (Gross) / Net Worth	1.1	1.3	1.4	1.0	0.7	0.4	0.5	0.4	0.3	0.5

- Figures are based on consolidated financials.
- From April 1, 2016, the Company adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs. Hence, the financials from FY 2016 onwards are in accordance with IND AS
- *Cash profit are before exceptional items; **On face value of Rs. 2 per share

OUR VISION

VIBRANT GROWTH WITH TRUST, ENERGISED EMPLOYEES & DELIGHTED CUSTOMERS

OUR VALUES

INTEGRITY
Uphold ethical standards. Be socially responsible. Deliver on promises.

AGILITY
Act with speed. Adapt continuously. Deliver results.

CUSTOMER-CENTRICITY
Listen to customers. Build long-lasting relationships.

TEAM WORK
Foster collaborative working. Promote meritocracy. Practice empathy & humility.

OPENNESS
Encourage diverse views. Build external orientation.

NEWNESS
Be Innovative. Be Creative.



Brief Profile of the Board of Directors of the Company

Mr. Ajay S. Shriram, Chairman & Senior Managing Director (DIN: 00027137), is a Director of the Company since 24.7.1989. He is the Chairman of Corporate Social Responsibility Committee & Board Finance Committee, and a Member of Nomination, Remuneration & Compensation Committee and Stakeholders Relationship Committee of the Company. He graduated in Commerce from Sydenham College, University of Mumbai and later attended the Programme for Management Development at the Harvard Business School, U.S.A. He is the Chairman of the Governing Body of Shriram College of Commerce (SRCC) and Indian Institute of Management (IIM), Sirmaur (H.P.). He is also the Emeritus Director of The Fertilizer Association of India and the Second Vice Chairman of the National Foundation for Corporate Governance Governing Council. He is also a Member of the Board of Governors of Indian Institute of Corporate Affairs (IICA). He is also a Member of Uttar Pradesh State Investment Promotion Board. He has been the President of Confederation of Indian Industry (CII) (2014-15) and has also been the President & Chairman of International Fertilizer Industry Association (IFA), Paris (2009-11). He has been conferred with Degree of Doctor of Letters (Honoris Causa) by BML Munjal University.

Mr. Vikram S. Shriram, Vice Chairman & Managing Director (DIN: 00027187), is a Director of the Company since 22.5.1990. He is the Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Board Finance Committee of the Company. He graduated in Commerce with Honours from St. Xavier's College, Kolkata and is a Fellow Member of The Institute of Chartered Accountants of India.

Mr. Ajit S. Shriram, Joint Managing Director (DIN: 00027918), is a Director of the Company since 2.5.2001. He is the Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Board Finance Committee of the Company. He joined the Company in 1991 as an Executive after graduating in Commerce from Osmania University, Hyderabad. He did his MBA from The International Institute for Management Development (IMD), Lausanne, Switzerland. He has done the Owner/President Management Program (OPM) from Harvard Business School (HBS), USA. He has been the President of the Indian Sugar Mills Association (ISMA) (2013-14) and is a Director of Indian Sugar Exim Corporation Ltd. (ISEC).

Mr. K.K. Kaul, Whole Time Director (DIN: 00980318), is a Director of the Company since 2.7.2014. He is the Chairman of Board Risk Management Committee and a Member of Board Finance Committee of the Company. He joined the Company in 1980 as Asst. Plant Superintendent. He is a First class First (Honors) graduate in Chemical Engineering and has been awarded Doctorate Degree in Human Letters (Honoris Causa) by Vardhaman Mahavir Open University, Kota. He has done an Integrated Management Development course at Administrative Staff College, Hyderabad and the Executive Programme from Darden Graduate School of Business Administration, University of Virginia, USA. He has 45 years of experience.

Mr. K.K. Sharma, Whole Time Director (EHS) (DIN: 07951296), is a Director of the Company since 20.11.2017. He is the Member of Board Risk Management Committee of the Company. He is a 1st rank holder and Gold medalist in Chemical Technology from UDCT [now Institute of Chemical Technology (ICT), Mumbai]. He also possesses Diploma in safety from Regional Labor Institute, Kanpur and also NEBOSH IGC in Occupational Health & Safety with distinction. He has also undergone GRI certified training on Sustainability Reporting Standards and is a Certified Corporate Director by Institute of Directors (IOD). He started his career with Gharda Chemicals as Trainee Engineer in manufacturing and worked with Ranbaxy, Jubilant and Syngenta. He is also Co-Chairman of the Indian Chemical Council (ICC) EHS Committee, North Zone Chapter and has also been a Member of the CII's Climate Change Council and National Committee on Environment. He has more than 29 years of experience in Agrochemicals and Pharmaceutical companies in manufacturing and EHS (Environment, Health and Safety).

Mr. Pradeep Dinodia is a Non-Executive Independent Director (DIN: 00027995) of the Company. He is on the Board of the Company since 18.7.1994. He is the Chairman of Stakeholders Relationship Committee, Board Audit Committee and Nomination, Remuneration & Compensation Committee of the Company. He graduated in Economics with Honours from St. Stephens College, Delhi University and obtained his Law Degree from the same University. He is a Fellow Member of The Institute of Chartered Accountants of India and Chairman and Managing Partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is the Chairman of Shriram Pistons & Rings Limited and Non-Executive Director in Hero MotoCorp Limited and Hero FinCorp Limited. He is an Independent Director of DFM Foods Limited and JK Lakshmi Cement Limited. He is Chairman of Audit Committee of DFM Foods Limited. He is the Chairman of Risk Management Committee and CSR Committee of Shriram Pistons & Rings Limited. He is the Chairman of Stakeholders Relationship Committee and IT Strategic Committee of Hero Fincorp Limited. He is the Chairman of Stakeholders Relationship Committee and Risk Management Committee of Hero MotoCorp Limited. He has co-authored a book "Transfer Pricing Demystified".

Mr. Vimal Bhandari is a Non-Executive Independent Director (DIN: 00001318) of the Company. He is on the Board of the Company since 13.5.2003. He is a Member of Nomination, Remuneration & Compensation Committee of the Company. He graduated in Commerce from Sydenham College, University of Mumbai and is a Member of The Institute of Chartered Accountants of India. He has a rich experience of 35 Years.

Mr. Sunil Kant Munjal is a Non-Executive Independent Director (DIN: 00003902) of the Company. He has been on the Board of the Company since 13.5.2003. He is the Member of Board Audit Committee, Corporate Social Responsibility Committee and the Nomination, Remuneration & Compensation Committee of the Company. He is the Chairman of Hero Enterprise with diversified business interests and Founding Trustee of the Serendipity Arts Foundation. He has been the President of Confederation of Indian Industry (CII) and President of All India Management Association (AIMA). He has also been on the Prime Minister's Council for Trade & Industry, the Narasimham Committee on Banking Reforms, the Skills and Labour Reform Committee and the Vijay Kelkar Committee on Indirect Taxes. He is deeply involved with education and skills and sits on the Boards of ISB, IIM Ahmedabad and SRCC. He Chairs the Doon School, BCM Schools and the Dayanand Medical College & Hospital. He is a Member of the Presidents Council at Univeristy of Tokyo. He is also the Chancellor of BML Munjal University. In 1999, India Today identified him as one of the Faces of the Millennium for business. He has got numerous awards and recognitions like the Jehangir Ghandy Medal for Social and Industrial Peace from XLRI Jamshedpur, the Udyog Ratna from Punjab for his contribution to industry. The Royal Society for Medicine, London has inscribed his name on the Wall of Honour for his contribution to affordable healthcare. He has a rich experience of 40 Years.

Ms. Ramni Nirula is a Non-Executive Independent Director (DIN: 00015330) of the Company. She is on the Board of the Company since 3.2.2015. She is a Member of Board Audit Committee of the Company. She retired as Sr. General Manager of ICICI Bank Ltd. Beginning her career with erstwhile ICICI Ltd. in 1976 in project appraisal division, she has held various leadership positions since then. She was a part of top management team instrumental in transforming ICICI Bank from a term lending institution into technology led diversified financial services group with a strong presence in India's retail financial services market. Ms. Nirula also held key position as Managing Director & CEO of ICICI Securities Limited, the Investment Banking arm of ICICI Bank Limited. She also headed the Corporate Banking Group for ICICI Bank. In addition, she was also responsible for setting up the Government Banking/Corporate Agri Group based out of New Delhi within the bank. She has more than 40 years of experience in the financial services sector.

Mr. Pravesh Sharma is a Non-Executive Independent Director (DIN: 02252345) of the Company. He is on the Board of the Company since 9.8.2016. He is a Member of Corporate Social Responsibility Committee and Board Audit Committee of the Company. He is a former IAS officer. Since taking voluntary retirement from the IAS, he has promoted two start-ups, which are attempting to build sustainable and inclusive agri value chains. He has an overall working experience of more than 34 years in food security, agriculture, rural finance, rural development and natural resources management.

Justice (Retd.) Vikramajit Sen is a Non-Executive Independent Director (DIN: 00866743) of the Company. He is on the Board of the Company since 9.8.2016. He is a Member of Corporate Social Responsibility Committee of the Company. He is a retired Judge of Supreme Court of India. He graduated in History with Honours from St. Stephen's College. He attained First Division in LL.B. from Faculty of Laws, Delhi University. He has a rich experience of 40 Years.

Mr. Sharad Shrivastva, a nominee of Life Insurance Corporation of India (LIC), is a Non-Executive Director (DIN: 01271854) of the Company. He is on the Board of the Company since 2.7.2014. He is a Graduate from Allahabad University & Associate Member of Insurance Institute of India. He joined LIC in the year 1983 and has worked in various branches, Divisional Offices, LIC Housing Finance Ltd., Insurance Institute of India and Zonal Manager, North Central Zone since then. Now he is working at the Corporate office of LIC of India as Executive Director. He has more than 36 years of experience.

Senior Executive Team

The Company is organized into strategic business units managed by professional managers. The DCM Shriram management team has a strong, credible image in the industry. The key members of the DCM Shriram Group Executive Team are listed below:

Mr. Ajay S. Shriram
Chairman & Senior Managing Director

Mr. Vikram S. Shriram
Vice Chairman & Managing Director

Mr. Ajit S. Shriram
Joint Managing Director

Mr. K.K. Kaul
Whole Time Director

Mr. K.K. Sharma
Whole Time Director (EHS)

Mr. A.K. Awasthi
Chief Executive – Hydro Business

Mr. J.K. Jain
Executive Director & CFO

Mr. R.L. Tamak
Executive Director – Sugar Business

Mr. Shekhar Khanolkar
Executive Director & CEO – Chemicals Business

Mr. Sushil Baveja
Executive Director – Corporate HR

Mr. Premdas Satsangi
Executive Director & Resident Head - Kota & Business Head (Plastics & Power)

Mr. Aditya A. Shriram
Executive Director – Chemicals Business

Dr. Sharad Sharma
President – Bioseed South Asia

Dr. Paresh Verma
President - Bioseed South East Asia & Research Director – Bioseed Research India

Mr. Vinoo Mehta
President and Business Head – Fertilisers & Cement

Mr. Saket Jain
Business Head – Fenesta™ Building Systems

Mr. Sanjay Chhabra
President & Business Head – Shriram Farm Solutions

Mr. Ankush Kaura
Chief Information Officer

Mr. Sreekanth Chundi
Head BPA

Mr. Sridhar Kumar Namburi
Head – Internal Audit & Risk Management

Mr. Nitin Jain
Chief Strategy Officer

Mr. Sameet Gambhir
Company Secretary

Subsidiaries

Mr. Sanjeev Bhambi
Country Head – Bioseed Vietnam Ltd.

Mr. Devadatta Sirdeshpande
Country Head – Bioseed Research Philippines Inc.

Mr. Joseph Abraham Anand
Country Head – PT. Shriram Seed Indonesia

Joint Venture

Mr. Rajiv Arora
President & Business Head – Shriram Axiall Pvt. Ltd.

Management Discussion and Analysis

Performance Review

During the year, the Company witnessed growth in financial as well as operating performance. Chlor - Alkali business continued to become stronger with economies of scale and consistent improvement in power efficiencies. Sugar business still experiencing difficult price situation however, relief has come in the form of a higher MSP by the government at Rs. 31/Kg. Addition of distillery operations to the sugar segment helped boost the profitability. Other businesses continued to perform robustly.

The Company commissioned new capacities across different business segments. Caustic capacity at Kota expanded from 330 TPD to 498 TPD accompanied with an increase in capacity for Flaker (Increase of 150 TPD at Kota plant) and SBP. At Caustic plant in Bharuch, 60 TPD of aluminium chloride plant was commissioned as a downstream chlorine utilization product. In Sugar, we expanded our crushing capacities and Co-gen Power in Hariawan Unit by 5000 TCD & 30 MW respectively. Our cash generation and Balance sheet are comfortable which enables us to look at further growth initiatives.

- Total Revenue from operations stood at Rs. 7771 crore vs Rs. 7007 crore last year.
  - Chemicals business revenue grew by 21% to Rs 1915 crore. This was driven by higher volumes with high capacity utilization at Bharuch plant and expansion at the Kota plant midway in the last fiscal along with higher realisations at both places.
  - Sugar Business revenue was up by 18% to Rs 2353 crore with operations now including distillery operations as well.
  - Fenesta Business revenue was up by 15% to Rs.390 crore with higher volumes
  - Agri Input businesses' revenues were up 2% at Rs. 2230 crores.
- Profit before depreciation, interest and tax improved to Rs. 1456.3 crore up 34% over last year with different businesses contributing as below:
  - Chemicals Business PBDIT stood at Rs. 973 crore, an increase of 24% from Rs. 784 crore, led by higher volumes with high capacity utilization at Bharuch plant & higher realisations. Rising cost of captive power due to higher coal prices marginally restricted the improvements.
  - Sugar Business PBDIT stood at Rs.399 crore, an increase of 217% due to a considerable contribution coming from the distillery operations.
  - Fenesta also witnessed an improvement in the earnings by 45% while fertilizer business earnings declined by 68%.
  - Overall PBDIT margins improved to ~ 18% from ~ 16% last year.
- Finance Costs - Finance costs for the year increased by 43% to Rs. 119 crore.
- PAT increased to Rs 906 crore, up 35% from Rs 670 crore last year.
- EPS for the year at Rs 57.1 up from Rs 41.2 in FY 18.
- Net Debt as on March 31, 2019 stood at Rs. 1265 crore vis-à-vis Rs. 653 crore as on March 31, 2018. Net Debt to equity stood at 0.36x as on March 31, 2019 vs 0.22x as on March 31, 2018.
- The Board of directors have recommended a total dividend of 490 % for the year as compared to 410% in previous year.
- Project Completed in FY 19 at an investment of ~ Rs. 467 crore -
- Sugar - Expansion of Crushing and Co-gen Power in Hariawan Unit by 5000 TCD , 30 MW respectively at an investment of ~ Rs.324 crore
- Chlor-Alkali -
  - Kota - Capacity Expansion of Caustic Soda Plant by 168 TPD alongwith 150 TPD of flaker and 48TPD of SBP at total investment of Rs.112 crore
  - Bharuch - Commissioning of 60 TPD Aluminium Chloride Plant at an investment of Rs.31 crore
- New Projects - The following projects currently underway, progressing as per schedule
  - Bharuch -
    - Capacity Expansion of Caustic Soda Plant by 332 TPD at an investment of Rs.177 crore to be commissioned by Q1 FY'20
    - Capacity expansion of Caustic Soda Plant by 700 TPD (along with 120 MW Captive Power plant and Flaker capacity expansion of 500 TPD) at an investment of Rs. 1070 crore.
- Plastics - PVC Expansion at Kota by 40 TPD at investment of Rs.32 crore expected by Q3 FY '20
- Power - Replacement of 50 MW Coal based Power generation at Kota by 66 MW Power Plant at an investment of Rs. 240 crore expected by Q3 FY '20
- Sugar - Setting up a distillery with capacity 200 KLD at Ajbapur at an investment of Rs. 300 Crore

Business - Wise Performance Review and Outlook

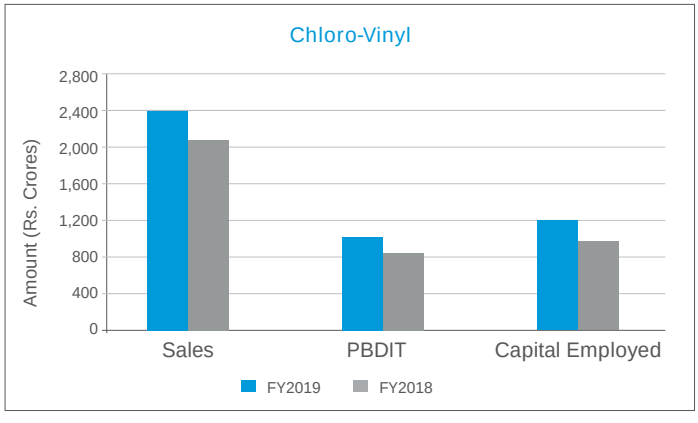
Chloro - Vinyl Businesses

DCM Shriram's Chloro-Vinyl business is highly integrated supported by 209 MW coal based power facilities. This business has multiple revenue streams with Chlor-Alkali (Caustic Soda and Chlorine), Plastics (PVC resins and Calcium carbide). These multiple revenue streams lend stability to Chloro-Vinyl operations.

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY 19 are as follows:

Particulars	FY 19 (Rs/Crores)	FY 18 (Rs/Crores)
Revenue	2502.7	2154.9
PBDIT	1067.1	887.7
Capital employed	1301.4	1058.8



- Chloro-Vinyl segment's revenue stood at Rs. 2,503 crore as compared to Rs. 2,155 crore last year. The improvement was a result of higher Chlor -alkali volumes post completion of expansion project in the current fiscal year & higher realisations.
- Selling prices of Chlor-Alkali were higher on account of firm Caustic Soda Lye Prices with international prices and considerable improvement in Chlorine prices as well. PVC and carbide prices also went up.
- Input costs of Power and carbon material have risen, impacting the margins. Operating efficiencies have improved post completion of expansion and modernization.

Chlor-Alkali

Chlor-Alkali (Chemicals) business produces core chemicals viz. Caustic Soda, Chlorine, Hydrogen, Hydrochloric acid and Stable Bleaching Powder, which are widely used in manufacturing processes of other industries. The growth of this business is largely correlated to the GDP growth in the country. Caustic Soda and Chlorine are produced as Co-products in the ratio of 1:0.88. Caustic Soda is used in Alumina, Paper, Textiles, Detergents, Pharmaceuticals industries etc. and Chlorine is used in Polymers, Dyes & inks, Agro-chemicals, Water treatment etc. The prices of Caustic Soda are influenced by international prices as well as domestic demand supply factors. Chlorine Prices are driven only by local demand supply factors.

The company operates manufacturing facilities at Kota (Rajasthan) and Bharuch (Gujarat). With the successful completion of its expansion project at Kota in 2018-19, the aggregate production capacity of the Company is presently at 1511 TPD. Caustic Soda flaking capacity also expanded during the year from 350 TPD to 500 TPD. DCM Shriram is the second largest manufacturer in the domestic Chlor-Alkali Industry and the Bharuch facility is the largest single location Chlor-alkali manufacturing unit in India. Both the manufacturing units have access to close to 100% captive power, based on coal.

Business Performance

The Revenue, PBDIT and Capital Employed for this business for FY 19 along with quantitative data are as follows:

Particulars	FY 19 (Rs/Crores)	FY 18 (Rs/Crores)
Revenue	1914.7	1,584.3
PBDIT	973.3	783.7
Capital employed	1138.2	922.5

Year	Sales (MT)	Realizations (Rs./MT)
FY 19	4,64,918	35,696
FY 18	4,26,522	31,821
%Change	9.0	12.2

Company was able to utilise the entire chlorine output from Bharuch plant, leading to near 100% capacity utilisation. Further, operations at both Kota and Bharuch facilities continued to run optimally leading to higher production. Chlor Alkali revenue increased by 21% YoY in FY 19, mainly on account of higher volume from the expanded capacities at Bharuch and even at Kota unit post completion of capacity expansion project to add to the higher realisations. Energy costs are on an increasing trend.

Industry Overview and Outlook

The Chlor- Alkali industry in India has 35 operating units with a combined installed capacity of 3.94 million Tons per annum of Caustic Soda. The Top four players comprise about 60% of the total installed capacity. The domestic demand for Caustic Soda and Chlorine in 2018-19 is estimated to be about 3.6 million Tons per annum and 2.9 million Tons per annum respectively. The imports of Caustic Soda remained same as earlier year. The demands of both the products are linked to the Indian GDP growth because these products are considered as the building blocks of various other industries. As GDP is poised for a higher growth, the demand of these products is also expected to increase.

Our Strategy

Company remains committed to capitalize on the growing demand in the sector by constantly upgrading production capacities. Even, post expansion over the last 2 years, we have had higher capacity utilizations at both Bharuch and Kota plants. The company plans to sustain and improve capacity utilizations in the coming years as chlorine market improves along with adding downstream products for chlorine utilization. Further, Chlor-Alkali capacity expansion at Bharuch by 332 TPD with an investment of Rs 177 crore is expected to be commissioned in Q1, FY'2020 and another 700 TPD at an investment of 1070 crores is expected to be commissioned by Q1 FY'2022. Capacity expansion at our Kota unit at an investment of Rs. 112 crore was completed in Q3, FY'2019. In addition, the company also commissioned a 60 TPD Aluminium Chloride plant at Bharuch with an investment of about Rs 31 crore, and will continue exploring possibilities to increase the portfolio of chlorine downstream products to strengthen our capability to manage fluctuations in chlorine prices and further strengthen the business.

Plastics

The business involves manufacturing of PVC Resins and Calcium Carbide. The company is one of the oldest manufacturers of PVC Resins in the country with over five decades of experience in the business. The Plastics business is an integral part of the Chlor-Vinyl manufacturing facility at Kota with integration in terms of own Captive Power, Chlorine and Calcium Carbide. The Calcium Carbide manufactured by the company is partly sold as merchant Carbide and large part is converted to Acetylene which is used for the manufacture of PVC Resins. DCM Shriram Ltd. is the only company in the country which manufactures PVC Resin through the Calcium Carbide route as against the Ethylene route which is being followed by most of the countries worldwide except in China. The Carbide route provides us complete integration from base raw material to finished resin in the Vinyl value chain.

PVC Resin is a widely used raw material owing to its safe, healthy, convenient and aesthetical advantage for applications in urban

infrastructure, Electronic products, Consumer products, Irrigation etc. It is a thermoplastic with 57% chlorine and 43% carbon, making it excellent fire-resistant material. Almost 73% of PVC resins are used for producing pipes & fittings for use in Agriculture & Construction in India. The other key drivers for PVC Resin is the rise in micro-irrigation and growth coming from applications other than pipes such as packaging, profiles, pharmaceuticals segments, etc. which are expected to account for a higher share of the demand for PVC Resins.

India's per capita PVC consumption is ~2.4 kg which is low compared to ~11.8 kg in US & over 10 kg in China. With steady rise in demand and promising prospects in the downstream agriculture & construction sectors and high dependence on imports, India is likely to remain at the forefront of the global PVC market.

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY 19 along with the quantitative data is as follows:

Particulars	FY 19 (Rs/Crores)	FY 18 (Rs/Crores)
Revenue	588.0	570.7
PBDIT	93.9	104
Capital employed	163.2	136.3

	PVC Resins		Carbide	
Year	Sales (MT)	Realizations (Rs./MT)	Sales (MT)	Realizations (Rs./MT)
FY 19	58,438	75,538	24,896	52,681
FY 18	61,868	70,304	23,867	44,057
% Change	-5.5	7.4	4.3	19.6

The revenue for the business was at Rs 588 crore as against Rs 571 crore last year. The business revenue was driven by higher ratio of carbide sales to PVC sales as compared to previous years due to improvement in payback on carbide owing to substantial increase in realizations in this financial year.

However, PBDIT for the business was lower by 10% year-on-year at Rs 94 crore mainly on account of a substantial jump in raw material prices that erased a proportion of gain that came from improved realizations.

Financial year 2018-19 witnessed a significant jump in in energy prices such as Coal, etc. and also the restricted availability of linked coal to private players put an upward pressure on the cost of power generated.

Industry Overview & Outlook

The PVC Resin installed capacity in India currently stands at ~1.45 million metric tons per annum. As against this, the domestic demand has been growing steadily & has reached ~3.2 MTPA in FY19 and is further projected to grow considerably in FY20. The gap in demand and supply, which currently stands at greater than 50% of our total demand, is being met by the import of PVC Resin. Since there are no major capacity addition announced in India, increased demand will be met by Imports.

The continued focus of the Govt. on building infrastructure - development of smart cities, rural housing and Agri-asset creation, rapid urbanization and other initiatives like investments in rural sanitation is expected to fuel growth of the PVC industry in India over the next several years.

The Calcium Carbide demand in India is around 84000 MT in FY 19, a drop of ~5% from FY 18. We are currently having ~ 30% market share in the country, up from 27% last year. The industry witnessed a demand drop as Magnesium based desulphurization (DS) compounds are supplanting Calcium Carbide DS compound in the steel industry. Also, Dissolved Acetylene (DA) gas market has remained stable.

Our Strategy

The company is focused on maximizing product volumes given the higher net pay back per unit of power from the sale of PVC resin and Calcium Carbide and implementing cost reduction initiatives to support the business' profitability. Couple of projects under progress were replacement of old 50 MW Captive Power Plants by new 66 MW Power Plant at Kota and de-bottlenecking of PVC plant by 40 TPD, which will be completed by Q3 FY 2020.

Sugar

DCM Shriram is a major player in the domestic sugar industry based out of the State of Uttar Pradesh. The company operates four sugar units located in central U.P. at Ajbapur (10,500 TCD), Rupapur (6,500 TCD), Hariawan (13,000 TCD) and Loni (8,000 TCD) with a total crushing capacity of 38,000 TCD. These four units have a total power cogeneration capacity of 141 MW of which 84 MW of power can be exported. These four units are also supported by 150 KLD Distillery and a 700 TPD refinery at Hariawan Unit.

Board also approved a 200 KLD distillery at Ajbapur last year where work has already started and the distillery is expected to commission by Q3 FY 2020.

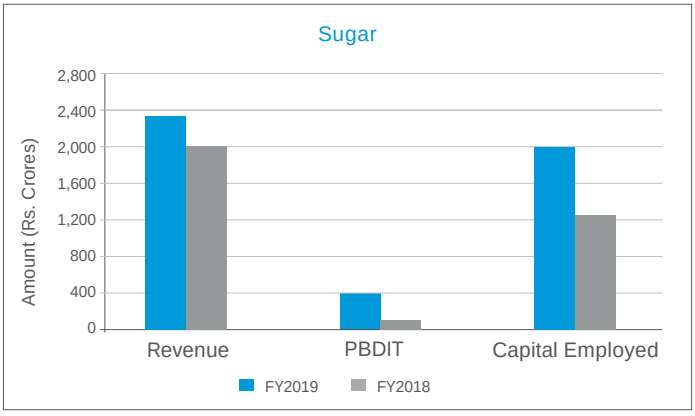
Business Performance

The Revenue, PBDIT and Capital Employed for this business for FY 19 along with the quantitative data are as follows:

Particulars	FY 19(Rs/Crores)	FY 18(Rs/Crores)
Revenue	2,353.0	1,988.0
PBDIT	398.8	126.0
Capital employed	2,039.0	1,289.6

Year	Sales (Lac Quintals)	Realizations (Rs./Qtl)
FY 19*	55.41	3,036
FY 18	48.48	3,566
% Shift	14.3	-14.9

* Excludes export of raw sugar of 9.1 lac qtl @ Rs 2220 per qtl.



Operating Parameters

Particulars	Unit of Measurement	FY 19	FY 18
Financial Year			
Cane Crushed	Lac Quintals	567.0	488.5
Recovery Rate	%	11.77	11.08
Sugar Produced	Lac Quintals	66.8	54.0

- Top line growth is attributable to start of distillery operations in 2018-19 and higher sales volume of sugar in spite of lower sugar realizations.
- PBDIT increase can be largely attributed to start of distillery operations in 2018-19 and higher margins on LY sugar stock valued at Rs 2850 per qtl along with cane price subsidies.
- Crushing operations of SS 2017-18 extended till June 2018 due to more than expected yields, thereby contributing to higher crush in this year. This SS 2018-19 though cane availability has reduced across Uttar Pradesh and crush is expected to be lower by ~ 10%, however we carried out expansion at Hariawan of 5000 TCD which benefitted in terms of higher crush volumes in this year.
- Sugar recovery was substantial higher on account of extensive cane development activities, favourable agro climatic conditions and performance of a variety Co0238.

Industry Overview and Outlook

The Indian Sugar Industry is the second largest producer after Brazil and the largest consumer of sugar in the world. In domestic context, sugar is the second largest agro based industry supporting over 50 million farmers along with indirect employment to rural population. It is estimated that about 7.5% of the rural population in India is involved with the sugar industry.

Indian Sugar Industry is highly fragmented with private sector, Government undertakings, Co-operatives, and unorganized players. Unorganized players are mainly involved in production of Gur and Khandsari, the less refined form of sugar. The crushing period varies from region to region beginning in October/ November and goes on till April/ May in all states except in southern states like Tamil Nadu, Andhra Pradesh where it continues till July/ August.

Globally balance sheet for 2017-18 was in surplus by 7.3mt mainly due to better than expected yields in India & Thailand, crude prices also favoured ethanol production in Brazil. This year in 2018-19 we are expecting a deficit of ~ 1.7 mt. Prices in international market of whites had reached to ~ 300 $/t and raws ~ 10 c/lb levels somewhere in September 2018; these prices have corrected since then and are trading at 340 $/t & 12.50 c/lb respectively.

2018 was a good year for the Indian sugar industry with favourable Government initiatives like fixing MSP for sugar, promoting ethanol from B Heavy molasses & directly from cane juice.

As per latest estimates by sugar association and industry there are indications of production of 32+mt and consumption of 26mt in 2018-19. Exports are likely to be in the range of 3 mt.

Ethanol: India recommends 10% blending (against mandated 5%) and accordingly OMCs issued a total requirement of 3.29 bl in 2018-19 against which allocation of 2.59 bl done. Blending expected around 8% in 2018-19. Ethanol prices have also been increased considerably

The impact has been even higher considering that the import duty in some

No	Product	2018-19	2017-18
1	Final Molasses	43.46	40.85
2	B Heavy	52.43	47.13
3	Cane Juice	59.13	47.13

States of Rs 3 per ltr has been abolished.

Our Strategy

Sugar business has been working for the last couple of years on building a fully integrated sugar complex having a capability of capturing full downstream value for all its four sugar factories. Now our key focus areas are

1. Focus on improving productivity and quality of sugarcane through dedicated cane development efforts, thereby benefitting both farmers in terms of higher yields and mills in terms of better recoveries & volumes.
2. Focus on sweating existing assets and drive operational efficiencies across all business lines
3. Further evaluate options of value addition through integration.

Shriram Farm Solutions

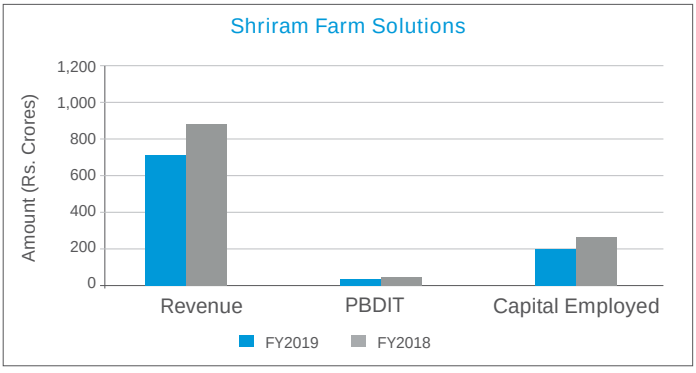
The business strives to provide complete solutions to the farmer ranging from products to agronomy. The product portfolio includes Value added inputs such as Seeds (GM, Hybrid and OP), Crop Care Chemicals (Insecticide, Fungicide and Herbicide), Soluble Fertilizers, Micro-Nutrients etc and Bulk Fertilizers like SSP & NPK. The business is supported by a strong extension program called the SKVP (Shriram Krishi Vikas Program). This program, apart from being an Agronomy services platform providing latest technology and practices to the farmers and the Channel, also focuses on meeting its social responsibilities. The company lays strong emphasis on strengthening its customer interface which will help in capturing the evolving trends in Agriculture and leverage technology to

enhance performance of the Business, the Channel and the Farmer. The business is supported by a strong distribution network spread across 17 states, reaching out to ~ 1.0 million farmers and ~ 35,000 retailers. The Company sells these Agri-Inputs under brand 'Shriram' which is known for quality and has a strong brand image within the farming community.

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY19 are as follows:

Particulars	FY 19 (Rs/Crores)	FY 18 (Rs/Crores)
Revenue	716.6	888.1
PBDIT	41.1	52.1
Capital employed	206.1	272.6



- Revenues in FY 19 stood at Rs. 717 crore, down from Rs. 888 crore last year. This was mainly on account of low Volumes in Bulk Vertical. Revenue of the 'Value Added' inputs vertical was marginally higher than last year.
- PBDIT for FY 19 was marginally lower at Rs. 41 crore from Rs.52 crore , primarily due to winding down cost of Bulk fertilizers. Although,the Value Added business reported better margins.

Industry Overview and Outlook

Over the medium term, the Agri-inputs sector in India is poised to witness strong growth given the macro factors such as population growth , rising per capita income that are leading to rapid rise in growing demand for food.

Our Strategy

Company is focussed on driving growth in the "Value Added" business through differentiated new technology products. To achieve this, company plans to strengthen its Research & Development, create partnerships with leading global players and enhance its market reach.

We believe, that these steps will enable the business to achieve healthy growth in the medium term especially in the 'Value Added inputs' segment.

Bioseed

Bioseed is a Research oriented organization and believes in serving the farmers by providing high quality hybrid seeds with desired traits. It is a business with end to end integration which involves research, production, processing and marketing.

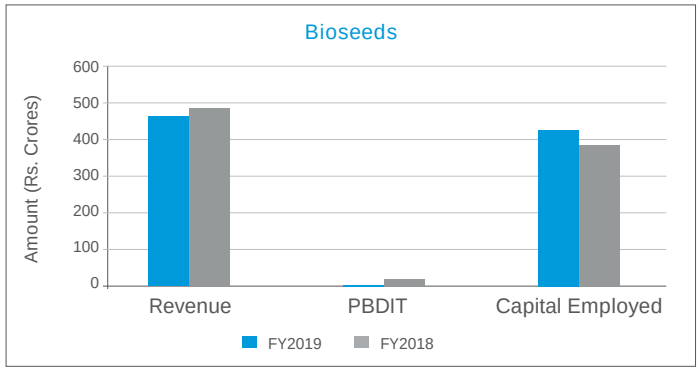
The key crops that we deal in India comprises of BT cotton, Corn, Paddy, Vegetables among others. In international markets of Philippines, Indonesia and Vietnam we deal primarily in corn and are developing market for paddy. Our distribution network is wide spread across regions and continues to grow as we increase our volumes.

We have our research stations in all major agro-climatic regions, to cater to farmers in the respective regions. We spend about 8-10% of our revenue on research activities. This has led to a healthy product pipeline. The product development is not only focused on providing high yielding hybrids, but also meeting other challenges, such as pest resistance, disease tolerance, salinity and drought tolerance. The Company has got into various research alliances to further strengthen its capabilities.

Business performance

The Revenue, PBDIT and Capital employed for this business for FY18 are as follows:

Particulars	FY 19(Rs/Crores)	FY 18 (Rs/Crores)
Revenue	472.3	493.0
PBDIT	7.7	25.3
Capital employed	433.0	389.0



Bioseed Revenues in FY 19 stood at Rs 473 crore vs. Rs 493 crore last year.

Both, Indian and international operations witnessed decline. Revenue for Indian operations declined to Rs. 390 crore from Rs. 404 crore last year. In International operations, revenue decline to Rs.82 crore from Rs. 89 crore. In the previous year. Phillipines has shown a sharp improvement, However, Vietnam and Indonesia have witnessed de-growth.

Our Strategy

Research and development are the foundation of this business and we continue to strengthen it, to ensure medium to long term sustainable growth in the business. These efforts have enabled us to develop a robust pipeline of products, which meet the evolving needs of the farming community such as tolerance to climate variations, disease and pests. The company is continuously taking all necessary steps to strengthen conventional breeding as well as biotechnology related initiatives. The Company has an applied biotechnology research program which is focused on supporting breeding programs through the use of latest molecular and bio-informatics tools, as well as on developing GM and Non GM traits to meet various farming challenges.

The business is strengthening its product portfolio and intensifying

marketing efforts to create a demand pull for its products. The trade channel is also being enhanced.

International operations are going through tough times over last couple of years. We now expect that normal monsoons and new products introduced in the market current year should drive growth in the International operations.

Fertilizer (Urea)

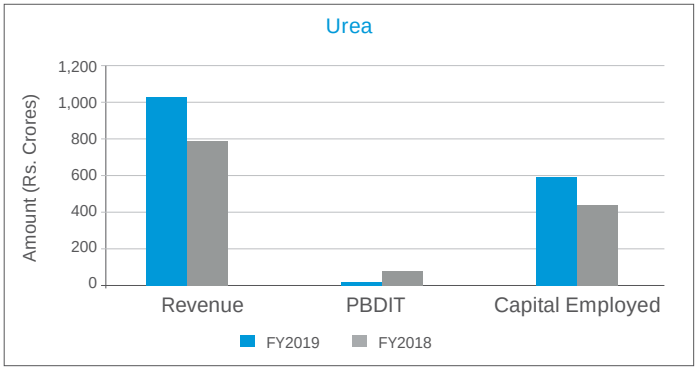
The company's Urea plant located at its integrated manufacturing complex at Kota, Rajasthan, is one of the oldest plants in the country with a reassessed capacity of 3,79,500 TPA of Urea. The company markets its products under the "Shriram Urea" brand. "Shriram Urea" a trusted name and enjoys high brand equity amongst the farmers. The Company has an extensive distribution network over the entire Northern and Central India.

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY19 along with the quantitative data is as follows:

Particulars	FY 19 (Rs/Crores)	FY 18 (Rs/Crores)
Revenue	1041.0	802.1
PBDIT	28.0	87.9
Capital employed	605.8	453.5

Year	Sales (MT)	Realizations (Rs./MT)
FY 19	3,94,755	24,782
FY 18	4,04,548	19,360
%Change	-2.4	28.0



The Urea production during the year 2018-19 was 3,89,632 MT.Business earning declined vis-a-vis last year mainly on account of freight arrears that were received for previous periods in the last Financial year. Also, provision made in current year relating to more than 3 years old claims for fixed cost reimbursement.

Industry Overview and Outlook

India is the second largest producer and consumer of Urea in the world. Urea is most preferred fertilizer and constitutes about 81% of entire 'N' fertilizer consumption in the country. Low farm gate price (fixed by government) and high nitrogen content has made it a preferred choice of the farmers. The gap between demand and supply of Urea has been meeting through imports. During 2018-19, urea imports were 74.5 Lac MT against 59.8 Lacs during 2017-18.

Our Strategy

The Company has been making continuous efforts towards improvement in energy consumption, maximising urea production as well as control on fixed expenses.

Other Businesses

Fenesta Building Systems

Fenesta is India's largest and most preferred UPVC windows and doors brand. Fenesta provides complete solution in terms of design, manufacture, fabrication, installation and service of precision-engineered, made to-order UPVC window and door systems. The company operates in two segments, i.e 'Retail' and 'Projects' (Institutional).

Business Performance

During the year, despite adverse macro environment, the business witnessed substantial improvement in performance and improved on its profitability at the PBT level.

The revenue stood at Rs. 390 crore in FY19 vs. Rs.341 crore last year. Overall Sales Volumes have grown by 7% YoY during the year.

Our Strategy

In 'Retail', Our Strategic focus area is to provide Exceptional Customer Experience and Offer Comprehensive Product portfolio resulting in Enhanced Sales Volumes. Fenesta will have continued focus on Geographical Expansion and Channel Expansion. We are targeting to Improve Channel Productivity and Sales Effectiveness, which is expected to result in better conversion rates and increase in overall sales.

In 'Projects' our focus is on establishing relationship with key accounts (Builders, Commercial, Industrial, Educational Institutions, Hospitality and Healthcare) and continue to achieve profitable growth.

In order to cater to increased volumes, various actions have been initiated to improve the production capacities and capability building across the organisation.

Cement

The company operates a Cement plant with a capacity of 400,000 TPA located at its integrated manufacturing facility at Kota. Calcium hydroxide sludge is generated in the process of manufacturing PVC resins through calcium carbide route, which is then converted to cement in an environmentally friendly manner using 'wet' process.

The Company produces high quality, premium grade Pozzolana Portland Cement and Ordinary Portland Cement. The Cement is characterized by light colour, superior strength and early setting properties. These characteristics have made "Shriram Cement" to be considered as a premium brand especially in markets like Delhi/NCR and Rajasthan.

Business Performance

Revenue of the cement business stood at Rs. 159 crore vs. Rs 176 crore last year. This decrease of 10 % was on account of lower sales of traded cement. While the efficiencies have improved the increase in input costs of coal, limestone and power are putting pressure on costs.

Our strategy

The business is focused on further improving its efficiencies and optimizing its cost structure along product mix for generating higher returns. Trials are being conducted to increase usage of Calcium

Hydroxide sludge. Also , the plant is working on usage of bio mass as an alternate fuel in Cement Kiln.

Hariyali Kisaan Bazaar

The Company has limited its operations in this business to fuel retailing at the existing outlets. The Retail operations were rationalised in 2013. The company plans to close this activity and is expected to take another 2-3 years.

PVC Compounds - under Joint Venture

The business is housed in a Company called Shriram Axiall Private Limited which is a 50:50 Joint venture with Axiall LLC USA (a Westlake Company). It is one of the largest commercial PVC Compounder in India.

The market of PVC compounds which is around 0.7 Mn MT is split equally between self and merchant compounding. In terms of the total market split wire and cable business constitutes around 75% of the total market size by volumes with Medical and Automotive constituting around 7% each of the total merchant compounding market.

Major share of the volume approximately 70% continues to be small scale and MSME suppliers, however recently some investments were made by Mexichem for compounding a variety of polymers including PVC at their Goa plant.

The business is jointly working with the JV partner (Axiall LLC/ Westlake) through its R& D facility known as iPAC (Innovative Plastic Application Center) to bring into India technologies and applications which can provide its customers.

An opportunity to work with new age PVC compounds which can even replace engineering Polymers in some selected case. This would provide our customers to replace some of the polymers which are imported today and provide them with higher flexibility beside cost competitiveness.

The manufacturing facility is equipped with modern compounding technologies and stare of the art testing equipment's in order to provide a vast range of high quality PVC Compounds to customers in different industries.

The Strategy platform for growth of the Joint venture is the transfer of technology from Axiall LLC, USA to India and focus on adding new engineered Vinyl applications in India. The Joint Venture is working on expanding its product basket with introduction of new compounds and also evaluating addition of product lines at an appropriate time.

Business Performance

The Company's total revenues during the year were accounted at Rs. 167 crore. The Company plans to expand its reach through exports to the regions of GCC, SAARC and African countries. The Company is exploring new avenues of market segments which would be mainly Engineered Vinyl Products.

Opportunities, Threats, Risks and Mitigants

The Company being a conglomerate is exposed to various opportunities and risks.

Opportunities:

- Chloro Vinyl (Basic industrial chemicals/polymers) where Opportunity/growth is linked with overall GDP growth / manufacturing growth. Improved demand scenario has presented opportunity for higher utilizations even with increased capacities. Besides growth in main products, it offers opportunities for forward integration in a variety of products.
- Agri-Inputs
  - The Agri-inputs business of Bioseed and Shriram Farm solution will have opportunities over medium to long term in the form of rising demand for food in the country leading to a need for higher productivity and resistance to climate, disease and pests for crops. Approval to GM technology in India for crops such as corn, vegetables as and when it happens, will foster growth of hybrid seeds.
  - Presence of company's seed business in overseas markets of Philippines, Vietnam and Indonesia provides opportunity to the business to grow along with the growth in Agri sector in these countries
- Sugar - Sugar business segment of the company provides multiple expansion opportunities in the form of distillery operations.
- The company's Fenesta Building Systems business provides it opportunities in existing windows business through product innovation as well as in related building products.
- Strong brand in all businesses, which enjoy high level of Trust and Credibility with customers including farmers.
- Comfortable financials with healthy cash flows and good credit track record provides ability to continuously invest in growth.

Risk, threats and mitigants:

- Businesses such as Sugar, Fertiliser and parts of Bioseed business segments are exposed to risk of regulatory intervention. Exposure to these businesses is kept at reasonable level. Further, we alongside with other industry participants and associates work with regulatory agencies on continuous basis to ensure a policy framework which benefits farmers (key stakeholder in all these businesses), consumers and industry.
- Substantial delay in payment of fertiliser subsidy bills by the Government increases the borrowings and hence the interest costs. The Company manages its working capital and tries to keep overall debt at low levels to enable handling such risks
- Businesses like Chloro-vinyl are energy intensive. Rising energy costs as a result of rising international and domestic coal prices, freight, duties and levies, is increasing the cost of production. We continuously work and invest in improving our technology, efficiencies, fuel mix and sourcing, to ensure that overall cost of production is competitive.
- Chemicals, Plastics, Cement and Sugar are commodity products, hence their prices are led by global commodity prices along with domestic demand and supply position. The Company focuses on being amongst the lowest cost producers in these businesses.
- Compliance - Increasing regulatory enactments has brought in the need for additional compliances. With various statutes and regulations, non-compliance may not only lead to monetary penalties but also have an impact on the reputation of the organisation and the goodwill it enjoys. The risk is mitigated through regular monitoring and review of changes in the regulatory framework to ensure compliance with all the applicable statutes and regulations.

Internal Control Systems and their Adequacy

Our business is run on SAP S4 Hana ERP, which provides complete integration of all transactions including financial transactions and statements. The key business processes and policies are documented. Risk Control Matrix (RCM) has been prepared for all the key processes and business transactions. Process adherence and compliance effectiveness of control matrix is tested at three levels i.e. by the Business Accounts Team, Corporate Internal Audit Team and then the External Internal Auditor. The statutory auditors also carry out their audit on processes and internal controls on financial reporting. The internal audit for all processes is carried out regularly as per the plan approved by the audit committee. The audit observations are discussed and monitored by Corporate Office as well as the Audit Committee regularly. The company has already implemented GRC (Access Control module) for access management and further also implementing GRC (Process Control module) which will further enhance the effectiveness of the internal control systems.

Human Resources and Industrial/Employee Relations

The Organisation has continued through the entire year its focus on building a great work culture, healthy relationships, enhancing capabilities to drive performance and leading initiatives to make a difference, along with creating a culture of vibrancy and high employee engagement. Developing people has been a key agenda for the Organisation like every year because of its ability to drive business performance and outcomes. The commitment of the Organisation towards People is strongly enshrined in the core values and beliefs of the Organisation and the related programs, policies and practices that have got institutionalized over the years.

Productivity and Optimisation

There has been an ongoing focus on driving productivity and optimization of resources on a sustained basis in the Organisation across all the businesses and units. There have been awareness programs and initiatives in all the businesses around building efficiencies in the entire work spectrum, raising standards of performance, improving quality of products and services and reducing costs. This is seen a key contributor to building competitiveness at the market place.

There is an increased focus on improving the engagement score and strengthening the managerial effectiveness across the different businesses in the organization. Focus on talent acquisition, strengthening the selection/onboarding process continues to be the cornerstone for improved employee engagement. Learning processes have been continuously redefined and consists of a blended approach of online/classroom training for greater effectiveness. There have been various CFTs, action learning projects, ideation initiatives and suggestion schemes to engage with the larger workforce to seek their inputs and involvement to reduce costs, improve productivity and profitability in line with the industry standards and benchmarks.

Capability Building

Building capability of employees has always been a significant driver of enhancing business performance on a sustained basis in the Organisation. Like every year, the company has continued to invest in imparting new skills, competencies and knowledge of its employees across all the levels in the various businesses. Employees have continued to go through structured training and development programs, attend some of the best in class programs, conferences and seminars. There have been focused efforts on overall upgradation of unique capabilities relevant to the businesses through structured and systematic learning programs, on the job training, job rotations, multiskilling, projects and assignments. All Competencies across the entire spectrum - technical, functional and behavioural - have been focused as part of the development programs. There has been an increased focus on defining and enabling the cultural shift required to better meet customer expectations and ensuring that all processes align with the shift alongwith a focus to internalize the new values coined by the company over the course of last year.

A conscious effort is being made to enable a performance culture and empower employees. Talent and leadership development has continued for the high potential employees of the Organisation based on the developmental needs of the individuals and Organisation. Mentoring and coaching programs have continued along with rotations of employees into new and different roles to give them a developmental exposure and learning for better career.

HR Initiatives and Interventions

One of the most significant interventions, alongwith pursing the on-going ones, has been the progress in adoption of the various Success Factor modules of SAP encompassing Recruitment & Onboarding, Goal and Performance Management, Learning Management System, E-Setu / JAM, CDP, Succession Planning. It is seen as a strategic initiative impacting the day to day experience of the employees, enhancing the effectiveness of HR processes & systems and creating a win-win situation for all the stake holders. The focus on leveraging the other initiatives like Talent & Leadership Development to build a talent pipeline for the future, Succession Planning for key leadership positions and Balanced Scorecard for a sharper focus on outcomes and deliverables has also been significant. The Organisation has also successfully outsourced its payroll processing and travel management in partnership with some of the best external agencies and firms. There has also been extensive work around following-up on the findings of the Engagement Study and implementing the action plan emerging out of the same to impact the various engagement drivers.

Employee / Industrial Relations

The focus on building cordial and harmonious relationship with employees of the Company has continued on a sustained basis. An environment of mutual trust, understanding and faith has been nurtured in line with the progressive philosophy of the Organisation to work in a collaborative way and build togetherness to achieve the larger goals of building a great institution and business Organisation. The core value of respect and dignity has been well institutionalized in the organization ensuring fairness, transparency and engagement. With every passing year, the organization has increased its focus on Employee health safety, responsible care, process safety and a cleaner and safer work environment.

The unique initiatives undertaken from time to time, alongwith an authentic people philosophy of the Company, has ensured that the workplace provided to the employees is engaging, positive and enabling. All this has led to the building of a facilitating ecosystem and ethos in the Company. It has ensured that employees give their best and align themselves fully to the business and organizational goals of the Company so as to create a bright future for every stakeholder.

Business Responsibility Report

[Under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L74899DL1989PLC034923
2. Name of the Company: DCM Shriram Ltd.
3. Registered address : 1st Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001
4. Website: www.dcmshriram.com
5. E-mail id : response@dcmshriram.com
6. Financial Year reported : 2018-19
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Code	Description
2011, 2012	Manufacture of Chemicals and Fertilisers
4620	Trade of Agri-inputs
2394	Manufacture of Cement
1072	Manufacture of Sugar
0164, 7210	Seed Processing Activities, Research Activities
2220	UPVC Window Systems
3510	Co-generation of Power

As per National Industrial Classification, 2008

8. List three key products/services that the Company manufactures/provides (as in balance sheet):
   - Caustic Soda (Chemicals)
   - Sugar
   - Fertiliser
9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5)

   The Company has subsidiaries outside India with operations in Vietnam, Philippines and Indonesia.

   (b) Number of National Locations

   The Company has business activities across India. Major plant locations of the Company are at: Ajbapur, Rupapur, Hariawan, Loni (U.P.), Bharuch (Gujarat), Kota, Bhiwadi (Rajasthan), Hyderabad (Telangana State) and Chennai (Tamil Nadu).
10. Markets served by the Company - Local/State/National/International

    National/International (By the Company/Subsidiaries)

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : Rs. 31.35 Crs
2. Total Turnover (Revenue from operations in INR) : Rs. 7684.38 Crs
3. Total profit after taxes (INR) : Rs. 906.83 Crs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2.56% of average Net profits of the Company made during the three immediately preceding financial years.
5. List of activities in which expenditure in 4 above has been incurred:-

   The major activities in which expenditure has been incurred include: (i) Preventive healthcare and Sanitation, (ii) Promoting education, Vocation skills, livelihood, (iii) Environmental sustainability (iv) Rural development

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   Yes. For details, Annexure-2 of Board's Report may be referred.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Yes. All Subsidiary Companies are encouraged to participate in the Business Responsibility (BR) initiatives of the Company and all foreign subsidiaries participate subject to applicable Indian and International laws. The details of Subsidiaries of the Company form part of the Financial Statements of the Annual Report.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   To the extent a BR initiative requires, the Company collaborates with all the relevant stakeholders including suppliers, distributors, local communities and others. Considering the diversity of BR initiatives of the Company, and the multiple stakeholders, on an overall basis, percentage of such other entities directly participating is estimated to be less than 30%.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR
   (a) Details of the Director/Director responsible for implementation of the BR policy/policies

   DIN Number : 00980318

   Name : Mr. K.K. Kaul

   Designation : Whole Time Director

   (b) Details of the BR head

   Led by Mr. K.K.Kaul, Whole Time Director, the following have been nominated as a Team to head the BR initiatives:

No.	Particulars	Details			
1	Name	Mr. K.K. Kaul	Mr. K.K. Sharma	Mr. J.K. Jain	Mr. Sushil Baveja
2	DIN No. (if applicable)	00980318	07951296	-	-
3	Designation	Whole Time Director	Whole Time Director (EHS)	Chief Financial Officer	Executive Director HR
4	Telephone No.	011-23316801	011-23316801	011-23316801	011-23316801
5	Email id	kkkaul@dcmshriram.com	kksharma@dcmshriram.com	jkjain@dcmshriram.com	sushilbaveja@dcmshriram.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner /CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://dcmshriram.com/company%27s-policies								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

* The Company continuously adopts and adapts its policies keeping in view standards and practices which are best in class nationally and internationally.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Director responsible for BR initiatives assesses the BR performance periodically once in 6 months.

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

BR Report is published annually as part of the Company's Annual Report, available at www.dcmshriram.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company's Commitment to ethics, and its policy of no bribery and anti-corruption covers the Company and extends to the entire DCM Shriram family including subsidiaries, joint ventures, Directors and employees. The policy extends to all consultants and third parties in relation to their engagement with the Company and transactions undertaken by them for and on behalf of the Company as part of the contract agreement. While entering a relationship, the Company takes into account the stakeholders' alignment to ethics, no bribery and anti-corruption.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The details of the Shareholders Complaints received and satisfactorily resolved during the past financial year are as disclosed in the Corporate Governance Report (Section E). In addition, the Company received customer complaints in the ordinary course of business which were resolved to the satisfaction of the customers.

Principle 2

Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(i) Cement

The Company's Cement production is primarily a waste recycle and resource conservation initiative. Hydrated lime sludge (Calcium Hydroxide Sludge) is generated during Acetylene production in the Company's chemical plant. Considering the challenge in disposing this sludge in an environment friendly manner, cement plant was established with technology from Lafarge Coppee Lavalin, France. Setting up of this plant addressed environmental concerns and is a sterling example of converting waste to wealth.

(ii) UPVC doors & windows - FenestaTM Building Systems:

The company is a leading producer of UPVC doors and windows under its brand Fenesta. These utilize PVC resins which addresses a major environment concern as otherwise a substantial number of trees need to be cut for construction of traditional doors and windows made from wood. The usage of UPVC doors and windows is also eco friendly as they improve indoor air quality by reducing noise and nuisance dust and it also saves power by reducing loads on air conditioners.

(iii) Sugar

The Company's integrated sugar business comprises of Sugar mill, Distillery and Bagasse based power plant. These are designed keeping in view social and environmental concerns. Entire captive power utilization is met from Bio-fuel (Bagasse) which is a by-product of sugar cane and captive power of ethanol plant is met from mixed fuel of Slop (waste of ethanol) and bagasse. Flue Gas Scrubber is installed which increases the calorific value of fuel of bagasse and lowers the emission levels. The ash produced from the Slop fired boiler is rich in potash and is an effective source of potassium for the soil. Surplus clean energy produced using bagasse is sold to the Grid for distribution. Further, wastes generated during sugar processing like boiler ash and press mud cake are used as organic manure and distributed to the farmers. The organic manure also enhances health of the soil. Excess water from cane produced in sugar processing is utilized in plant operations and irrigation purposes thereby reducing intake of net ground water. Ethanol produced from molasses is used for blending in petrol and thus serves as green fuel in mitigating the climate change risk.

(iv) Urea

The Company's Urea plant is India's first private sector plant based on Naphtha as key raw material. Later on, in 2007, feedstock was switched over to Natural Gas to manufacture premium quality Urea in an efficient and environment friendly manner, consistently winning awards for productivity, environment protection and safety. The Company manufactures Neem coated urea which prevents its unintended usage and promotes slow release of Nitrogen impacting positively on climate change mitigation and also as growth promoter for farmers. The Company also received Product Stewardship Certificate under Protect & Sustain initiative by International Fertilizer Association (IFA). During the financial year, Company received Gold medal by International Fertilizer Associations (IFA's) for achieving best performance in the area of Safety, Health & Environment in Fertilizer Plant.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company is continuously striving to follow best practices in conserving water by adopting various measures in all its operations to maximize water recycling using latest technology. Sewage is separately treated in Sewage Treatment Plants and utilized for irrigation purposes to reduce the demand for fresh

water intake. The Company has implemented rain water harvesting projects inside the premises as well as off-site around the sites to conserve water and rejuvenate ground water by adopting ponds in the villages around which we operate. There has been a considerable reduction in terms of water, energy and raw material consumption year on year. The Company has achieved resource conservation in each such product, as below:

(i) Cement

(a) In the last two decades fresh water consumption has reduced substantially by about more than 60% and there has been a reduction in treated waste water discharge by more than 90% at our Kota complex. As compared to the previous year in Cement plant, in the last financial year, 2 % reduction in water consumption is achieved. Also reduction in PM (Particulate Matter emission was achieved through installation of Electro Static Precipitator (ESP). The consumption of raw materials Hydrated Lime Sludge and Low grade Lime stone used in the Cement are also reduced by 6 % and 11 % respectively. In addition to this, fly ash generated from captive power plants is utilized in-house in Cement manufacturing.

During the year, as part of continual improvement, Kota Complex renewed IMS certification for ISO9001 (2015), ISO14001 (2015) and latest ISO45001 (2018) standard.

(b) Cement (Pozzolona Portland Cement) used by the consumers is a fast strength gaining cement that results in saving water required for additional curing days when compared using other cement.

(ii) Fenesta TM Building Systems- UPVC doors and windows

(a) Energy consumption during usage by consumers for running air conditioners and similar appliances reduces substantially with UPVC windows/doors. As per "Energy Star (USA)" 25% to 50% of energy loss is through fenestration by air leakage, conduction and radiation. At Extrusion stage, waste generated is approx. 6% which is crushed, grounded and recycled into raw material for extruding profiles to utilize the waste gainfully reducing its environmental impact. During the year, the Company received awarded as The Experts' Choice Award" for Windows and Doors Category, voted by 1750 leading Architects and Designers of the country. As part of continual improvement, Fenesta sites are certified for ISO9001 (2015), ISO14001 (2015) and ISO45001 (2018) during the year.

(b) UPVC doors and windows are energy efficient minimizing energy loss due to fenestration, and helps reduce energy bills by almost 7%-15%.

(iii) Sugar manufacture

(a) As compared to the previous year, in the last financial year, 22% reduction in fresh water consumption through various initiatives. The treated effluent from ETP is utilized for greenbelt and cane farm irrigation, thereby reducing the demand for ground water extraction for irrigation. 100 % treated effluent from Distillery is recycled into the process. During the year, energy consumption was reduced by approx. 2 % as compared to previous year due to better average crush of cane and energy reduction initiatives in our various sugar units.

(b) The Company puts continuous efforts in raising awareness among farmers to utilize water efficiently using best agricultural practices, non-chemical pest control and promoting use of bio-compost. This helps in providing better returns to farming community with increased productivity and saving water. In addition, it also enhances soil fertility, protect and preserve environment from undue chemicals.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

100%. The Company continuously strives for sustainable sourcing and encourages traditional modes of transportation. As explained already, input for company's cement plant is a waste from the chemical plant. Significant part of company's energy demand is met from agricultural waste (Bagasse). The Company also utilizes solar power for captive use partly. In sugar business, Sugarcane is being purchased from the small holder farmers which they grow in their respective fields. These sugarcane growers are member of Cooperative Cane Union and a Union of the farmers. Farmers are encouraged to transport the same using their own carts. Farmers are regularly educated on good farming practices to produce sugarcane by using less irrigation water, using Bio-Control measures for controlling Pests and diseases in sugarcane crop. This has resulted in saving of approx. 144 Billion litres of water in last two years. For distillery, 100% of molasses was sourced from our own sugar mills with pipeline transfer from Hariawan unit for sustainable captive utilization and through road transport from other sugar mills. Also we are recharging underground water in our factory locations by adopting rain water harvesting. Majority of raw material (sugarcane) is purchased from local farmers directly. Farmers are encouraged to transport the sugarcane using their own carts.

At Chemical complex at Kota, to meet the demand for mineral lime stone, an important raw material, for cement manufacturing, the Company procures low grade mineral lime stone from nearby villages, and utilizes calcium hydroxide sludge generated by its calcium carbide plant to meet the quality requirements. This has created a sustainable source close to the cement plant and resulted in employment and infrastructure development in the nearby villages. In addition, coal is received in rakes through rail transportation reducing road transportation thereby impacting positively on climate change mitigation. Furthermore, majority of the Urea & Cement are also transported through rail transportation. One of the key raw materials for Urea plant is Natural Gas which is transported through pipeline by Service Provider (GAIL).One of the main raw materials in Chlor-alkali manufacturing is salt which is obtained from nearby source at Dahej. In addition, the salt is also sourced from Bhavnagar. Thus, both these sources are capable of delivering raw material meeting the requirement both in terms of quality and quantity for sustainability of business. The Company organizes technical

training for better yield and quality to encourage vendors for supply of quality materials. The Company encourages and prefer suppliers who work on environmental conservation in a positive manner.

One of the key raw material for Fenesta is PVC Resin which is procured 100% in- house from PVC Plant of the Company.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company prefers procuring raw material and services from local and small producers. For its sugar business, it extensively engages with farmers for procuring sugarcane which is a prime raw material for sugar. Several cane development initiatives are continuously undertaken like free training to farmers, enabling utilization of new agriculture technologies, educating farmers to increase yield, and company providing good quality seeds, bio-pesticides, bio-manure at subsidized rates to help improve soil fertility. Furthermore, the transport of ethanol to the customers i.e. the Oil Marketing Companies (OMC) is outsourced to some small local players that are also included in the Logistic Service Providers.

   In cement, as explained above, the Company procures low grade mineral limestone from nearby villages and then upgrades its quality by utilizing calcium hydroxide sludge. In general the Company undertakes vendor development programs from time to time to promote skills and development of local contractors and service providers through training and community development.

   At majority of our sites, most engineering components and consumables are available locally with authorized distributors and dealers of specific brands. Items are sourced from them as per standard & negotiated terms & conditions.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   This has been explained in detail for major products already. In addition, the fly ash from power plant is also used in manufacturing cement. At carbide plant, the waste heat from flue gases is utilized to generate steam which is used in PVC & caustic soda plant. At PVC plant, steam condensate is used for cooling tower make-up. Low grade limestone which is a waste of mines is added to carbide sludge to produce cement. The Company focuses on effective integration of the basic philosophy of resource optimization, use of alternative sources and maximization of "recycle and reuse".

   In Cement plant, utilization of calcium hydroxide sludge generated during the process of manufacturing Acetylene is used approx. 15-16% of total raw material requirement. Effluent from Urea plant is recycled back to ammonia plant for using as Boiler Feed Water which is almost 9% of the total water consumption in the plant. 100 % Fly ash from captive power plant is used in cement manufacturing within the Kota complex.

   In sugar plants, entire press mud and ash are mixed for distribution to farmers as manure. During the financial year, molasses based distillery unit at one of its Sugar sites is operated utilizing the molasses waste generated from sugar mill for producing Ethanol. In distillery unit, slop is mixed with bagasse which is used in boiler as a fuel. Its Ash is rich in Potash and readily usable as manure. Entire treated water from ETP in Sugar mills is utilized for irrigation and treated water from Distillery unit is 100 % recycled in the distillery process thereby reducing net intake of fresh water.

   At Company's Bharuch site, 30% of effluent water is recycled into process and 100% waste chlorine is absorbed in caustic to produce sodium hypochlorite solution and Hydrogen gas is used in Caustic Soda Flaking plants and boilers as alternate source of fuel leading to reduction in coal consumption and CO2 emission reduction.

Principle 3

Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.

   5382 as on March 31, 2019 (On payroll employees)

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

   10824 as on March 31, 2019

3. Please indicate the Number of permanent women employees.

   143 as on March 31, 2019

4. Please indicate the Number of permanent employees with disabilities

   3 as on March 31, 2019

5. Do you have an employee association that is recognized by management?

   The two employee unions at the Kota Plant of the Company are recognized

6. What percentage of your permanent employees is members of this recognized employee association?

   Over 70% of the permanent employees at Kota Plant are the members of these unions.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

   No case is reported on child labour, forced labour, involuntary labour and sexual harassment during the year.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/ Temporary/Contractual Employees (d) Employees with Disabilities

   Safety and skill up-gradation training is a continuous process at DCM Shriram. As a policy all permanent employees are regularly provided basic safety training across the organisation. All employees of the company are encouraged to upgrade their knowledge and skills. The learning and training needs is shared between employees, their line managers and the HR function. All the company's permanent employees, including women and those with disabilities are covered.

   Percentage of employees covered for safety and skill development training during the year are given below:

   (a) Permanent Employe: 100%

   (b) Permanent Women Employees : 100%

(c) Casual/Temporary/Contractual Employees: Safety Training given to all (100%)

(d) Employees with Disabilities: 100%

During the year, the company received 5 Star Rating By British Safety Council for Occupational Health & Safety Management for Kota Complex.

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   Yes, the Company has a focused approach for identifying key communities, their needs and prioritising interventions. The key communities for the Company comprise areas in the vicinity of its manufacturing sites. Criteria for selection of key community are based on Company's Core Values & Beliefs, neighbourhood, potential impact on society and benefit to the marginalised and underprivileged. Their needs are identified through various listening and learning methods, and are prioritised based on parameters that help balance both the needs of the community as well as Company's long term strategic growth. Please refer CSR Report forming part of the Annual Report.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Yes. The Company follows an integrated development approach, specifically targeting the disadvantaged, vulnerable and marginalized stakeholders. DCM Shriram has consistently endeavored to focus on inclusive and collaborative growth, and all social initiatives aim to improve the quality of life, especially in areas near the Company's plants. The Company also has an agriculture extension process covering over 560 villages across 11 States with the objective of educating rural households on modern farming practices. The Company relentlessly enables better education, health care, agriculture/animal husbandry extension, better livelihood skills and employment for such stakeholders. The Company's CSR initiative in these villages also provides support to the education of girl children and scholarships to merit students. Spend on special programs and projects are undertaken under the Company's CSR initiatives. Please refer CSR Report forming part of the Annual Report.

Principle 5

Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

   Respect and human dignity is one of the core values of the Company. The Company's commitment to Human Rights permeates all its policies fostering fairness and dignity, treating everyone with respect, nurture understanding, empathy, care and trust in all relationships. The Company's commitment to human rights extends to all Companies in the DCM Shriram Family, joint ventures, suppliers, contractors and others.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   None with respect to human rights violation.

Principle 6

Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.

   Being socially responsible, addressing the needs of the community and environment is one of the core values of the Company. The Company's commitment to environment permeates all its operations and encompasses all Companies in the DCM Shriram family and joint ventures. The Company encourages all its suppliers, contractors and others to have a strong focus on the environment.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Yes. As explained above, the Company focuses on resource conservation like clean water, reducing dependence on non-renewable energy sources, and promoting clean energy for its energy needs. Tree plantation and green belt development is undertaken in and around operating units. Studies are undertaken periodically to assess impact of operations on environment and biodiversity. As part of commitment towards conservation and sustainable management of biodiversity in the business operations, the Company is signatory of India Business Biodiversity Initiative (IBBI) by CII-ITC Centre of Excellence for Sustainable Development (CESD) and supported by Ministry of Environment, Forests and Climate Change (MoEFCC). Use of biomass for co-generation of power and steam is yet another initiative undertaken to mitigate global warming. During the year, 448000 Tons of CO_2 emission was reduced due to generation of power using Bagasse and Slop from distillery which is a positive impact on the climate change mitigation.

   In addition to above, employees are encouraged to use Video conferencing and Teleconferencing to reduce travel to reduce GHG emission. Furthermore, campaigns to save energy, water, paper and reduce waste are also regularly organized to raise awareness across all levels of employees.

   An integral part of our market approach is providing the correct information about optimal use of Agri inputs for cultivation, thereby reducing the impact on environment and economic loss to the farming community.

   In Fertilizer plant, conversion of Ammonia plant from Naphtha to Natural gas in fertilizer plant has resulted in reduction of CO_2 emission by over 70,000 tons per annum. Also Chlorine is being used for making PVC which is used in pipes etc.that replaces ageing infrastructure resulting in reduced water losses in the end applications. During the year, fixed Carbon consumption per unit of Calcium Carbide product is reduced by 4% due to implementation of various improvement initiatives. In Chlor-Alkali Plant, no increase in water consumption

during the year & 50 % reduction in treated wastewater discharge even after increase in Caustic soda production capacity by 52%. 60 % of Steam condensate from Caustic soda plant is recycled in Carbide plant. Cooling tower blow down stream is treated in RO plant and around 70 % of the Cooling tower blow down is being recycled back to Cooling tower after treatment in RO. In Chlor alkali plant, power consumption is reduced by 0.45 % during the year. At Kota Complex, bulk transportation of PVC to PVC Compounding plant has resulted in elimination of HDPE bags usage that has reduced the GHG emission. Also fly ash is transported in Bulkers which resulted in reducing the no. of trucks while disposing the fly ash and hence saving fossil fuel thereby reducing GHG emission.

At Bharuch site, the Company is supplying Chlorine, Hydrogen, Caustic lye to the nearby customers through pipelines to reduce noise and air pollution due to movement of vehicles. Thus reducing about 10000 truckloads of transportation per year. This reduces consumption of equivalent diesel and thus Green house gas emission.

Supply of Chlorine through pipeline to consumers in gaseous stage has resulted in energy saving that would have been required to convert liquid chlorine to gas while use in process by the consumers.

The Company is using 100% washery washed salt that contains less impurities thus chemical consumption for their treatment is reduced and land requirement for the disposal of the precipitates is minimised. In caustic soda production, due to implementation of latest membrane technology, the energy consumption reduced by 12% over the years.

During the year, the Company received Rajasthan Energy Conservation Award for energy conservation in Plastics sector & in Chlor Alkali sector by M/s Rajasthan Renewable Energy Corporation Ltd. (Government of Rajasthan Undertaking)

(Company's Website: www.dcmshriram.com)

3. Does the company identify and assess potential environmental risks? Y/N

   Yes. The Company has an integrated process of Enterprise Risk Management (ERM). Through the ERM process and SWOT (Strength Weakness Opportunity Threat) analysis potential Environment, Health and Safety (EHS) risks are identified at the level of each business. The identified risks are assessed, and relevant action plans prepared and implemented for risk mitigation. Majority of our manufacturing sites are certified under ISO 14001:2015 and has identified the potential environmental risks. Environmental Impact Assessment of the existing operations and upcoming projects are conducted by NABET approved consultants & agencies. The necessary Environment Management Programs have been identified to mitigate these risks and their implementation is monitored at the senior most level.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No, there was no Clean Development Project undertaken during the year.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

   Yes. Initiatives are continuously taken for clean technology and energy efficiency. In addition to those explained already, the following initiatives are taken during the year:

   i) Replacement of Old flaker plant with new energy efficient flaker plant reduced Hydrogen consumption by 58%.
   ii) Installation of latest energy Efficient Zero gap Electrolyzers in Chlor-Alkali Plant to reduce the Energy consumption.
   iii) Installation of RO plant in Chlor-Alkali Plant for cooling tower blow down treatment reducing effluent generation by 60 %.
   iv) During the year, newly installed 50 KW Solar power plant in addition to existing 30 KW plant at Kota and 30 KW Solar power plant at Bharuch resulted in reduction of energy demand from fossil fuels.
   v) The CO2 absorption system in Ammonia plant was revamped to reduce the impact on environment considerably by reduced CO2 emissions.
   vi) Commissioning of Stone & Mud Separator in Bio-mass handling system resulted into fuel efficiency and operational reliability.
   vii) Replacement of old reciprocating type instrument air compressor with screw compressor to achieve energy saving.
   viii) Replacement of conventional light fixtures with LED light fixtures in colony and plant areas have also resulted in energy reduction.

   (Company's Website: www.dcmshriram.com)

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes, all prescribed norms are complied with.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   NIL.

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   Yes. The Company is a member of the following major associations:

   a. Federation of Seed Industry of India (FSII)
   b. Confederation of Indian Industry (CII)
   c. Indian Chemical Council (ICC)
   d. Federation of Indian Chamber of Commerce and Industries (FICCI)
   e. PHD Chamber of Commerce and Industries (PHDCCI)
   f. Fertilizer Association of India (FAI)
   g. International Fertilizer Association (IFA).
   h. Cement Manufacturing Associations (CMA)
   i. Chemicals and Petrochemicals Manufacturers' Association (CPMA)
   j. Federation of Indian Exporters Organisation (FIEO)
   k. Indian Sugar Mills Association (ISMA)
   l. Alkali Manufacturers Association of India (AMAI)
   m. All India Distillers' Association (AIDA)
   n. National Safety Council (NSC)
   o. Gujarat Safety Council (GSC)

p. Disaster Prevention and Emergency Centre, Jhagadia
q. Jhagadia Industrial Association (JIA)
r. UP Sugar Mills Association (UPSMA)
s. Crop Care Federation of India (CCFI)
t. uPVC Window and Door Manufacturers Association (UWDMA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes. The broad areas are: Governance and Administration, Economic Reforms, Water Policy, Labour Reforms, Ease of doing business, Sugarcane Policy, Skill Development.

Principle 8

Businesses should support inclusive growth and equitable development

1. Does the company have specified programs /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes, our CSR projects are designed to provide Inclusive growth & equitable development for marginalized members of the community. For details, please refer to CSR Report forming part of this Annual Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   We implement our CSR programs through a mix of resources from in-house teams & partner NGOs. Certain programs are designed to support government programs so as to enhance their last mile delivery. Some of the programs are also implemented by own Foundation.

3. Have you done any impact assessment of your initiative?

   Yes, we have conducted impact assessment of various programs through reputed third party agencies. For details, please refer to CSR Report forming part of this Annual Report.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   In FY 2018-19, the company spent Rs 13.35 Cr as part of its CSR initiatives.

   For details, please refer to CSR Report forming part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Our CSR projects have a well defined component on community adoption / sustenance. For example, Shriram Swachhagraha is our CSR initiative aimed towards improving the Sanitation and Hygiene Practices in government schools. The scope of the project includes construction/renovation of toilets, operation & maintenance of the infrastructure developed and creating awareness around cleanliness and hygiene through Behavior Change Programs. As a part of this initiative, the School Management Committees is sensitized and on-boarded while the project is being executed so that after one year they have the systems and processes in place to implement the Operation & Maintenance of school toilets on their own. Intensive sensitization programs have also been carried out in villages where Individual Household Toilets have been constructed to make the village Open Defecation Free (ODF). This helps in promoting regular use of the toilets and sustaining the ODF status for the village.

   We have embarked on the mission to create Model Villages and are providing adopted villages with necessary infrastructure and basic amenities. We have tied up with the local panchayats and schools to promote digitization to convert them into Smart Panchayats and Smart schools. Sensitization of the rural communities is being regularly undertaken so that they are able to maintain and sustain the infrastructure provided as a part of this initiative.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   Considering normal turnaround time required for resolution of consumer complaints, all the complaints have been resolved during the year for all the businesses up to the customer satisfaction except in Shriram Farm Solutions business as on the end of financial year, more than 90% complaints have been resolved during the year and remaining are being addressed depending on turnaround time.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

   Yes. Additional information relevant to consumers is displayed, to enable the consumers derive higher value and ensure appropriate use. Additional information relating to safe handling, directions of use of products and specific certifications obtained by the Company, is also provided wherever applicable. The guiding approach in making disclosures is transparency and empowerment of the consumers. The company displays product information on the product label as per local laws. For example, in case of Calcium Carbide, apart from product information the message of non-usage of carbide for fruit ripening is also displayed clearly.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of financial year. If so, provide details thereof, in about 50 words or so.

   No.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Consumer feedback is valued by the Company and it actively engages with consumers both through formal and informal mechanisms like surveys, direct feedback taken by sales teams and plant personnel, one to one meetings, dealer get together and the like. Consumer surveys and channel satisfaction surveys are routinely carried out to fine tune operational strategies. In this financial year, we have conducted such surveys in specific districts across the country in our various businesses.

Board's Report

The Directors have pleasure in presenting the 30th Annual Report of the Company along with Audited Financial Statements, both standalone and consolidated, for the year ended 31st March, 2019.

Financial Highlights

The results for the year ended 31.3.2019 and 31.3.2018 are as under:

(Rs. in crores)

Particulars	Standalone		Consolidated	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018
Revenue from operations	7,684.38	6,912.99	7,771.14	7,006.56
Profit before finance cost, depreciation and tax	1,453.27	1,105.53	1,456.33	1,091.04
Profit before tax	1,180.30	885.46	1,180.24	867.34
Profit after tax	906.83	688.44	902.61	668.66
Share of profit/(loss) of joint venture	-	-	1.77	0.04
Non-controlling interest	-	-	1.12	0.86
Other comprehensive income (after tax)	(4.89)	(0.45)	(0.03)	0.24
Total comprehensive income (after tax)	901.94	687.99	905.47	669.80
Basic/Diluted - EPS (Rs. per equity share)	57.17	42.39	57.09	41.22
Retained earnings- opening balance	2,999.73	2,472.36	2,919.37	2,410.92
Add/(less)				
Profit for the year	906.83	688.44	905.50	669.56
Dividends (including dividend tax) paid during the year	(169.65)	(160.30)	(169.65)	(160.30)
Others (including buy-back of equity shares)*	(219.19)	(0.77)	(219.05)	(0.81)
Retained earnings - closing balance	3,517.72	2,999.73	3,436.17	2,919.37

* Rs. 219.77 crores deducted from retained earnings and Rs 32.67 crores deducted from Securities Premium.

State of Company's Affairs/Performance

During the year, the Company witnessed growth in financial as well as operating performance. Chlor–Alkali business continued to become stronger with economies of scale and improvement in realizations. Sugar business still experiencing difficult price situation however, relief has come in the form of a higher MSP by the government at Rs. 31/Kg. Addition of distillery operations to the sugar segment helped boost the profitability. Other businesses continued to perform robustly.

The Company's total revenues from operation at a standalone level stood at Rs. 7,684 Crore in FY19 vs. Rs. 6,913 Crore last year. The overall revenues were up ~11% on both standalone and consolidated basis. Revenue of chemicals business was up by 21% driven by higher volumes with high capacity utilization at Bharuch plant and expansion at the Kota plant midway in the last fiscal along with higher realisations at both places. Revenue of Sugar business were up by 18% with operations now including distillery operations as well.

Profit before depreciation, interest and tax improved to Rs. 1453.3 Crore up ~31% over last year. The same were up ~34% on a consolidated basis. This improvement was lead by better volumes and margins in Chemicals business. Sugar business also recorded an increase of 217% due to a considerable contribution coming from the distillery operations.

Our Agri-input business of Shriram farm solutions recorded some revival while revenues for bioseed business witnessed decline. Fenesta business continues to register good growth.

Overall PBDIT margins improved to ~19% from ~16% last year.

Net Profit on standalone basis for FY19 was up by 31% to Rs. 902 Crore from Rs. 688 Crore in FY18. It was ~ 35% on a consolidated basis.

Net Debt stood at Rs. 1265 Crore vs. Rs. 653 Crore last year. Debt equity ratio stood at 0.36x vs 0.22x last year.

The Company commissioned the following projects in FY19 at an investment of ~ Rs. 467 Crore

- Sugar – Expansion of Crushing and Co-gen Power in Hariawan Unit by 5000 TCD , 30 MW respectively at an investment of ~ Rs. 324 Crore
- Chlor-Alkali –
  - Kota - Capacity Expansion of Caustic Soda Plant by 168 TPD alongwith 150 TPD of flaker and 48TPD of SBP at total investment of Rs. 112 Crore
  - Bharuch - Commissioning of 60 TPD Aluminium Chloride Plant at an investment of Rs. 31 Crore

The following projects currently underway, progressing as per schedule

- Bharuch –
  - Capacity Expansion of Caustic Soda Plant by 332 TPD at an investment of Rs. 177 Crore to be commissioned by Q1 FY20
  - Capacity expansion of Caustic Soda Plant by 700 TPD (along with 120 MW Captive Power plant and Flaker capacity expansion of 500 TPD) at an investment of Rs. 1070 Crore.
- Plastics - PVC Expansion at Kota by 40 TPD at investment of Rs. 32 Crore expected by Q3 FY20
- Power – Replacement of 50 MW Coal based Power generation at Kota by 66 MW Power Plant at an investment of Rs. 240 Crore expected by Q3 FY20
- Sugar – Setting up a distillery with capacity 200 KLD at Ajbapur at an investment of Rs. 300 Crore

These projects are expected to be commissioned in phases beginning FY20.

Buy-back of Securities

During the year, the Company bought back and extinguished 64,73,841 equity shares of Rs. 2/- each at a total consideration of Rs. 24,999.99 Lakhs, excluding Transaction Costs (representing approximately 3.99% of Pre Buy- back paid up capital).

Dividend

Your Directors are pleased to recommend a final dividend @ 80% i.e. Rs. 1.60/- per equity share of Rs. 2/- each for the year ended 31.3.2019, which if declared by the Members, the total dividend for the financial year 2018-19 will aggregate to 490% i.e. Rs. 9.80/- per equity share of Rs. 2/- each (including two interim dividends aggregating @ 410% i.e. Rs. 8.20 per equity share).

Further, as per the requirement of Regulation 43A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [SEBI Listing Regulations, 2015], Dividend Distribution Policy of the Company as approved by Board of Directors is attached as Annexure-1 to this Board's Report.

Number of Meetings of the Board

The Board met 5 times during the financial year on 24.4.2018, 18.6.2018, 31.7.2018, 29.10.2018 & 29.1.2019.

Report on Performance and Financial Position of Subsidiaries, Associate and JV Company

The details regarding the performance and financial position of Company's Subsidiaries, Associate and JV are given in **Annexure-2** of this Board's Report.

Risk Management Framework

The Company has in place a Risk Management Framework, which was approved by the Board on 28.1.2006 and was implemented w.e.f. 2.1.2007. The said framework includes risk identification, assessment, response and monitoring system for mitigation of risk.

Company's Policy on Directors' Appointment and Remuneration

The criteria for Directors' appointment has been set up by the Nomination, Remuneration and Compensation Committee, which, inter-alia, includes criteria for determining qualifications, positive attributes, independence of a Director, basis/criteria of remuneration to Directors/KMPs and other matters provided under Sub-section (3) of Section 178 of Companies Act, 2013. The remuneration policy of the Company is available on the Company's website at the following web link :

http://www.dcmshriram.com/sites/default/files/Remuneration%20Policy_0.pdf

Corporate Social Responsibility (CSR)

The details about the programmes/activities undertaken on CSR, Annual Report on CSR activities and the composition of CSR Committee are provided in a separate section, which forms part of this Board's Report. The Company has a policy on CSR which includes the major area in which the Company deals with the CSR activities and the manner of implementation and monitoring the project, which is available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/CSR-policy.pdf

Business Responsibility Report

In compliance with SEBI Listing Regulations, 2015, Business Responsibility Report (BRR) forms part of this Annual Report and is provided in a separate section. The report, inter-alia, describes the initiatives taken by the Company from environmental, social and governance perspective.

Vigil Mechanism

The Company has established a Vigil Mechanism/Whistle Blower Policy as per the requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013 which is also available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/VIGIL%20MECHANISM.pdf

Internal Complaint Committee on POSH

The Company has complied with the provisions relating to constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH").

Cost Records

The Company is required to maintain Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company.

Related Party Transactions

The details of contract/arrangements entered into by the Company with Related Parties referred to in Section 188(1) of the Companies Act, 2013 are given in Form AOC-2 which is attached as **Annexure-3** to this Board's Report.

The Company has formulated a Policy on dealing with Related Party transactions, which is also available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/Related%20Party%20Transaction%20Policy%20-%20FINAL_0.pdf

Material Subsidiary Policy

The Company has formulated a Policy for determining 'Material' Subsidiaries, which is also available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/MATERIAL%20SUBSIDIARY%20POLICY%20-%20FINAL.pdf

Particulars of Loans, Guarantees or Investments

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and relevant rules thereunder are given in the notes to Financial Statements.

Fixed Deposits

1. The details relating to deposits, covered under Chapter V of the Companies Act, 2013:
   a) accepted including renewals during the year : Rs. 23,80,04,741/-
   b) remained unclaimed as at the end of the year : Rs. 2,46,548/-
   c) there has been no default in repayment of deposits or payment of interest thereon during the financial year ended on 31st March, 2019.
2. There are no deposits, which are in non-compliance with the requirements of Chapter V of the Companies Act, 2013.
3. Pursuant to Section 124 and other applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules) as amended from time to time, during the year, matured deposits including interest of Rs. 1,803/- has been transferred to the Investor Education and Protection Fund.

Details in respect of adequacy of Internal Financial Control with respect to Financial Statements

The Company has in place adequate Internal Financial Controls with respect to financial statements. No material weakness in the design or operation in such controls was observed during the year.

DCM Shriram Employee Stock Purchase Scheme

The Company has an Employee Stock Purchase Scheme (DCM Shriram ESPS) duly approved by Members, vide Special Resolution passed on

August 13, 2013 and aligned in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014. DCM Shriram ESPS provides for grants of equity shares through Trust, purchased from secondary market, to the eligible Employees as may be decided by the Nomination, Remuneration and Compensation Committee from time to time. DCM Shriram ESPS is a secondary market scheme and hence no fresh issue of shares was made. There are no voting rights exercised on the shares held by the Trust. Further, there are no material changes in the DCM Shriram ESPS and it is in compliance with the applicable regulations. The details required as per SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/ESPS%20Disclosure%20F.%20Y.%202018-19.pdf

Directors and Key Managerial Personnel (KMP)

Mr. Ajit S. Shriram and Mr. K.K. Sharma, Directors retire by rotation, and being eligible, offer themselves for re-appointment.

Re-appointment of Mr. K.K. Kaul, Whole Time Director, is being sought in the ensuing Annual General Meeting (AGM) of the Company for a period of 2 years w.e.f. 2.7.2019. The requisite details of the re-appointment are mentioned in the said AGM Notice.

Re-appointments of Mr. Pradeep Dinodia, Mr. Vimal Bhandari and Mr. Sunil Kant Munjal, Non-Executive Independent Directors, are being sought in the ensuing AGM of the Company for another term of 5 consecutive years. The requisite details of the re-appointment are mentioned in the said AGM Notice.

The Company has received declaration from all the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 and SEBI Listing Regulations, 2015 confirming that they meet the criteria of independence as prescribed under Section 149(6) of the said Act and SEBI Listing Regulations, 2015.

The details of familiarization programme for Independent Directors are available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/Details%20of%20F amiliarization%20Programme%20for%20Independent%20Directors%202018-19-converted.pdf

Manner & Criteria of formal annual evaluation of Board's performance and that of its Committees and Individual Directors

In compliance with requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015 the formal annual performance evaluation of the Board, its Committees and Individual Directors has been conducted as under:

A. Manner of evaluation as recommended to the Board by the Nomination, Remuneration and Compensation Committee ("NRCC")

1. The Chairman of the Board consulted each Director separately about the performance of Board, Committees and other Directors and sought inputs in relation to the above. The Chairman then collated all the inputs and shared the same with the Board.
2. In respect of the evaluation of Chairman of the Board, the Chairman of NRCC collated the inputs from Directors about their performance as a Director and as Chairman of the Board and the Members of the Board Committees and shared the same with the Board.

   The Board as a whole discussed the inputs on performance of Board/Committees/Individual Directors and performed the evaluation, excluding the Director being evaluated.

B. Criteria of evaluation as approved by the NRCC

The aforesaid evaluation was conducted as per the criteria laid down by the NRCC as follows:

Performance of	Evaluation Criteria
(I) Board as a whole	• Structure of Board including Composition/Diversity/ Process of appointment/qualifications/experience, etc; • Fulfillment of functions of the Board (for instance guiding corporate strategy, risk policy, business plans, corporate performance, monitoring Company's governance practices etc., as per the Act and Listing Regulations); • Meetings of Board (Number/Manner of board meetings held during the year including quality/quantity/timing of circulation of agenda for Board Meetings, approval process/recording of minutes and timely dissemination of information to Board; and • Professional Development and Training of Board of Directors as required.
(II) Board Committees	• Composition of Committee; • Fulfillment of functions of the Committee with reference to its terms of reference, the Act and the Listing Regulations; and • Number of Committee meetings held during the year.
(III) Individual Directors	• Fulfillment of responsibilities as a director as per the Act, the Listing Regulations and applicable Company policies and practices; • In case of the concerned director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or member of the Committees, with reference to such status and role; • In case of Independent Directors fulfillment of the independence criteria as specified under applicable Regulations and their independence from the management; • Board and/or Committee meetings attended; and • General meetings attended.

Particulars of Employees

The details required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Employees of the Company, are given in **Annexure-4** of this Board's Report.

However, in terms of Section 136(1) of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the Statement of Particulars of Employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting.

Composition of Board Audit Committee

As on the date of this report, the Board Audit Committee comprises of 4 Non-Executive Independent Directors, viz., Mr. Pradeep Dinodia as Chairman and Ms. Ramni Nirula, Mr. Sunil Kant Munjal & Mr. Pravesh Sharma as Members.

Extract of Annual Return

The Extract of Annual Return of the Company as on 31.3.2019 in Form MGT-9 is attached as Annexure–5 to this Board's Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure-6 of this Board's Report.

Secretarial Audit Report

The Board appointed M/s. Sanjay Grover & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the above financial year is attached as Annexure-7 to this Board's Report. The Secretarial Audit Report does not contain any qualification or reservation or adverse remark or disclaimer.

Secretarial Standard

The Company is in Compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

Unclaimed Shares Suspense Account

In terms of SEBI Listing Regulations, 2015 the Company reports the following details in respect of equity shares lying in the Unclaimed share suspense account.

Balance as on 1.4.2018		No. of Members who approached the Company for transfer of shares and shares transferred from Suspense Account during the year		Balance as on 31.3.2019	
No. of holders	No. of shares	No. of holders	No. of shares	No. of holders	No. of shares
4497	648320	10	4660	4487	643660

The voting rights on the shares in the above suspense account as on 31st March, 2019 will remain frozen unless the rightful owners of such shares claim the shares.

Corporate Governance

The Company is committed to adhere to best corporate governance practices. The separate sections on Management Discussion and Analysis, Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI Listing Regulations, 2015 forms part of this Annual Report and is provided in a seperate section.

Statutory Auditors

Pursuant to Section 139 of the Companies Act, 2013 (the Act), appointment of the Statutory Auditors M/s. Price Waterhouse Chartered Accountants LLP (FRN No.012754N/N500016) was made by the Members in its 28th Annual General Meeting (AGM) held on 1.8.2017 for a period of five years i.e. from the conclusion of 28th AGM till the conclusion of 33rd AGM.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Directors' Responsibility Statement

Your Directors state that:

a) in preparation of annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed and there are no material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls as followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Industrial Relations

The Company continued to maintain harmonious and cordial relations with its workers in all its Divisions, which enabled it to achieve this performance level on all fronts.

Acknowledgements

The Directors wish to thank Customers, the Government Authorities, Financial Institutions, Bankers, Other Business Associates/Stakeholders and Members for the co-operation and encouragement extended to the Company. The Directors also place on record their deep appreciation for the contribution made by the employees at all levels.

On behalf of the Board

New Delhi
1.5.2019

AJAY S. SHRIRAM
Chairman & Senior Managing Director
DIN: 00027137

Annexure - 1

DCM SHRIRAM LIMITED : NEW DELHI

Dividend Distribution Policy

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), DCM Shriram Limited ("the Company") is disclosing its Dividend Distribution Policy ("Policy").

At present the Company has only one class of shares Viz. Equity Shares.

The Company strives for sustained and consistent growth, strong financial structure and stable dividend payout. In considering dividend matters, the Board keeps in forefront balancing the needs for creation of long term value & growth and the need for a periodic & stable return through dividend. The Board considers the feasibility of dividend both annually as well as during the year for feasibility of any interim declaration.

While recommending/declaring the dividend, the Board evaluates diverse financial and strategic parameters including planned investments and expenditure, expansion plans, retained earnings & profit for the year, prevailing cost of funds, Company's cash flow, borrowings, taxation & statutory requirements and prevailing market & macro economic conditions in general and the interests of all stakeholders besides shareholders.

This document only outlines the policy and factors, the Board keeps in view and is not intended to be a commitment or guarantee of dividend payment by the Company either annually or otherwise.

DCM SHRIRAM LIMITED : NEW DELHI

Annexure - 2

Performance and financial position of Company's Subsidiaries and Joint Ventures

AOC - 1 - Part "A" : Subsidiaries

(Rs. in Crores)

Name of the subsidiary	DCM Shriram Credit and Investments Ltd. (1)	DCM Shriram Foundation (2)	Hariyali Rural Ventures Ltd. (3)	Shriram Bioseed Ventures Ltd. (4)	Bioseed India Ltd. (5)	DCM Shriram Infrastructure Ltd. (6)	DCM Shriram Aqua Foods Ltd. (7)	Fenesta India Ltd. (8)	Shri Ganpati Fertilisers Ltd. (9)	Shridhar Shriram Foundation (10)	PT Shriram Seed, Indonesia (11)	Shriram Bioseed (Thailand) Ltd. (12)	Bioseed Research USA INC. (13)	Bioseed Holdings Pte. Ltd. (14)	Bioseed Research Philippines, INC (15)	Bioseed Vietnam Ltd. (16)	Bioseeds Ltd. (17)	PT Shriram Genetics, Indonesia (18)
The Date since when the subsidiary was acquired.	12/05/1993	30/11/2007	18/12/2007	30/06/2007	20/07/2000	12/12/2003	12/06/1995	18/12/2008	27/03/2008	02/09/2010	02/04/2011	16/06/2006	12/07/2012	31/01/2009	16/07/2002	20/03/2008	16/07/2002	25/09/2012
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD	USD RS. 69.1488 /USD
Share capital	9.00	0.01	1.00	4.05	0.10	0.05	8.35	0.05	2.15	0.05	34.70	28.99	0.002	106.29	52.58	69.37	14.94	1.95
Other Equity	(0.75)	0.02	(2.66)	16.07	(0.05)	(7.26)	(5.11)	0.40	(35.14)	(0.02)	(40.48)	(28.28)	0.05	(22.02)	(40.76)	(69.45)	117.04	(10.50)
Total assets	8.26	1.30	5.08	176.61	0.05	21.96	3.25	10.15	15.61	0.03	15.25	0.82	0.06	246.70	34.39	33.80	235.18	9.91
Total Liabilities	0.01	1.27	6.74	156.49	-	29.17	0.01	9.70	48.60	-	21.03	0.11	0.01	162.43	22.57	33.88	103.20	18.46
Investments	7.13	-	-	54.64	-	-	-	-	-	-	-	-	-	182.51	-	-	11.64	-
Turnover	0.18	2.99	0.15	10.09	-	0.03	0.14	39.51	24.27	-	7.93	1.30	-	0.93	60.11	15.43	7.71	6.71
Profit/(loss) before taxation	0.05	(0.01)	(0.86)	0.17	(0.003)	(11.97)	0.06	0.34	(6.04)	-	(6.80)	0.10	(0.02)	(9.16)	13.55	(6.97)	1.92	(3.66)
Provision for taxation	0.01	-	-	0.03	-	-	0.05	0.09	-	-	(0.31)	-	-	-	4.04	-	0.06	(0.09)
Profit/(loss) after taxation	0.04	(0.01)	(0.86)	0.14	(0.003)	(11.97)	0.01	0.25	(6.04)	-	(6.49)	0.10	(0.02)	(9.16)	9.51	(6.97)	1.86	(3.57)
Other Comprehensive income	(0.75)	-	-	-	-	-	-	-	-	-	0.04	-	-	-	-	(0.09)	-	0.25
Total Comprehensive income	(0.71)	(0.01)	(0.86)	0.14	(0.003)	(11.97)	0.01	0.25	(6.04)	-	(6.45)	0.10	(0.02)	(9.16)	9.51	(7.06)	1.86	(3.32)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	81.41%	100.00%	95.00%	99.99%	100.00%	100.00%	100.00%	100.00%	100.00%	49.00%

Notes:

1. In case of foreign subsidiaries, the assets and liabilities have been translated into Indian Rupees at the closing exchange rate at the year end and whereas statement of profit and loss numbers have been translated into Indian Rupees at average exchange rate for the year.
2. Names of subsidiaries which are yet to commence operations : NIL
3. Names of subsidiaries which have been struck off/liquidated during the year : NIL

DCM SHRIRAM LIMITED : NEW DELHI

AOC -1 - Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures Name of Associates/Joint Ventures :

Name of Joint Venture Company	Shriram Axiall Pvt. Ltd.
Latest audited Balance Sheet date	31.3.2019
Date on which the Associate or Joint Venture was associated or acquired	10th April, 2014
No. of Shares of Joint Ventures held by the Company at the year end	17,32,500
Amount of Investment in Joint Venture	Rs. 3.42 Crores
Extent of Holding %	50%
Description of how there is significant influence	Joint Venture, having 50% control of the total paid-up share capital of the Company
Reasons why the joint venture is not consolidated	N.A.
Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 21.72 Crores
Total Comprehensive Income/(Loss) for the year	-
i. Considered in Consolidation	Rs. 1.70 Crore
ii. Not Considered in Consolidation	Nil

Notes :

1. Names of joint ventures which are yet to commence operations : Nil
2. Names of joint ventures which have been liquidated or sold during the year : Nil

New Delhi	Sameet Gambhir	J.K. Jain	Pradeep Dinodia	Ajay S. Shriram
1.5.2019	Company Secretary	Chief Financial Officer	Director	Chairman & Senior Managing Director
			DIN : 00027995	DIN : 00027137

Annexure - 3

FORM NO. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Sl No.	Particulars	Amount
1	Details of contracts or arrangements or transactions not at arm's length basis	
	(a) Name(s) of the related party and nature of relationship	Nil
	(b) Nature of contracts/arrangements/transactions	
	(c) Duration of the contracts/arrangements/transactions	
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e) Justification for entering into such contracts or arrangements or transactions	
	(f) Date(s) of approval by the Board	
	(g) Amount paid as advances, if any	
	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2	Details of material contracts or arrangement or transactions at arm's length basis	
	(a) Name(s) of the related party and nature of relationship	Mr. Aditya A. Shriram (Son of Mr. Ajay S. Shriram, Chairman & Senior Managing Director of the Company)
	(b) Nature of contracts/arrangements/transactions	Revision in maximum limit of remuneration
	(c) Duration of the contracts/arrangements/transactions	-
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Revision in maximum limit of remuneration upto Rs.20 Lakhs per month
	(e) Date(s) of approval by the Board, if any	24.4.2018
	(f) Amount paid as advances, if any	Nil

New Delhi
1.5.2019

Ajay S. Shriram
Chairman & Senior Managing Director
DIN : 00027137

Annexure - 4

Information as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

(i) (a) The percentage increase in remuneration of each Director during the financial year 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 :

S. No.	Name of Director and Designation	% increase in Remuneration in the financial year 2018-19	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Ajay S. Shriram Chairman & Senior Managing Director & KMP	21.19%	197:1
2.	Mr. Vikram S. Shriram Vice Chairman & Managing Director	18.27%	188:1
3.	Mr. Ajit S. Shriram Joint Managing Director	20.35%	172:1
4.	Mr. K.K. Kaul Whole Time Director	9.29%	51:1
5.	Mr. Krishan Kumar Sharma # Whole Time Director (EHS)	5.93%	19:1
6.	Mr. Pradeep Dinodia Non-Executive Director	31.56%	15:1
7.	Mr. Vimal Bhandari Non-Executive Director	21.90%	7:1
8.	Mr. Sunil Kant Munjal Non-Executive Director	3.08%	7:1
9.	Ms. Ramni Nirula Non-Executive Director	21.74%	7:1
10.	Mr. Pravesh Sharma Non-Executive Director	44.76%	8:1
11.	Justice (Retd.) Vikramajit Sen Non-Executive Director	16.00%	6:1
12.	Mr. Sharad Shrivastva* Nominee Director (LIC)	8.24%	5:1

*Remuneration paid to LIC of India.

Appointed w.e.f. 20.11.2017

(b) The percentage increase in remuneration of Chief Financial Officer and Company Secretary during the financial year 2018-19 :

S. No.	Name of KMP and Designation	% increase in Remuneration in the financial year 2018-19
1.	Mr. J.K. Jain Chief Financial Officer & KMP	(3.22%)
2.	Mr. Sameet Gambir Company Secretary & KMP	18.20%

(ii) In the financial year 2018-19, there was an increase of 4.61% in the median remuneration of employees.

(iii) There were 5382 permanent employees on the rolls of the Company as on 31st March, 2019.

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 8.81% whereas the increase in managerial remuneration for the same financial year was 17.14%. Increase in Managerial Remuneration was recommended by Nomination, Remuneration and Compensation Committee and approved by Board of Directors keeping in view of the performance of the Company and Managerial Personnel and the remuneration received by Chief Executives in comparable bodies corporate.

(v) Affirmation :

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Place : New Delhi
Date : 1.5.2019

Ajay S. Shriram
Chairman & Senior Managing Director
DIN : 00027137

Annexure - 5

Form No. MGT- 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	L74899DL1989PLC034923
ii) Registration Date	6.2.1989
iii) Name of the Company	DCM Shriram Limited
iv) Category/Sub-Category of the Company	Public Company Limited by shares
v) Address of the Registered Office and contact details	1st Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001 Tel : 011-23316801, Fax : 011-23318072
vi) Whether listed Company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent	M/s. MCS Share Transfer Agent Limited F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110020 Tel. Nos. : 011-41406149 to 41406152 Fax No. : 011-41709881 E-mail : helpdeskdelhi@mcsregistrars.com/admin@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Fertilizer	2012, Manufacture of fertilizers and pesticides	13.54
2.	Sugar	1072, Manufacture and Refining of Sugar	24.80
3.	Caustic Soda	2011, Manufacture of Basic Inorganic Chemicals N.E.C.	21.78

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of share held	Applicable Section
1.	Sumant Investments Pvt. Limited	A-37, Vasant Marg, Vasant Vihar, New Delhi -110057	U65993DL1986 PTC189009	Holding	63.02	2(46)
2.	Bioseed India Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U01112DL1992PLC047825	Subsidiary	100.00	2(87)
3.	DCM Shriram Infrastructure Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U18101DL1996PLC078732	Subsidiary	100.00	2(87)
4.	DCM Shriram Credit and Investments Limited	Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U65993DL1992PLC049517	Subsidiary	100.00	2(87)
5.	DCM Shriram Aqua Foods Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U05004DL1993PLC156164	Subsidiary	100.00	2(87)
6.	Fenesta India Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U74120DL2008PLC185966	Subsidiary	100.00	2(87)
7.	DCM Shriram Foundation	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U65923DL2007NPL170953	Subsidiary	100.00	2(87)
8.	Hariyali Rural Ventures Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U51909DL2007PLC171615	Subsidiary	100.00	2(87)
9.	Shridhar Shriram Foundation	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U85100DL2010NPL198887	Subsidiary	100.00	2(87)
10.	Shriram Bioseed Ventures Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U45400DL2007PLC163026	Subsidiary	100.00	2(87)
11.	Shri Ganpati Fertilisers Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	U24110DL1995PLC223806	Subsidiary	81.41	2(87)
12.	Bioseeds Holdings Pte. Ltd.	17, Phillip Street, #05-01, Grand Building, Singapore-048695	--	Subsidiary	100.00	2(87)
13.	Bioseeds Limited	Suite 2004, Level 2, Alexander House, 35 Cyber city, Ebene-Mauritius	--	Subsidiary	100.00	2(87)
14.	Bioseed Research Philippines Inc.	National Hi-way, Katangawan, General Santos City, Philippines	--	Subsidiary	100.00	2(87)
15.	Bioseeds Research USA Inc.	203 North LaSalle Street, Suite 2500, Chicago, IL-60601 (USA)	--	Subsidiary	100.00	2(87)
16.	Bioseed Vietnam Limited	6th Floor, Hong Ha Centre, 25 Ly Thuong Kiet Stress, Phan Chu Trinh Ward, Hoan Kiem District, Hanoi-Vietnam	--	Subsidiary	100.00	2(87)
17.	PT. Shriram Genetics, Indonesia	Mayapada Tower 1, Lantai 07 Suites 06 F/E, Jl. Jenderal Sudirman, Kav. 28, Kel. Karet, Kec. Setiabudi, Jakarta Selatan 12920, Indonesia	--	Subsidiary	49.00	2(87)

S. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of share held	Applicable Section
18.	PT. Shriram Seed, Indonesia	Mayapada Tower 1, Lantai 07 Suites 06 F/E, Jl. Jenderal Sudirman, Kav. 28, Kel. Karet, Kec. Setiabudi, Jakarta Selatan 12920, Indonesia	--	Subsidiary	95.00	2(87)
19.	Shriram Bioseed (Thailand) Limited	48/145, MOO.12 Tumbol, Thankasem, Amphur Phraputtabaht, 18120- Saraburi- Thailand	--	Subsidiary	99.99	2(87)
20.	Shriram Axiall Pvt. Limited	5th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi -110001	U74120DL2008PTC185967	Joint Venture	50.00	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year (as on 1.4.2018)				No. of shares held at the end of the year (as on 31.3.2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters (1) Indian									
a) Individual/HUF	5472040	--	5472040	3.37	5472040	--	5472040	3.51	0.14
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s).	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	98282744	--	98282744	60.51	98282744	--	98282744	63.02	2.51
e) Banks/FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):-	103754784	--	103754784	63.88	103754784	--	103754784	66.53	2.65
(2) Foreign									
a) NRIs - Individuals	-	-	--	--	--	--	--	--	--
b) Other - Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	103754784	--	103754784	63.88	103754784	--	103754784	66.53	2.65
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	1591796	--	1591796	0.98	1411222	--	1411222	0.90	(0.08)
b) Banks/FI	24459	14080	38539	0.02	27207	13400	40607	0.03	0.01
c) Central Govt.	--	--	--	--	204663	--	204663	0.13	0.13
d) State Govt(s).	--	29640	29640	0.02	--	29640	29640	0.02	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	12873865	--	12873865	7.93	12924460	--	12924460	8.29	0.36
g) FIIs	7115595	500	7116095	4.38	4800673	--	4800673	3.08	(1.30)
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	21605715	44220	21649935	13.33	19368225	43040	19411265	12.45	(0.88)

Category of Shareholders	No. of shares held at the beginning of the year (as on 1.4.2018)				No. of shares held at the end of the year (as on 31.3.2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(2) Non Institutions									
a) Bodies Corp.									
i) Indian	1202210	19720	1221930	0.75	974083	18950	993033	0.64	(0.11)
ii) Overseas	--	15105550	15105550	9.30	15105550	--	15105550	9.69	0.39
iii) Non-Promoter and non-public share holding - DCM Shriram Employees Benefits Trust	2635674	--	2635674	1.62	2342174	--	2342174	1.50	(0.12)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11617546	2778088	14395634	8.86	9478565	2392371	11870936	7.61	(1.25)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1227144	--	1227144	0.75	739300	--	739300	0.47	(0.28)
c) Others	2399295	26191	2425486	1.49	1712243	13011	1725254	1.11	(0.38)
Sub-total (B)(2):-	19081869	17929549	37011418	22.79	30351915	2424332	32776247	21.02	(1.77)
Total Public Shareholding (B)= (B)(1)+ (B)(2)	40687584	17973769	58661353	36.11	49720140	2467372	52187512	33.47	(2.64)
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	144442368	17973769	162416137	100.00	153474924	2467372	155942296#	100.00#	--

6,473,841 Equity Shares of Rs.2/- each were bought back of by the Company during F.Y 2018-19.

ii) Shareholding of Promoters and Promoters Group

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Sumant Investments Pvt. Limited	98,282,284	60.51	--	98,282,284	63.02	--	--
2.	Ajit S. Shriram	595,580	0.37	--	595,580	0.38	--	--
3.	Ajay S. Shriram (HUF)	559,330	0.34	--	559,330	0.36	--	--
4.	Vikram S. Shriram (HUF)	550,200	0.34	--	550,200	0.35	--	--
5.	Vikram S. Shriram	503,310	0.31	--	503,310	0.32	--	--
6.	Ajit S. Shriram (HUF)	500,000	0.31	--	500,000	0.32	--	--
7.	Ajay S. Shriram	493,780	0.30	--	493,780	0.32	--	--
8.	Tara A. Shriram (Minor)	299,900	0.18	--	299,900	0.19	--	--
9.	Anand A. Shriram	298,070	0.18	--	298,070	0.19	--	--
10.	Nainika V. Shriram	297,900	0.18	--	297,900	0.19	--	--
11.	Aditya A. Shriram	297,760	0.18	--	297,760	0.19	--	--
12.	Pranav V. Shriram	297,190	0.18	--	297,190	0.19	--	--
13.	Varun A. Shriram	296,900	0.18	--	296,900	0.19	--	--
14.	Kavita V. Shriram	78,680	0.05	--	78,680	0.05	--	--
15.	Vandana A. Shriram	78,340	0.05	--	78,340	0.05	--	--
16.	Prabha Shridhar*	218,900	0.13	--	220,000	0.14	--	--
17.	Charni Vinod Kumar	35,700	0.02	--	35,700	0.02	--	--
18.	Richa A. Shriram	34,900	0.02	--	34,900	0.02	--	--
19.	Ambika Jaipal Singh	16,500	0.01	--	16,500	0.01	--	--
20.	Om Prakash Jhalani jointly with Anoop Jhalani	3,000	0.00	--	3,000	0.00	--	--
21.	Om Prakash Jhalani jointly with Pradeep Jhalani	2,000	0.00	--	2,000	0.00	--	--
22.	Lala Shridhar (HUF)*	1,100	0.00	--	--	--	--	--
23.	Shriudyog Marketing Pvt. Limited	460	0.00	--	460	0.00	--	--
24.	Kaushik Deva	13,000	0.01	--	13,000	0.01	--	--
	Total	103,754,784	63.88#	--	103,754,784	66.53#	--	--

Increase in % of shareholding is due to buy back of 6,473,841 Equity Shares of Rs. 2/- each by the Company during F.Y 2018-19.

* Lala Shridhar (HUF) was dissolved during the quarter ended 31st December 2018. Consequent to said dissolution, 1100 shares which were in the name of Lala Shridhar (HUF) got registered in the name of Mrs. Prabha Shridhar, being the Karta of Lala Shridhar (HUF).

iii) Change in Promoters and Promoters Group's Shareholding (please specify, if there is no change)

S. No.		Shareholding at the beginning/end of the year		Date	Increase/ (Decrease)	Reasons for Increase/ (Decrease)	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	At the beginning of the year	103,754,784	63.88#	--	--	--	103,754,784	63.88#
2.	At the end of the year	103,754,784	66.53#	--	--	--	103,754,784	66.53#

Increase in % of shareholding is due to buy back of 6,473,841 Equity Shares of Rs. 2/- each by the Company during F.Y 2018-19.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Name	Shareholding		Date of Increase/ Decrease during the financial year (1.4.2018–31.3.2019)	Increase/ (Decrease) in Shareholding*	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No of Shares & percentage at the beginning/end of the Year					shares	% of total shares of the Company
		1.4.2018	31.3.2019					
1.	Life Insurance Corporation of India	11,368,316 [7.00%]*	11,368,316 [7.29%]*	--	--	--	11,368,316	7.29
2.	Stepan Holdings Limited	7,085,000 [4.36%]*	7,085,000 [4.54%]*	--	--	--	7,085,000	4.54
3.	Ristana Services Limited	4,804,550 [2.96%]*	4,804,550 [3.08%]*	--	--	--	4,804,550	3.08
4	Salperton Limited	1,650,000 [1.01%]*	1,650,000 [1.06%]*	--	--	--	1,650,000	1.06
5.	Exemplary Management Services Private Limited	1,815,674 [1.12%]	1,645,674 [1.06%]	20.4.2018	-75,000	Change pursuant to ESPS Scheme of the Company	1,740,674	1.12
				30.11.2018	5,000		1,745,674	1.12
				8.2.2019	-100,000		1,645,674	1.06
6	Turnstone Investments Limited	1,566,000 [0.96%]*	1,566,000 [1.00%]*	--	--	--	1,566,000	1.00
7.	The New India Assurance Company Limited	1,377,549 [0.85%]*	1,377,549 [0.88%]*	--	--	--	1,377,549	0.88
8.	UTI - Hybrid Equity Fund	0 [0.00]	871860 [0.56%]	25.5.2018	194,087	Purchase	1,94,087	0.12
				1.6.2018	5,789	Purchase	1,99,876	0.13
				8.6.2018	255,135	Purchase	4,55,011	0.29
				22.6.2018	67,019	Purchase	5,22,030	0.33
				29.6.2018	124,422	Purchase	6,46,452	0.41
				6.7.2018	28,777	Purchase	6,75,229	0.43
				3.8.2018	65,000	Purchase	7,40,229	0.47
				17.8.2018	-100,000	Sale	6,40,229	0.41
				8.2.2019	41,227	Purchase	6,81,456	0.44
				15.2.2019	68,477	Purchase	7,49,933	0.48
				22.2.2019	43,180	Purchase	7,93,113	0.51
				10.3.2019	1,781	Purchase	7,94,894	0.51
				22.3.2019	15,000	Purchase	8,09,894	0.52
				29.3.2019	61,966	Purchase	8,71,860	0.56
9.	Dimensional Emerging Markets Value Fund	4,35,661 [0.27%]	4,44,301 [0.28%]	13.4.2018	4,006	Purchase	4,39,667	0.28
				22.2.2019	4,634	Purchase	4,44,301	0.28
10.	Emerging Markets Core Equity Portfolio (The Portfolio)	3,54,870 [0.23%]	3,74,269 [0.24%]	20.4.2018	3,144	Purchase	3,58,014	0.23
				27.4.2018	7,685	Purchase	3,65,699	0.23
				11.1.2019	3,143	Purchase	3,68,842	0.24
				18.1.2019	2,383	Purchase	3,71,225	0.24
				15.2.2019	3,044	Purchase	3,74,269	0.24

* Based on weekly Ben-Pos

* Change in % of shareholding is due to buy back of 6,473,841 Equity Shares of Rs.2/- each by the Company during F.Y 2018-19.

v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name of Directors	Shareholding		Date of Increase/ Decrease during the financial year (1.4.2018–31.3.2019)	Increase/ (Decrease) in Shareholding*	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No of Shares & percentage* at the beginning/end of the Year					No. of shares	% of total shares of the Company
		1.4.2018	31.3.2019					
1.	Mr. Ajay S. Shriram Chairman & Senior Managing Director & Key Managerial Personnel	493780 [0.30%]*	493780 [0.32%]*	--	--	--	493780	0.32*
2.	Mr. Vikram S. Shriram Vice Chairman & Managing Director	503310 [0.31%]*	503310 [0.32%]*	--	--	--	503310	0.32*
3.	Mr. Ajit S. Shriram Joint Managing Director	595580 [0.37%]*	595580 [0.38%]*	--	--	--	595580	0.38*
4.	Mr. K.K. Kaul Whole Time Director	59000 [0.04%]	59000 [0.04%]	--	--	--	59000	0.04
5.	Mr. K.K. Sharma Whole Time Director	0 [0.00%]	0 [0.00%]	--	--	--	--	0.00
6.	Mr. Pradeep Dinodia Non-Executive Director	29270 [0.02%]	29270 [0.02%]	--	--	--	29270	0.02
7.	Mr. Vimal Bhandari Non-Executive Director	2000 [0.00%]	2000 [0.00%]	--	--	--	2000	0.00
8.	Mr. Sunil Kant Munjal Non-Executive Director	0 [0.00%]	0 [0.00%]	--	--	--	--	0.00
9.	Ms. Ramni Nirula Non-Executive Director	0 [0.00%]	0 [0.00%]	--	--	--	--	0.00
10.	Mr. Sharad Shrivastva Nominee Director (LIC)	0 [0.00%]	0 [0.00%]	--	--	--	--	0.00
11.	Justice (Retd.) Vikramajit Sen Non-Executive Director	0 [0.00%]	0 [0.00%]	--	--	--	--	0.00
12.	Mr. Pravesh Sharma Non-Executive Director	0 [0.00%]	0 [0.00%]	--	--	--	--	0.00
* Change in % of shareholding is due to buy back of 6,473,841 Equity Shares of Rs.2/- each by the Company during F.Y 2018-19.								
Key Managerial Personnel (KMPs)								
1.	Mr. J.K. Jain Chief Financial Officer	76260 [0.05%]	76260 [0.05%]	--	--	--	76260	0.05
2.	Mr. Sameet Gambhir Company Secretary	12500 [0.01%]	10000 [0.01%]	27.4.2018	-750	Sale	11750	0.01
				18.5.2018	-750	Sale	11000	0.01
				25.5.2018	-1000	Sale	10000	0.01

* Based on weekly BenPos

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Crores)

Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	625.07	98.45	32.33	755.85
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	12.00	0.27	0.05	12.32
Total (i + ii + iii)	637.07	98.72	32.38	768.17
Change in Indebtedness during the financial year				
• Addition	972.47	220.00	0.01	1192.48
• Reduction	194.93	142.00	0.19	337.12
Net Change	777.54	78.00	(0.18)	855.36
Indebtedness at the end of the financial year				
i) Principal Amount	1402.61	176.45	32.15	1611.21
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	12.83	0.37	0.05	13.25
Total (i + ii + iii)	1415.44	176.82	32.20	1624.46

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Directors, Whole-Time Directors and/or Manager

(Rs. in Lakhs)

S. No	Particulars of Remuneration	Name of MDs/WTDs					Total Amount
		Ajay S. Shriram Chairman & Senior Managing Director	Vikram S. Shriram Vice Chairman & Managing Director	Ajit S. Shriram Joint Managing Director	K.K. Kaul Whole Time Director	K.K. Sharma Whole Time Director (EHS)	
1.	Gross salary						
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	247.05	243.00	194.40	164.39	80.17	929.01
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	147.02	111.44	101.14	2.18	1.11	362.89
	(c) Profit in lieu of salary u/s 17(3) of Income Tax Act, 1961	--	--	--	--	--	--
2.	Stock option	--	--	--	--	--	--
3.	Sweat Equity	--	--	--	--	--	--
4.	Commission - as % of profits - Other	550.00 --	545.00 --	530.00 --	75.00 --	7.50 --	1707.50 --
5.	Others : -Contribution to PF	26.35	25.92	20.74	11.25	4.00	88.26
	Total (A)	970.42	925.36	846.28	252.82	92.78	3087.66
	Ceiling as per the Act	Rs. 121.58 Crores (being 10% of Net Profits of the Company as calculated as per Section 198 of the Companies Act, 2013)					

B. Remuneration to other Directors

(Rs. in Lakhs)

S. No	Particulars of Remuneration	Nominee Director	Independent Directors						Total Amount
		Sharad Shrivastva	Pradeep Dinodia	Vimal Bhandari	Sunil Kant Munjal	Ramni Nirula	Justice (Retd.) Vikramajit Sen	Pravesh Sharma	
1.	- Fee for attending Board/ Committee meetings	2.00	20.50	7.25	7.25	8.50	5.25	10.00	60.75
2.	- Commission	23.00	74.00	32.00	33.50	35.00	29.00	38.00	264.50
	Total (B)	25.00	94.50	39.25	40.75	43.50	34.25	48.00	325.25
	Total Managerial Remuneration (A+B)								3412.91
	Overall Ceiling as per the Act	Rs. 133.74 Crores (being 11% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)							

C. Remuneration to Key Managerial Personnel other than MDs/Manager/WTDs

(Rs. in Lakhs)

S. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Ajay S. Shriram Chairman & Senior Managing Director, CEO	J.K. Jain Chief Financial Officer	Sameet Gambhir Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	247.05	153.87	65.88	466.80
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	147.02	14.78	1.09	162.89
	(c) Profit in lieu of salary u/s 17(3) of Income Tax Act, 1961	--	--	--	--
2.	Stock option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profits	550.00	--	--	550.00
	- others	--	--	--	--
5.	Others - Contribution to PF	26.35	8.69	3.39	40.81
	Total	970.42	177.34	70.36	1218.12

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

AJAY S. SHRIRAM
Chairman & Senior Managing Director
DIN : 00027137

Place : New Delhi
Date : 1.5.2019

Annexure - 6

Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required under the Companies (Accounts) Rules, 2014.

A) Conservation of Energy

(i) the steps taken and/or impact on conservation of energy;

SFC Complex - Kota

Fertiliser

- Set of New Generation valves were installed for Additional Synthesis Gas compressor & Synthesis Gas compressor 'A' in Aug.'18. This has given a saving of 200 Kw of power or 0.012 Gcal/MT Urea i.e. 453.0 MTOE/annum.
- An old inefficient cooling water pump was replaced with new more efficient pump in Sep.'18. Power saving of 30 Kw has been realized (0.002 Gcal/MT Urea) i.e. 68.0 MTOE/annum

Power

- Optimization of Cooling water pump operation with a saving of 48 Kw/hr by running smaller capacity pump resulted into energy saving 112.0 MTOE/annum.
- Installation of new efficient Instrument air compressor replacing the old inefficient compressors with an energy saving of 44 Kw/hr i.e. 101.2 MTOE/annum.

Chemicals

- Replacement of Old Flaker plant with New Energy Efficient flaker plant for efficient hydrogen consumption from 570 to 230 Nm3/MT resulted into energy saving of 6844.2 MTOE/annum.
- Replacement of old reciprocating type instrument air compressor with screw compressor (no purge type dryer system) resulting in energy saving of 973 Kwh/day i.e. 97.4 MTOE/annum.
- Replacement of membrane in Electrolyzer "E" for energy saving of 9936 Kwh/day i.e. 994.6 MTOE/annum.
- Replacement of old reciprocating Freon compressor based system with screws Compressors thereby resulting for energy savings of 5328 Kwh/day i.e. 533.3 MTOE/annum, reduction in power conservation.
- Stoppage of additional product transfer pump in CCU for energy saving of 163 Kwh/day i.e. 16.3 MTOE/annum

Carbide

- Installation of carbon dryer for drying of petcoke resulting in saving of 22 KG/MT and annual saving of 2418 MT of carbon material. i.e. 2140.6 MTOE/annum.
- Installation of 2nd stream of mechanization for breaking of carbide resulted into increase of carbide production by 15 MT per month resulting in saving of electricity of 6.2 Lakhs Kwh i.e. 177.3 MTOE/annum.

SAC - Bharuch Chemical Plant

- VFD in CPP Auxiliaries - Energy savings - 384 Kwh/day
- LT VFD on process plant Auxiliaries - Energy savings - 2160 Kwh/day
- Replacement of membrane in Electrolyzer ' I ' - Energy savings - 4500 Kwh/day

Sugar Plants - U.P.

- Replacement of conventional lights to LEDs lights at different sections of all plants in phased manner.
- Replacement of small sulphited juice pumps with bigger size pump at Ajbapur, with saving of 27Kwh.
- Replacement of 4 no. magma pumps (60Kw) with 1 no screw pump (22Kw) at BFW and CAW centrifugal machines at Rupapur (power & maintenance cost saved)
- Replacement of B & C massecuite pumps with higher efficiency pump & motor set resulting in power saving of 10Kwh & 1 no. manpower per shift reduced at Rupapur
- Conventional hard-facing anvil bar of shredder anvil plate replaced with ready-made anvil bar made of chromium carbide. Power consumption reduced by 150Kwh through-out the season at Loni.

(ii) the steps taken by the Company for utilising alternate sources of energy;

SFC Complex - Kota

- Continue use of biomass as fuel for power Plant and increasing capacity to consume more.

SAC - Bharuch

- Solar light in Canteen & street light
- Solar heater canteen

(iii) the capital investment on energy conservation equipments;

Major investments on energy conservation equipment are as under:

Particulars		Investment (Rs./Crs)
Chemicals, Kota -		
• New Energy Efficient flaker plant for efficient hydrogen consumption thereby reduction in Hydrogen consumption by 340 Nm3/MT commissioned in Dec 15, 2018.		38.0
• Replacement of old reciprocating type instrument air compressor with screw compressor (no purge type dryer system for energy savings @ 973 Kwh/day.		0.45
• Replacement of membrane in Electrolyzer "E" for energy savings @ 9936 Kwh/day.		1.42
• Replacement of old reciprocating Freon compressor based system with screw Compressors for energy savings @ 5328 Kwh/day.		1.77
Power - Kota • Procurement and installation of new instrument air compressor.		0.25
Carbide - Kota • Installation of 2nd Stream of mechanization for breaking of carbide commissioned in Nov - 2018.		1.67
Fertiliser - Kota • Installation of new Generation valves in Synthesis Gas compressors 'A' • Replacement of Cooling water pump		0.88 0.20
SAC - Bharuch Chemical Plant • VFD on boiler feed pump of 60MW Power Plant		0.60
Sugar Plants - U.P.		
Ajbapur	Replacement of conventional lights to LEDs lights at different sections of all plants in phased manner Replacement of small sulphited juice pumps with bigger size pump with saving of 27Kwh	0.36
Rupapur	Replacement of B & C massecuite pumps with higher efficiency pump & motor set resulting in power saving of 10Kwh & 1 nos manpower per shift reduced	0.22
Hariawan	Replacement of conventional lights to LEDs lights at different sections of all plants in phased manner	0.04

B) Technology Absorption

(i) the efforts made towards technology absorption;

SFC Complex - Kota

- Use of IIoT has been started in Power, PVC, Carbide, Chemical, and Fertilizer Plant.

Sugar Plants - U.P.

In Ajbapur, Rupapur, Loni

- Sulphate treatment for spray pond water

ETP in Ajbapur, Hariawan & Loni

- IC Reactor for Anaerobic Process followed by aerobic process.

Refinery (Process) in Hariawan

- Vertical Continuous Pan - VCP
- Melt Concentrator - Plate Type FFE
- Rinse Water Recovery System - RWRS
- Brine Recovery System Double Stage - BRS
- Chiller Plant at FBD

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

SFC Complex - Kota

- Better operation control
- Improve process safety
- improve process efficiency

Sugar Plants - U.P.

- Treated spray water can be taken as inlet for ETP, thus, can be further utilized as treated effluent
- Meet the effluent discharge norms (able to treat the surplus spray pond water through ETP)
- Uniform & steady process due to continuous operation
- Steam saving
- Water conservation (reduction in effluent quantity to ETP)
- Reduction in chemical consumption, water conservation recovery is 90 %
- Improvement in sugar keeping quality

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);

Chemical - Kota

(A)

a)	Technology Imported	1. Installation of new zero gap cells in Electrolyser # E. 2. Installation of NCH type cell in Electrolyser # D after their zero gap conversion.
b	Year of Import	2016-17 & 2018-19
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same and future plan of action	N.A.

(B)

a)	Technology Imported	Bertams technology for flaker plant
b)	Year of Import	2018-19
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same and future plan of action	N.A.

Carbide

a)	Technology Imported	Three Level Multi pass Rotary Carbon Dryer imported from M/S Henan ZJN Drying environmental Sci-tech Co., Ltd China.
b)	Year of Import	2017-18
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same & future plan of action	N.A.

Chemical (SAC – Bharuch)

a)	Technology Imported	Component, Spare Part, Capital Goods and Technology Consultancy
b)	Year of Import	2016-17
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for the same & future plan of action	N.A.

(iv) the expenditure incurred on Research and Development :

Capital - 1.71 Crores

Revenue - 44.53 Crores

C)Foreign Exchange Earnings and Outgo

Rs. in Crores

	2018-19
- Total foreign exchange used in terms of actual outflows during the year	388.70
- Total foreign exchange earned in terms of actual inflows during the year	111.25

Place : New Delhi
Date : 1.5.2019

AJAY S. SHRIRAM
Chairman & Senior Managing Director
DIN : 00027137

Annexure - 7

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

DCM Shriram Limited

(CIN: L74899DL1989PLC034923)

1st Floor Kanchenjunga Building,

18 Barakhamba Road, New Delhi- 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DCM Shriram Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that-

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing obligations and Disclosures requirements) Regulations, 2015.

*No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

During the Audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. to the extent applicable, as mentioned above.

(vi) The business portfolio of the Company comprises primarily of the followings-

Agri-Rural Business

Urea & SSP fertilizers, Sugar, Hybrid Seeds and marketing of farm inputs such as specialty fertilizers, Cropcare Chemical & seed.,

Chlor-Vinyl Business

Caustic Soda, Chlorine, Calcium Carbide, PVC resins, PVC Compounds, Power and Cement. It has a value added business Fenesta Building Systems.

The Company has manufacturing facilities of Fertiliser, Chloro Vinyl & Cement in Kota (Rajasthan). The Company operates coal-based captive power, facilities - in Kota rated at 133 MW and 115 MW in Bharuch (Gujarat). The Urea plant in Kota has a Production capacity of 379,500 TPA & Chlor- Alkali capacity of 498 TPD in Kota & 1,265 TPD in Bharuch. Further, Sugar factories are located in Ajbapur, Rupapur, Hariawan and Loni in Uttar Pradesh, with a combined installed capacity of 38,000 TCD (tonnes crushed daily) & 150 KLD distillery at Hariawan. The Hybrid seed operations- 'Bioseed' started in Hyderabad (India) and now have a global footprint with presence in Vietnam, Philippines and Indonesia. Fenesta windows fabrication units are located in Bhiwadi, Hyderabad and Chennai. Following are some of the laws specifically applicable to the company:-

- Food Safety and Standards Act, 2006;
- Essential Commodities Act, 1955;
- Narcotics Drugs and Psychotropic substance Act, 1985;
- Legal Metrology Act, 2009;
- The Fertilizer Control Order, 1985;
- The U.P. Sugarcane (Purchase Tax) Act, 1961;
- The Sugar (Packing & Marketing) Act, 1970.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Board of Directors of the Company at their meeting held on June 18, 2018 had approved the proposal for Buy-back of fully paid up equity shares of Rs. 2/- each of the Company, from the existing owners/beneficial owners of the equity shares of the Company (excluding promoters) from the Open Market through the Stock Exchanges using the electronic trading facilities of the BSE Limited and The National Stock Exchange of India Limited in accordance with the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 and the SEBI (Buy-back of Securities) Regulations, 1998 and subsequent amendments thereto, at a maximum price not exceeding Rs. 450 per equity share for an aggregate amount not exceeding Rs. 250 Crores (Rupees Two Hundred and Fifty Crores only) ("Maximum Buy-back Size"), being 8.16% and 8.37% of the total paid up share capital and free reserves of the Company based on the audited standalone and consolidated financial statements of the Company respectively, as at March 31, 2018 (being the date of the last audited financial statements of the Company). The Buy-back commenced on July 4, 2018 and closed on October 23, 2018. The total number of equity shares bought back under the Buy-back were 64,73,841 Equity Shares of Rs. 2/- each at a total consideration of Rs.24,999.99 Lakhs, excluding Transaction Costs (representing approximately 3.99% of Pre Buy-back paid up capital).

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900

Sanjay Grover
Managing Partner
CP No.: 3850

New Delhi
1.5.2019

Corporate Social Responsibility

Brief Outline of Corporate Social Responsibility (CSR) Projects

The Company's Corporate Social Responsibility activities are aligned with Schedule VII of Section 135 of Companies Act, 2013. The organization undertakes CSR Projects and programs from time to time, in accordance with the CSR Policy of the Company. It strongly believes in engaging with communities through programs that positively impact Human Development.

The four pillars that form the basis of our CSR programs are as follows - 1. Preventive Health & Sanitation 2. Education, Vocational Skills & Livelihood 3. Environment Sustainability 4. Rural Development

Overview of Projects / Programs Undertaken

Projects taken up under CSR are designed to meet the needs of identified communities and are aligned to priorities of the government. Details of CSR initiatives of the Company are described below :

I. Preventive Health & Sanitation

'Khushali Sehat' is our flag ship intervention aimed at supporting Govt programs on Vaccination, institutional delivery and nutrition in 40 villages around DSCL Sugar Units. The project has benefited ~35K families includeng ~ 600 pregnant women, 1K infants and 3K adolescent girls. ~ 26K patients have benefited from our monthly health camps. IMR in our project area has dropped to 20 while there has been no maternal mortality.

Eye Care camps are organised in association with reputed hospitals and govt bodies at Sitapur, U.P. & Bharuch, Gujarat. The camps have helped in facilitating cataract operations for 2551 elderly cataract patients hailing from economically weaker sections. Vision testing and spectacles are provided to truck drivers thus helping to reduce road accidents.

Sanitation

The company is actively implementing an ambitious School Sanitation program named Shriram Swachagraha.

Major thrust of the program is at Kota, Rajasthan where it aims to renovate toilets across all 1072 Govt Schools of the district and usher behavior change around sanitation, over next 3 years. Implementation of the project is completed in 140 Schools of Ladpura Block, benefiting nearly 22K school children. It is being taken forward in rest of the Blocks of the district. The program also works to ensure that the Schools own and sustain the infrastructure by adopting processes on Operations & Maintenance.

The program is also being implemented in other business locations - Bharuch, Hardoi, Lakhimpur & Hyderabad. At Bharuch, 267 households were provided IHH toilets making the village Fulwadi, Open Defecation free. At Hardoi & Lakhimpur, more than 94 School toilets have been renovated.

II. Education, Vocational skills, Livelihood

The Company has instituted Scholarship programs in different streams to encourage students, mostly from rural areas, to pursue higher education. More than 380 students have benefited from the program.

In association with Pratham Foundation, it has initiated Khushali Siksha, a project to improve learning outcomes in 32 primary schools of Uttar Pradesh. Over 4400 students in these schools are benefiting from this initiative.

The Company supports higher education by funding premier Educational Institutions in the country.

The company promotes programs on livelihood by creating a network of Farmers Group and helps them to improve their farm productivity. Such programs are implemented extensively around its Agri Business locations. It also supports women groups on Skill Development. More than 200 women have availed of this program till now.

III. Environment Sustainability

Water Conservation continues to be a focus area for our CSR programs. The company has supported Government of Rajasthan's MJSY program by constructing water conservation structures in the districts of Jhalawar & Kota and continues to work towards enhancement of Agri productivity in that area. It has also converted disused dugwells on farms into ground water recharge structures.

The Company is conscious of the need to maintain right ecological balance and has created green belts in and around all its facilities. Massive tree plantation drives are carried out at all business locations.

As part of its Meetha Sona Project, the Company, in association with multilateral partners like IFC, Solidaridad etc. is sensitising farmers in its Sugar business region to take up Water Management and improve Soil Health. Farmers across 20500 Ha have discarded flood irrigation and have adopted furrow irrigation.

The company is also assisting farmers in controlling insect pests through use of parasitoids, thus reducing the dependence on chemical pesticides. The parasitoids are being reared in a Bio Control Facility set up by the company.

IV. Rural Development

The Company is implementing a unique Model Village program that marries sectoral development programs with focussed infrastructure development activities in select villages. This includes Safe drinking water facilities, upgradation of Aanganwadis, Schools, Primary Health Centers, Panchayat Bhawans etc.

These activities are undertaken in close association & participation of the local community & Gram Panchayats.

Impact Evaluation - CSR Projects of the company are rigorously monitored and evaluated through Impact Assessment. Results of such evaluations have revealed a high degree of impact of our programs, especially those pertaining to sanitation and preventive health.

The Directors are pleased to report that the different programs of CSR are providing encouraging results. The Company is committed to continuing with its initiatives towards Social Responsibility in line with CSR policy.

More details of the CSR policy and programs are available on the Company's website at the following weblink http://www.dcmshriram.com/sites/default/files/CSR-policy.pdf

Composition CSR Committee

The CSR Committee comprises of the following Directors :

Mr. Ajay S. Shriram	.....	Chairman
Mr. Vikram S. Shriram	.....	Member
Mr. Ajit S. Shriram	.....	Member
Mr. Sunil Kant Munjal	.....	Member
Justice Vikramajit Sen	.....	Member
Mr. Pravesh Sharma	.....	Member

Average Net Profit of the Company

The average net profit of the Company for the preceding three years block of 2015 - 16 to 2017 - 18 was Rs 664.44 Crores. The prescribed expenditure on CSR, for the year 2018 - 19 was Rs 13.30 crores.

Details of CSR Spend

During the year 2018-19, the Company spent Rs.13.35 Crores towards various programs and projects of CSR. The details are provided in the Annual Report of CSR as attached. (Annexure).

Annexure

Annual Report on Corporate Social Responsibility(CSR) activities for the financial year 2018 - 19

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Specify the state and district where projects or programs was undertaken	Amount outlay (budget) (Rs. lakhs)	Amount spent on the projects Sub heads - (1) Direct expenditure (2) Overheads (Rs. lakhs)	Cumulative expenditure upto the reporting period (Rs. lakhs)	Amount spent: Direct or through implementing agency
1	Maternal and child health program, Preventive Eye care program Preventive health camps,	Preventive healthcare and Sanitation	Distts. Lakhimpur Kheri, Hardoi, Uttar Pradesh; Bharuch, Gujarat	195.50	205.10	205.10	Directly and in association with NGOs
	Sanitation program for schools & community		Distt. Kota, Rajasthan; Distts. Lakhimpur Kheri, Hardoi, Uttar Pradesh;	400.30	430.08	430.08	Directly and in association with NGOs
	SubTotal (1)			595.80	635.18	635.18	
2	Water conservation through construction of tanks, check dam etc.	Environmental sustainability	Distt. Kota, Rajasthan; Distts. Lakhimpur Kheri, Hardoi, Uttar Pradesh	202.00	52.39	52.39	In association with NGOs
	Soil health program, Program on Bio Control of pests to reduce dependence on chemical pesticides		Distts. Hardoi, Lakhimpur Kheri, Uttar Pradesh	52.00	107.99	107.99	In association with NGOs
	SubTotal (2)			254.00	160.38	160.38	
3	Construction / repair of village roads, school buildings, tube wells, RO Plant etc. Disaster relief, Integrated Village Development	Rural Development	Distt. Bharuch, Gujarat; Distt. Hyderabad, Telengana; Distts. Lakhimpur Kheri, Hardoi, Uttar Pradesh, Distt. Kota, Rajasthan	107.00	112.31	112.31	Direct
	Sub Total (3)			107.00	112.31	112.31	
4	Scholarship to students, Contribution to educational institutions, Promoting handicraft, Vocational skills	Promoting education, vocational skills, livelihood	Distt. Kota, Rajasthan; Haryana; Punjab; Delhi; Distt. Hyderabad, Telengana; Distt. Kolkata, West Bengal	323.20	331.18	331.18	Direct
	SubTotal (4)			323.20	331.18	331.18	
6	Admin expenses & capacity building of staff	Overheads		50.00	65.00	65.00	Direct
8	Kerala Flood relief				31.00	31.00	
	Grand Total			1330.00	1335.05	1335.05	

CSR Committee's Responsibility Statement

We hereby affirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the Policy of the Company.

Vikram S. Shriram
Vice Chairman & Managing Director
DIN : 0027187

Ajay S. Shriram
Chairman & Sr. Managing Director &
Chairman, CSR Committee
DIN : 00027137

New Delhi
Date : 1.5.2019

Corporate Governance Report 2018-19

(A) Company's Philosophy

The Company's philosophy on Corporate Governance is focused upon a rich legacy of fair, ethical and transparent governance practices. The Company is conscious of its responsibility as a good corporate citizen and is committed to high standard of Corporate Governance practices. This is reflected in the well balanced and independent structure of the Company's eminent and well represented Board of Directors. The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations, 2015].

(B) Board of Directors

As at 31.3.2019, there were twelve (12) Directors comprising five (5) Executive Directors including an Executive Chairman, six (6) Non-Executive Independent Directors and one (1) Nominee Director.

During the year, five (5) Board Meetings were held on 24.4.2018, 18.6.2018, 31.7.2018, 29.10.2018 & 29.1.2019.

A separate meeting of Independent Directors was held during the year.

The composition of Board of Directors, their attendance at Board Meetings during the year 2018-19 and at the last Annual General Meeting duly held on 31.7.2018 along with details of other Directorship and Committee Membership/Chairmanship as at 31.3.2019 are as follows:

Name of Director	Category of Directorship	No. of Board meetings attended	Attended last AGM	No. of other Directorship#	Name of the listed Companies (holding position of Director and category of Directorship)	No. of other Committee Membership##	
						Member (including Chairmanship)	Chairman/ Chairperson
Mr. Ajay S. Shriram (Chairman & Senior Managing Director)	Promoter & ED	5	YES	6	--	--	--
Mr. Vikram S. Shriram (Vice Chairman & Managing Director)	Promoter & ED	5	YES	6	--	--	--
Mr. Ajit S. Shriram (Joint Managing Director)	Promoter & ED	5	YES	7	--	--	--
Mr. K.K. Kaul (Whole Time Director)	ED	4	YES	2	--	--	--
Mr. K.K. Sharma (Whole Time Director EHS)	ED	5	YES	--	--	--	--
Mr. Pradeep Dinodia	NE-I-D	4	YES	5	1. DFM Foods Ltd. - NE-I-D 2. Shriram Pistons and Rings Ltd. - NE-I-D 3. Hero MotoCorp Ltd. - NE-I-D 4. JK Lakshmi Cement Ltd. - NE-I-D	7	4
Mr. Vimal Bhandari	NE-I-D	5	YES	6	1. JK Tyre & Industries Ltd. - NE-I-D 2. Bayer Cropscience Ltd. - NE-I-D 3. Bharat Forge Ltd. - NE-I-D 4. Kalpataru Power Transmission Ltd. - NE-I-D	4	1
Mr. Sunil Kant Munjal	NE-I-D	2	NO	3	Shivam Autotech Ltd. - NE-I-D	2	--
Ms. Ramni Nirula	NE-I-D	4	YES	6	1. Mcleod Russel India Ltd. - NE-I-D 2. PI Industries Ltd. - NE-I-D 3. Eveready Industries India Ltd. - NE-I-D 4. CG Power And Industrial Solutions Ltd. - NE-I-D 5. HEG Ltd. - NE-I-D	4	1
Justice (Retd.) Vikramajit Sen	NE-I-D	4	NO	1	BSE Ltd. - NE-I-D	--	--
Mr. Pravesh Sharma	NE-I-D	5	YES	--	--	--	--
Mr. Sharad Shrivastva (LIC Nominee)	Nominee Director	2	NO	--	--	--	--

Excluding Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

Includes only Audit Committee and Stakeholders Relationship Committee.

ED - Executive Director

NE- I-D - Non-Executive Independent Director

The ratio between Executive and Non-Executive Directors (including Nominee Director) is 5:7.

Relationship amongst Directors

Mr. Ajay S. Shriram, Mr. Vikram S. Shriram and Mr. Ajit S. Shriram, being brothers, are related to each other. Apart from the above none of the Directors are related to each other.

Number of Shares held by Non-Executive Independent Directors as on 31st March, 2019

Name of Directors	No. of Shares held	%age of Shareholding
Mr. Pradeep Dinodia	29,270	0.02
Mr. Vimal Bhandari	2,000	0.00

None of the other non executive Directors holding office as on 31st March, 2019 hold any shares in the Company. There are no Convertible Instruments issued by the Company.

The details of familiarization programme for Independent Directors are available on the Company's website at the following web link:

https://www.dcmshriram.com/sites/default/files/Details%20of%20F amiliarization%20Programme%20for%20Independent%20Directors%202018-19-converted.pdf

Chart of skills/expertise/competence identified by the Board of Directors in context of the Company's business(es) and sector(s) for it to function effectively and actually available with the Board:

Name of Director	List of Core Skills/Expertise/Competencies
Mr. Ajay S. Shriram	General Management, Strategy, Finance, HR, Agri Businesses, Sugar, Retail and Chloro Vinyl Business
Mr. Vikram S. Shriram	General Management, Strategy, Finance, Agri Businesses, Sugar, Retail and Chloro Vinyl Business
Mr. Ajit S. Shriram	General Management, Strategy, Finance, Agri Businesses, Sugar, and Chloro Vinyl Business
Mr. K.K. Kaul	General Management, Project Management, Procurement and Supply Chain management, Setting up/Operation of Fertilizer, Chemicals, Petrochemicals, Cement, process plants and Human Resource Management.
Mr. K.K. Sharma	Environment Health and Safety, Agrochemicals and Pharmaceutical Manufacturing
Mr. Pradeep Dinodia	Corporate Legal Matters, FEMA, Accounting and Direct Taxes
Mr. Vimal Bhandari	Finance, Human Resources and General Management
Mr. Sunil Kant Munjal	Mergers & Acquisitions, Impact Investing, Finance & Banking, Macro-economy, Corporate Strategy, Succession Planning, Business process and improvements, Restructuring etc.
Ms. Ramni Nirula	Project Financing, Strategy, Planning & Resources and Corporate Banking
Justice (Retd.) Vikramajit Sen	Civil & Commercial Legal Matters and Arbitration
Mr. Pravesh Sharma	Food Security, Agriculture, Rural finance, Rural development and Natural Resources Management.
Mr. Sharad Shrivastva	Administration, Governance, HR & Marketing

Confirmation

On the basis of declaration received from the Independent Directors, the Board confirms that in their opinion the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations 2015 and are independent of the management.

(C) Board Audit Committee

(i) Terms of reference

The role and terms of reference of Board Audit Committee shall cover areas mentioned under SEBI Listing Regulations/and Section 177 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time besides other matters as may be delegated by the Board of Directors from time to time.

(ii) Composition

The Board Audit Committee was constituted in 1990. As at 31.3.2019, the Committee comprises of four (4) Non-Executive Independent Directors. The Committee met six (6) times during the year on 24.4.2018, 30.7.2018, 29.10.2018, 19.12.2018, 29.1.2019 & 21.2.2019 and attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	6
Mr. Sunil Kant Munjal	Member	3
Ms. Ramni Nirula	Member	6
Mr. Pravesh Sharma	Member	5

(D) Nomination, Remuneration and Compensation Committee

(i) Terms of reference

The role and terms of reference of Nomination, Remuneration and Compensation Committee shall cover areas mentioned under SEBI Listing Regulations/and Section 178 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time and other matters as may be delegated by the Board of Directors from time to time.

(ii) Composition

As at 31.3.2019, the Committee comprises of three (3) Non-Executive Independent Directors and one (1) Executive Director. The Committee met five (5) times during the year on 24.4.2018, 31.7.2018, 29.10.2018, 12.11.2018 & 30.11.2018 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	5
Mr. Ajay S. Shriram	Member	4
Mr. Vimal Bhandari	Member	3
Mr. Sunil Kant Munjal	Member	3

(iii) Performance Evaluation criteria

The Nomination, Remuneration and Compensation Committee (NRCC) has approved the following criteria for evaluation of performance of Directors (including Independent Directors).

- Fulfillment of responsibilities as a director as per the Act, the Listing Regulations and applicable Company policies and practices ;
- In case of the concerned director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or member of the Committees, with reference to such status and role;
- In case of Independent Directors fulfillment of the independence criteria as specified under applicable Regulations and their independence from the management;
- Board and/or Committee meetings attended; and
- General meetings attended.

(iv) Remuneration of Directors

(a) During the current financial year, there was no material pecuniary relationship or transaction between the Company and any of its Non-Executive Directors which is required to be disclosed.

(b) Criteria of making payments to Non-Executive Directors is as per Remuneration Policy of the Company which is available on the Company's website at the following link : http://www.dcmshriram.com/sites/default/files/Remuneration%20Policy_0.pdf

(v) Details of remuneration of Directors for the year 2018-19

(i) Non Executive Directors :- The details of remuneration paid/payable during the year by way of commission, and sitting fee for attending meetings of Board/Committees to Non-Executive Directors are as under:

Name of the Director	Amount/Rs. Lakhs		
	Sitting Fee	Commission	Total
Mr. Pradeep Dinodia	20.50	74.00	94.50
Mr. Vimal Bhandari	7.25	32.00	39.25
Mr. Sunil Kant Munjal	7.25	33.50	40.75
Ms. Ramni Nirula	8.50	35.00	43.50
Mr. Pravesh Sharma	10.00	38.00	48.00
Justice (Retd.) Vikramajit Sen	5.25	29.00	34.25
Mr. Sharad Shrivastva (LIC Nominee)*	2.00	23.00	25.00

*** Paid to LIC of India**

(ii) Executive Directors **(Amount/Rs. Lakhs)**

Executive Directors	Salary	P. F.	Super-Annuation	Allowances/ Perquisites/ Others	Commission	Stock Options	Total
Mr. Ajay S. Shriram	219.60	26.35	32.94	144.63	550.00	--	973.52
Mr. Vikram S. Shriram	216.00	25.92	32.40	108.33	545.00	--	927.65
Mr. Ajit S. Shriram	172.80	20.74	25.92	99.05	530.00	--	848.51
Mr. K.K. Kaul	93.72	11.25	--	73.13	75.00	--	253.10
Mr. K.K. Sharma	33.30	4.00	--	48.08	7.50	--	92.88

No Sitting fee has been paid to the Executive Directors.

I. Provision for incremental gratuity and earned leave for the current year has not been considered, since the provision is based on actuarial basis for the Company as a whole.

II. Notice period for termination of appointment of Managing/Whole Time Directors is six/three calendar months respectively, on either side.

III. In the event of termination of appointment of Managing Director, compensation will be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder or any statutory amendment or re-enactment thereof.

IV. The Commission is paid to Executive Directors as approved by the Board of Directors within the prescribed limit.

(E) Stakeholders' Relationship Committee

(I) Terms of reference

The role and terms of reference of Stakeholders Relationship Committee shall cover areas mentioned under SEBI Listing Regulations/and Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time, inter-alia, including the following :

1. To consider and resolve the grievances of security holders of the Company including Shareholders, debenture holders and any other security holders.
2. Others
   a. to scrutinize and approve registration of transfer and transmission of shares/debentures/warrants issued/to be issued by the Company.
   b. to exercise all powers conferred on the Board of Directors under Article 43 of the Articles of Association.
   c. to decide all questions and matters that may arise in regard to transmission of shares/debentures/warrants issued/to be issued by the Company.
   d. to approve and issue duplicate shares/debentures/warrant certificates in lieu of those reported lost, and arrange for printing of blank share certificates, as per requirement.
   e. to refer to the Board any proposal of refusal of registration of transfer of shares/debentures/warrants for their consideration.
   f. to look into shareholders and investors complaints like transfer of shares, non-receipt of annual reports, non-receipt of declared dividend warrants, etc.,
   g. printing of Share Certificates,
   h. to delegate all or any of its powers to Officers/Authorised Signatories of the Company, and
   i. to formulate the necessary process and procedures to ensure the compliance of the IEPF Rules, 2016 and other applicable provisions, if any, as amended from time to time for the transfer of shares to IEPF.

(II) Composition

The Committee comprises of one (1) Non-Executive Independent Director and three (3) Executive Directors. The Committee met twelve (12) times during the year on 24.4.2018, 17.5.2018, 30.6.2018, 23.7.2018, 3.8.2018, 29.8.2018, 8.10.2018, 10.11.2018, 26.11.2018, 14.1.2019,18.2.2019 & 18.3.2019 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	11
Mr. Ajay S. Shriram	Member	12
Mr. Vikram S. Shriram	Member	11
Mr. Ajit S. Shriram	Member	9

Mr. Sameet Gambhir, Company Secretary is the Compliance Officer of the Company.

During the year, 9 Complaints were received from the shareholders and all of them were resolved to the full satisfaction of the shareholders.

(F) Other Committees

(i) Board Finance Committee

Composition:-

The Committee comprises of four (4) Executive Directors. The Committee met eight (8) times during the year on 18.6.2018, 31.7.2018, 25.9.2018, 29.10.2018, 12.11.2018, 19.12.2018, 29.1.2019 & 13.3.2019 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Ajay S. Shriram	Chairman	8
Mr. Vikram S. Shriram	Member	8
Mr. Ajit S. Shriram	Member	7
Mr. K.K. Kaul	Member	6

(ii) CSR Committee :-

Composition:-

The Committee comprises of three (3) Executive Directors and three (3) Non-Executive Independent Directors. The Committee met two (2) times during the year on 19.4.2018 & 21.2.2019 and the attendance of the Members at the meeting was as follows:

Name of Member	Status	No. of meetings attended
Mr. Ajay S. Shriram	Chairman	2
Mr. Vikram S. Shriram	Member	2
Mr. Ajit S. Shriram	Member	2
Mr. Sunil Kant Munjal	Member	1
Mr. Pravesh Sharma	Member	2
Justice (Retd.) Vikramajit Sen	Member	2

(iii) Board Risk Management Committee

The Committee was constituted on 29.1.2019 and comprises of two (2) Executive Directors. There were no meeting held during the period ended 31.3.2019. The Members of the Committee are as follows:

Name of Member	Status
Mr. K.K. Kaul	Chairman
Mr. K.K. Sharma	Member

(G) General Body Meetings

The last three Annual General Meetings were held as under:

Date of AGM	Time	Location
31.7.2018	10.00 A.M.	Kamani Auditorium, 1, Copernicus Marg (Near Mandi House), New Delhi - 110001
1.8.2017	11.00 A.M.	Air Force Auditorium, Subroto Park, New Delhi
9.8.2016	10.00 A.M.	Air Force Auditorium, Subroto Park, New Delhi

The details of Special Resolutions passed in previous three (3) Annual General Meetings are as under:

AGM 2018

- Approval for re-appointment of Mr. Ajay S. Shriram (DIN: 00027137), Chairman and Senior Managing Director under Sections 196, 197, 203, 188(1)(f) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof for a period of five years w.e.f. 1.11.2018.
- Approval for re-appointment of Mr. Vikram S. Shriram (DIN: 00027187), Vice Chairman and Managing Director under Sections 196, 197, 203, 188(1)(f) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof for a period of five years w.e.f. 1.11.2018.
- Approval for appointment of Mr. K.K. Sharma (DIN : 07951296) as Whole Time Director (EHS) under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof for a period of five years w.e.f. 20.11.2017.
- Approval for revision in the maximum limit of remuneration of Mr. Aditya A. Shriram, a relative of Chairman and Senior Managing Director, pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder.

AGM 2017

- Approval for maintaining the statutory registers viz. Register of Members, Debenture holders & other Security holders including index of the names etc. at any place within the NCT of Delhi, being the city where the Registered Office of the Company is situated.

AGM 2016

- Approval of increase in the number of maximum Directors on the Board of the Company up-to 18 Directors.

SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT

- During the financial year 2018-19, no Special Resolution was passed through Postal Ballot.
- As on date, no Special Resolution is proposed to be conducted through Postal Ballot.

(H) Means of Communication

The Company interacts with its Investors through multiple forms of corporate and financial communications such as annual reports, result announcements and media releases. Quarterly results are usually published in English and Hindi daily newspapers, viz., Business Standard. These results are also made available on the website of the Company www.dcmshriram.com and also posted at the online portal of NSE and BSE. The Company's website also displays official news releases and presentations made to the Institutional Investors or to the Analysts. The Company has interacted with analysts and investors during the year under review through meetings and conference calls.

(I) General Shareholders Information

(i) Next Annual General Meeting is proposed to be held on 23rd July, 2019 at 10:30 AM at Kamani Auditorium, 1, Copernicus Marg (Near Mandi House), New Delhi - 110001.

(ii) Financial Year: 1st April to 31st March.

(iii) Dividend payment date: Dividend, if declared in the ensuing Annual General Meeting, will be paid within 30 days of the date of declaration to those Members whose names appear in the Register of Members on the date of book closure.

(iv) Listing on Stock Exchanges and Stock Codes:

The names of Stock Exchanges at which Company's Shares are listed, Symbol/Scrip Code and status of payment of listing fees are as under:

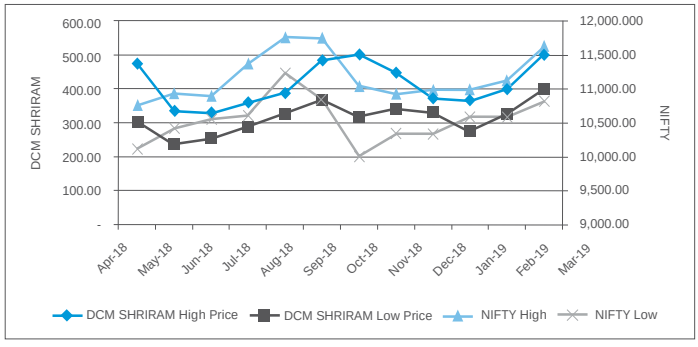
Name and Address of the Stock Exchange	Scrip Symbol/ Code	Status of fee paid
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	DCM SHRIRAM	Paid
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	523367	Paid

(v) Under the depository system, the ISIN allotted to the Company's Equity Shares of face value of Rs.2/- each is INE499A01024.

(vi) Equity Share Price data for the year 2018-19

Equity Share Price on NSE and NIFTY Index

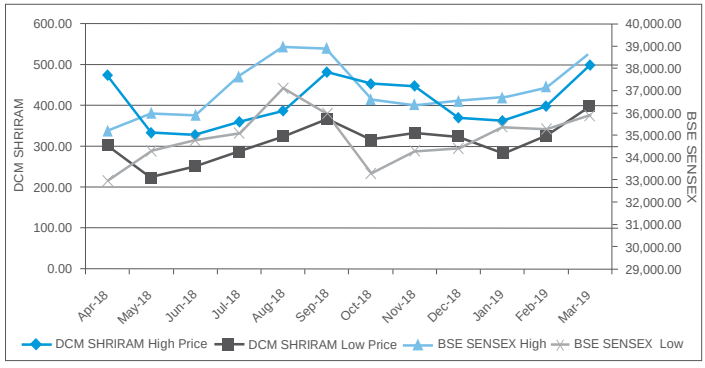
Month	DCM Shriram		NIFTY	
	High	Low	High	Low
Apr-18	474.60	302.00	10,759.00	10,111.30
May-18	335.55	237.00	10,929.20	10,417.80
Jun-18	329.00	254.00	10,893.25	10,550.90
Jul-18	359.30	288.10	11,366.00	10,604.65
Aug-18	387.60	325.00	11,760.20	11,234.95
Sep-18	484.00	368.05	11,751.80	10,850.30
Oct-18	503.00	315.40	11,035.65	10,004.55
Nov-18	448.25	342.40	10,922.45	10,341.90
Dec-18	371.80	330.00	10,985.15	10,333.85
Jan-19	365.00	275.00	10,987.45	10,583.65
Feb-19	399.05	326.00	11,118.10	10,585.65
Mar-19	500.00	400.00	11,630.35	10,817.00



Equity Share Price on BSE and BSE SENSEX

Month	DCM Shriram		BSE SENSEX	
	High	Low	High	Low
Apr-18	475.00	303.15	35,213.30	32,972.56
May-18	334.65	222.55	35,993.53	34,302.89
Jun-18	329.50	254.00	35,877.41	34,784.68
Jul-18	361.00	288.50	37,644.59	35,106.57
Aug-18	387.90	325.30	38,989.65	37,128.99
Sep-18	482.95	367.00	38,934.35	35,985.63
Oct-18	453.60	317.15	36,616.64	33,291.58
Nov-18	448.65	335.05	36,389.22	34,303.38
Dec-18	371.30	326.80	36,554.99	34,426.29

Month	DCM Shriram		BSE SENSEX	
	High	Low	High	Low
Jan-19	364.00	285.05	36,701.03	35,375.51
Feb-19	398.95	326.90	37,172.18	35,287.16
Mar-19	500.00	400.20	38,748.54	35,926.94



(vii) Registrar and Share Transfer Agent: M/s. MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent for shares of the Company - both in physical and electronic mode.

(viii) Share Transfer System: The Company's shares are traded in the Stock Exchanges compulsorily in DEMAT mode. Physical shares, which are lodged with the Company for transfer, are processed and returned to the Members within prescribed period.

(ix) Distribution of Shareholding as on 31.3.2019

No. of Shares		Shareholders	
From	To	Number	% to total no. of Shareholders
1	500	39189	90.33
501	1000	2046	4.72
1001	2000	1044	2.41
2001	3000	345	0.79
3001	4000	189	0.44
4001	5000	113	0.26
5001	10000	186	0.43
10001	50000	200	0.46
50001	100000	29	0.07
100001 and Above		41	0.09
Total		43382	100.00

(x) Dematerialisation of Equity Shares and liquidity

As on 31.3.2019, 98.42% of the total eligible Equity Shares were in dematerialized form and the balance 1.58% shares in physical form.

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments, which are pending for conversion.

(xi) Commodity price risk or foreign exchange risk and hedging activities

The Company's operations are mainly in India and therefore rupee denominated, except the foreign currency denominated loans (Long Term and Short Term) and Imports of some raw materials, stores & spares and capital goods. These liabilities are mostly fully hedged against foreign currencies.

(xii) Plant Locations

The Company's plants are located at Ajbapur, Rupapur, Hariawan, Loni (U.P.), Bharuch (Gujarat), Kota, Bhiwadi (Rajasthan), Hyderabad (Telangana) and Chennai (Tamil Nadu).

(xiii) Address for Correspondence

The Company's Registered Office is situated at 1st Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi-110001.

Correspondence by the shareholders should be addressed to:

(a) MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi - 110020
Tel. Nos. : 011-41406149 to 41406152
Fax No.: 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com/
admin@mcsregistrars.com

(b) Exclusive E-mail for Investor Complaints (excluding Institutional Investors): shares@dcmshriram.com

Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

(xiv) List of all credit ratings obtained:-

Sr. No.	Particular	Rating
1.	Commercial Paper	A1+ (ICRA & CRISIL)
2.	Short Term	A1+ (CRISIL)
3.	Long Term	AA (ICRA)
4.	Fixed Deposit	MAA+ (CRISIL)

(J) Other disclosures

(i) There were no transactions of material nature with related parties during the year that had potential conflict with the interest of the Company at large.

(ii) There were no instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last three years.

(iii) The Company has established a Vigil Mechanism/Whistle Blower Policy as per the requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013. It is affirmed that no personnel was denied access to the Board Audit Committee.

(iv) The Company is complying with all the mandatory requirements of SEBI Listing Regulations, 2015 as applicable.

(v) The Company has formulated a Policy for determining 'Material' Subsidiaries, which is also available on the Company's website at the following web link:

http://dcmshriram.com/sites/default/files/MATERIAL%20SUBSIDIARY%20POLICY%20-%20FINAL.pdf

(vi) The Company has formulated a Policy on dealing with Related Party transactions, which is also available on the Company's website at the following web link:

http://www.dcmshriram.com/sites/default/files/Related%20Party%20Transaction%20Policy%20-%20FINAL_0.pdf

(vii) The Company has obtained a certificate from APR & Associates LLP, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(viii) The details of total fees for all services paid to the Statutory Auditors and its network firm/entity (registered with ICAI as Chartered Accountant) during the year ended 31.3.2019 are as below:

Particulars	Amount (In Lakhs)
Statutory audit	112.50*
Tax audit	18.00
Limited reviews	48.00
Other certification services	74.70*
Total	253.20

*includes fee related to a jointly controlled entity.

(ix) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Number of Complaints disposed off during the Financial Year	Number of complaints pending as on end of the financial year
0	1	0

(x) The Company is in compliance with Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, 2015.

(K) Code of Conduct for Board Members & Senior Management Team

In compliance to the provisions of SEBI Listing Regulations, 2015, the Board has laid down a Code of Conduct for all Board Members and Senior Management Team. A copy of the said Code of Conduct is available on the Company's website at the following web link: http://www.dcmshriram.com/code-of-conduct

All Board Members and Senior Management Team have affirmed compliance of Code of Conduct as on 31.3.2019 and a declaration to that effect signed by Chairman & Senior Managing Director is attached and forms part of this report.

(AJAY S. SHRIRAM)
Chairman & Sr. Managing Director
DIN : 00027137

Place : New Delhi
Date : 1.5.2019

Declaration regarding Compliance of Code of Conduct

I, Ajay S. Shriram, Chairman & Senior Managing Director and CEO of DCM Shriram Limited hereby declare that all Board Members and Senior Management Team have affirmed compliance of the Code of Conduct for the year ended March 31, 2019.

(AJAY S. SHRIRAM)
Chairman & Sr. Managing Director
DIN : 00027137

Place : New Delhi
Date : 1.5.2019

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To

The Members of DCM Shriram Limited

This certificate is issued in accordance with the terms of our agreement dated April 23, 2019

We have examined the compliance of conditions of Corporate Governance by DCM Shriram Limited, for the year ended March 31, 2019 as stipulated in Regulations [17,18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Price Waterhouse Chartered Accountant LLP
Firm Registration Number:
012754N/N500016

UDIN :19086994AAAAAB8147
Place: New Delhi
Date: May 1, 2019

Harinderjit Singh
Partner
Membership No: 086994

Independent Auditor's Report

To the Members of DCM Shriram Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of DCM Shriram Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
4.1 Determination of net realizable value of inventory of sugar as at the year ended March 31, 2019 (Refer to the accompanying note 1.3 (e) and 6 forming integral part of the Standalone Financial Statements) As on March 31, 2019, the Company has inventory of sugar with the carrying value 1,185.37 crores. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value.	We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar. We considered various factors including the actual selling price prevailing around and subsequent to the year end, minimum selling price & monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole. Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year-end and comparison with cost for valuation of inventory, is considered to be reasonable.
4.2 Assessment of impairment of investments and loans/ advances given to subsidiaries (Refer to the accompanying note 1.4(ii) 3.1, 3.2, 7.4, 25 and 31 forming integral part of the Standalone Financial Statements) The Company had given loans and advances which aggregates to Rs. 200.37 crores as at March 31, 2019, to subsidiaries. The Company also has investments amounting to Rs. 150.86 crores in subsidiaries. These subsidiaries have incurred loss during the year and as at the year end their networth stands substantially eroded which indicates potential impairment of investment in those subsidiaries along with loans and advances given to such subsidiaries.	We understood and tested the design and operating effectiveness of controls as established by management in determination of appropriateness of the carrying value of investments, loans and advances. We evaluated the Company's process regarding impairment assessment by involving our valuation experts to assist in assessing the appropriateness of the impairment model including the independent assessment of the underlying assumptions relating to discounts rate, economic growth rate, terminal value etc.

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
The Company has recognized impairment of Rs 126.05 crores as at March 31, 2019 (including Rs 17.95 crores during the year) against the above investments and loans and advances. We consider this a key audit matter given the relative significance of value of investment and loans and advances to the financial statements and extent of managements judgements and estimates involved around impairment assessment of related factors such as future cash flows, discount rate, terminal value and economic growth rates etc.	We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the budgets provided by the management and our understanding of the industry's external factors. We assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment. We checked the mathematical accuracy of the impairment model. Based on the above procedures performed, we observed the management's impairment assessment to be reasonable.
4.3 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability (Refer to the accompanying note 1.3 (f)(ii), 1.4 (iv) (b), 19, 29 and 45.1 forming integral part of the Standalone Financial Statements) During the year the Company has recognised accruals/subsidy claims amounting to Rs. 831.01 crores and as at March 31, 2019, the Company has receivables of Rs. 532.66 crores relating to such claims which is significant to the financial statements. We focused on this area because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgement of the management. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the related computation rates, and basis for determination of accruals/claims.	We understood and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the claims. We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the notifications/policies and collections. We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognised pursuant to changes in the rates and basis for determination of claims. We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering claim collection against historical trends, the level of credit loss charged over time and provisions made. Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and there recoverability are considered to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

Independent Auditor's Report

preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements 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 Standards of Auditing (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 financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 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 made by management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

Independent Auditor's Report

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements ;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses ;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company ; and

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Harinderjit Singh
Partner
Membership Number: 086994

Place: New Delhi
Date: May 1, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of DCM Shriram Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records

Independent Auditor's Report

that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Harinderjit Singh

Partner

Membership Number: 086994

Place: New Delhi

Date: May 1, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements as of and for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 2.1 on fixed assets to the financial statements, are held in the name of the Company and in case where such immovable properties has been transferred pursuant to the scheme of amalgamation under section 391 to 394 of the Companies Act, 1956, the transfer is through the Order of the Hon'ble High Courts. Further, freehold land located at Hyderabad (Gross block - Rs.1.56 crores and Net block - Rs. 1.56 crores) and freehold land located at Uttar Pradesh (Gross block - Rs.0.51 crores and Net block - Rs. 0.51 crores) are pending for registration in favour of the Company.

ii. The physical verification of inventory [excluding stocks with third parties] have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

Independent Auditor's Report

v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products related to Sugar, Cement, Fertiliser, Chemicals, Poly vinyl chloride (PVC) resin, Unplasticized polyvinyl chloride (UPVC) Doors and windows and electrical energy businesses. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer Note 28 to the financial statements regarding management's assessment of certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, as at March 31, 2019 which have not been deposited on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved* (Rs. in crores)	Amount paid under protest (Rs. in crores)	Amount Unpaid (Rs. in crores)
Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal	2005-06, 2006-07, 2008-09, 2011-12, 2012-13, 2013-14	0.56	0.28	0.28
Central Excise Act, 1944	Excise duty	Appellate Authority upto Commissioner's level	2006-07, 2007-08, 2008-09, 2009-2010, 2010-11, 2011-12	0.45	-	0.45
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13	31.66	31.66	-
Finance Act, 1994	Service Tax	Appellate Authority upto Commissioner's level	2005-06, 2015-16, 2016-17	0.41	-	0.41
Sales Tax Laws	Sales Tax	Asst. Commissioner, commercial tax department	2011-12	0.12	0.05	0.07
Sales Tax Laws	Sales Tax	Rajasthan State Board	2011-12	0.28	0.28	-
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner's level	1999-2000, 2000-2001, 2001-02, 2002-03, 2004-05, 2007-08, 2013-14, 2016-17	1.20	0.44	0.76
Customs Tax Act, 1962	Customs duty	Customs, Excise and Service Tax Appeallate Tribunal	2012-13	9.82	0.62	9.20
Customs Tax Act, 1962	Customs duty	Appellate Authority upto Commissioner's level	2012-13 and 2014-15	0.03	-	0.03

Independent Auditor's Report

The following matters have been decided in favour of the Company although the Departments have preferred appeal at higher levels.

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. crores)
Central Excise Act, 1944	Excise	High Court	2004-05, 2005-06, 2007-08, 2008-09, 2011-12, 2012-13	3.87
Central Excise Act, 1944	Excise	Customs, Excise and Service Tax Appellate Tribunal	2012-13, 2013-14, 2014-15	0.05
Central Excise Act, 1944	Excise	Up to Commissioner level	2005-06, 2015-16, 2016-17	0.53
Service Tax	Service Tax	Appellate Authority upto Commissioner's level	2015-16	0.01
Sales Tax Laws	Sales Tax	Supreme Court	2000-01, 2003-04	17.05
Sales Tax Laws	Sales Tax	High Court	2005-06, 2006-07, 2007-08	0.85
Sales Tax Laws	Sales Tax	Rajasthan State Board	2011-12	0.40
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner's level	2007-08	0.01
Income Tax Act	Income Tax	High Court	2001-02	1.99

Also refer Note 36

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IND AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Harinderjit Singh
Partner
Membership Number: 086994

Place: New Delhi
Date: May 1, 2019

Standalone Balance Sheet As At March 31, 2019

	Note	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	2,555.67	2,082.79
Capital work -in- progress	2.1	308.53	83.15
Investment property	2.2	6.55	6.66
Intangible assets	2.3	21.64	28.42
Intangible assets under development	2.3	2.36	2.56
Financial assets			
Investments	3.1	74.79	67.30
Loans	3.2	39.94	112.09
Other financial assets	3.3	31.35	36.00
Deferred tax assets (net)	4	73.58	74.24
Other non-current assets	5	118.81	82.94
Total non-current assets		3,233.22	2,576.15
Current assets			
Inventories	6	1,889.09	1,631.31
Financial assets			
Trade receivables	7.1	1,022.63	885.84
Cash and cash equivalents	7.2	363.82	113.93
Bank balances other than cash and cash equivalents	7.3	33.75	14.73
Loans	7.4	112.62	35.73
Other financial assets	7.5	121.72	34.87
Current tax assets (net)	8	38.54	53.60
Other current assets	9	222.92	209.68
Total current assets		3,805.09	2,979.69
Assets classified as held for sale	10	91.83	90.12
Total assets		7,130.14	5,645.96
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	31.35	32.64
Other equity	12	3,521.41	3,037.46
Total equity		3,552.76	3,070.10
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13.1	936.64	526.92
Other financial liabilities	13.2	1.03	1.81
Provisions	14	218.17	209.02
Other non-current liabilities	15	26.93	5.39
Total non-current liabilities		1,182.77	743.14
Current liabilities			
Financial liabilities			
Borrowings	16.1	539.34	134.77
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		16.41	19.20
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,105.78	1,074.89
Other financial liabilities	16.3	311.95	215.13
Provisions	17	44.70	39.22
Other current liabilities	18	366.31	340.50
Total current liabilities		2,384.49	1,823.71
Liabilities associated with assets classified as held for sale		10.12	9.01
Total equity and liabilities		7,130.14	5,645.96

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Harinderjit Singh
Partner
Membership No. 086994
New Delhi
May 1, 2019

For and on behalf of the Board of Directors

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

Statement of Standalone Profit and Loss For The Year Ended March 31, 2019

	Note	Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
Revenue from operations	19	7,684.38	6,912.99
Other income	20	86.99	63.22
Total income		7,771.37	6,976.21
Expenses			
Cost of materials consumed		3,192.45	2,705.68
Purchases of stock-in-trade		785.39	945.54
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(294.35)	21.74
Excise duty on sale of goods		-	106.08
Employee benefits expense	22	629.54	570.68
Finance costs	23	118.03	81.60
Depreciation and amortisation expense	24	154.94	138.47
Other expenses	25	2,005.07	1,520.96
Total Expenses		6,591.07	6,090.75
Profit before tax		1,180.30	885.46
Tax expense	26		
- Current tax		241.23	142.97
- Deferred tax		26.89	56.53
- Tax adjustments related to earlier years		5.35	(2.48)
Total tax expense		273.47	197.02
Profit after tax		906.83	688.44
Other comprehensive income			
(i) Items that will not be re-classified to profit or loss:			
- Remeasurements of defined benefit obligation (net)	32 (ii)	(2.73)	(4.68)
Income tax relating to items that will not be re-classified to profit or loss		0.95	1.63
(ii) Items that may be re-classified to profit or loss:			
- Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		(4.78)	4.00
Income tax relating to items that may be re-classified to profit or loss		1.67	(1.40)
Total other comprehensive income (net of tax)		(4.89)	(0.45)
Total comprehensive Income		901.94	687.99
Earnings per equity share-basic/diluted (Rs.) (Face value Rs 2 per share)	27	57.17	42.39
The accompanying notes form an integral part of the standalone financial statements			

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994
New Delhi
May 1, 2019

Sameet Gambhir
Company Secretary

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Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

Statement of Standalone Changes In Equity For The Year Ended March 31, 2019

	Equity Share Capital	Other Equity									Total Equity
		Reserves and Surplus						Other comprehensive income		Total Other Equity	
		Securities premium	Capital redemption reserve	Storage fund for molasses account	General Reserve	Surplus in Statement of profit and loss	Shares held by Trust under ESPS Scheme	Cash flow hedging reserve	Cost of hedging reserve		
As at April 1, 2017	32.64	32.67	9.11	1.08	830.77	1,641.59	(7.96)	0.56	(0.33)	2,507.49	2,540.13
Profit for the year	-	-	-	-	-	688.44	-	-	-	688.44	688.44
Movements related to employees stock purchase scheme	-	-	-	-	0.74	-	-	-	-	0.74	0.74
Dividend on shares held by ESPS trust	-	-	-	-	-	1.49	-	-	-	1.49	1.49
Dividends on equity shares (Rs 8.20 per equity share)	-	-	-	-	-	(133.18)	-	-	-	(133.18)	(133.18)
Corporate dividend tax	-	-	-	-	-	(27.12)	-	-	-	(27.12)	(27.12)
Shares granted to employees under ESPS	-	-	-	-	-	-	0.05	-	-	0.05	0.05
Transfer to/(from) storage fund for molasses	-	-	-	(0.05)	-	0.05	-	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	(3.05)	-	-	-	(3.05)	(3.05)
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	2.27	0.33	2.60	2.60
As at March 31, 2018	32.64	32.67	9.11	1.03	831.51	2,168.22	(7.91)	2.83	-	3,037.46	3,070.10
Profit for the year	-	-	-	-	-	906.83	-	-	-	906.83	906.83
Buy-back of equity shares (refer note 11)	(1.29)	(32.67)	1.29	-	(219.77)	-	-	-	-	(251.15)	(252.44)
Movements related to employees stock purchase scheme	-	-	-	-	0.84	-	-	-	-	0.84	0.84
Dividend on shares held by ESPS trust	-	-	-	-	-	1.53	-	-	-	1.53	1.53
Dividends on equity shares (Rs 9 per equity share)	-	-	-	-	-	(140.73)	-	-	-	(140.73)	(140.73)
Corporate dividend tax	-	-	-	-	-	(28.92)	-	-	-	(28.92)	(28.92)
Shares granted to employees under ESPS	-	-	-	-	-	-	0.44	-	-	0.44	0.44
Transfer to/(from) storage fund for molasses	-	-	-	0.01	-	(0.01)	-	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	(1.78)	-	-	-	(1.78)	(1.78)
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	(3.11)	-	(3.11)	(3.11)
As at March 31, 2019	31.35	-	10.40	1.04	612.58	2,905.14	(7.47)	(0.28)	-	3,521.41	3,552.76

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Standalone Cash Flow Statement For The Year Ended March 31, 2019

		Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
A.	**Cash flow from operating activities**		
	Net profit after tax:	906.83	688.44
	Adjustments for :		
	Income tax expense recognized in profit or loss	273.47	197.02
	Depreciation and amortization expense	154.94	138.47
	Net gain on financial assets and short term investments	(28.12)	(19.27)
	(Profit) / Loss on sale of property, plant and equipment (including assets held for sale)	3.89	4.01
	Net provision for impairment in value of assets	(3.99)	4.09
	Provision for impairment in value of investments	11.45	0.05
	Finance costs	118.03	81.60
	Dividend and interest income	(16.18)	(26.82)
	Operating profit before working capital changes	1,420.32	1,067.59
	Changes in operating assets and liabilities:		
	Trade receivables	(136.79)	93.46
	Inventories	(257.78)	(49.20)
	Trade payables	28.10	(30.77)
	Other financial assets	(88.11)	(0.91)
	Other current/non-current assets	(23.51)	44.40
	Provisions	11.90	28.37
	Other financial liabilities	53.16	(20.43)
	Other current/non-current liabilities	47.35	(88.43)
	Cash generated from operations	1,054.64	1,044.08
	Income taxes paid (net of refunds)	(255.35)	(232.57)
	Net cash from operating activities	799.29	811.51
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(840.52)	(378.01)
	Purchase of intangible assets	(2.11)	(7.82)
	Fixed deposits and current account balances with banks (Earmarked)	(12.43)	0.09
	Purchase of investments	(18.95)	(41.19)
	Sale of property, plant and equipment	4.87	2.65
	Proceeds from asset held for sale	10.02	21.98
	Loans and advances to subsidiary companies	(11.02)	41.35
	Interest received	16.66	26.13
	Dividend and profit on sale of investments	25.33	20.17
	Net cash used in investing activities	(828.15)	(314.65)
C.	**Cash flow from financing activities**		
	Buy-back of equity shares (refer note 11)	(252.44)	-
	Proceeds/(Repayment) from/of Long term borrowings	407.43	54.12
	Proceeds/(Repayment) from/of Short term borrowings	229.96	(204.94)
	Changes in loans repayable on demand from banks	174.61	(168.27)
	Dividends paid	(140.73)	(133.18)
	Corporate dividend tax paid	(28.92)	(27.12)
	Finance costs paid	(111.16)	(89.54)
	Net cash from/(used) in financing activities	278.75	(568.93)
	Net increase/(decrease) in cash and cash equivalents	249.89	(72.07)
	Cash and cash equivalents at the beginning of the year	113.93	186.00
	Cash and cash equivalents at the end of the year	363.82	113.93

Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'

Reconciliation of cash and cash equivalents as per the Cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (refer notes 7.2)	363.82	113.93
Balances as per statement of cash flows	363.82	113.93

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

1.1 Company Overview

DCM Shriram Limited ('the Company') is a public limited company incorporated in India. The Holding company, Sumant Investments Private Limited owns 63.02% of equity share capital of the Company. The registered office of the Company is at 1st Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi -110001, India.

The financial statements have been approved by Board of Directors in their board meeting dated May 1, 2019.

The business portfolio of the Company comprises of

a. Chloro-Vinyl
b. Sugar
c. Shriram Farm Solutions
d. Bioseed
e. Fertlisers
f. Others: (Fenesta, Cement and Hariyali Kisaan Bazaar)

The Company has presence in various parts of India and its principal place of businesses together with major products are as under:

Business (Products)	Principal places
Chloro- Vinyl (Poly-vinyl chloride, carbide and chlor alkali)	Kota (Rajasthan) and Bharuch (Gujarat)
Sugar (Sugar, molasses ethanol and power)	Ajbapur, Rupapur, Hariawan and Loni at Uttar Pradesh
Shriram Farm Solutions (Trading of agri inputs)	Distribution Network across India
Bioseed (Hybrid seeds)	Hyderabad and other parts of India
Fertlisers (Urea)	Kota (Rajasthan)
Fenesta (UPVC windows and doors)	Kota and Bhiwadi (Rajasthan), Chennai (Tamilnadu), Hyderabad (Telengana)
Cement (Cement)	Kota (Rajasthan)
Hariyali Kisaan Bazaar (Fuel)	Fuel outlets at various parts of India

1.2 Basis of preparation of financial statements

The Financial Statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable (also refer note 52).

1.3 Significant accounting policies

a) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and gains or losses on effective portion of cash flow hedges related to purchase in foreign currency and interest on loans attributable to the acquisition or construction of assets up to the date of commissioning of assets.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its property, plant and equipment at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Company is following straight line method of depreciation in respect of buildings, plant and equipment and written down value method in respect of other assets.

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc., which coincides with the useful life as prescribed under Schedule II of the Companies Act 2013 except for certain items of Plant and Equipment.

(i) Estimated useful lives:

Asset	Useful life
Buildings: - Roads - Other than roads	 3-10 years 30-60 years
Leasehold improvements	5-10 Years
Plant and equipment used in generation, transmission and distribution of power	25-40 years
Plant and equipment (other than used in generation, transmission and distribution of power)	3-40 years
Furniture and fixtures	8-10 Years
Office equipments	5 Years
Vehicles	8-10 Years

(ii) Estimated residual value:

Asset	Residual value
Certain electrical equipment	10%
Other assets	0-5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any. Cost of acquisition is inclusive of duties, taxes, consultancy and other directly attributable incidental expenses.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its intangible assets at their previous

Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

Amortization of intangibles is provided on straight line basis over its estimated useful lives as follows:

Technical know-how	10 years
Softwares	5 years

On assets sold, discarded etc. during the year, amortization is provided up to the date of sale/discard.

c) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any.

Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses and interest on loans attributable to the acquisition/construction of properties up to the date of Commissioning.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its investment properties at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Company is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is 58-60 years and estimated residual value is 5%.

d) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount (cost less accumulated depreciation, if any) and fair value assessed on annual basis.

e) Inventories

Inventories are valued at lower of cost (determined on weighted average basis) and net realisable value. The basis for determining cost (which also includes taxes and duties wherever applicable) for different categories of inventory are as under:

Stores & spares, raw materials and stock-in-trade	-	Weighted average rate.
Work-in-Progress and finished goods	-	Direct cost plus appropriate share of overheads after giving credit for other income and excluding certain expenses like ex-gratia and gratuity etc.

By-products are valued at estimated net realisable value

f) Revenue recognition

i) Sales are recognized, at values as per agreements, net of returns, trade discounts and volume discounts, if any, on transfer of significant risks and rewards of ownership/effective Control to the buyer, which coincides with dispatch/delivery/installation to customers, as applicable. Sales include excise duty but exclude sales tax, value added tax and Goods and Service tax.

ii) Under the retention pricing scheme, the Government of India reimburses to the fertilizer industry, the difference between the retention price based on the cost of production and selling price (as realized from the farmers) as fixed by the Government from time to time, in the form of subsidy. The effect of variation in input costs/expenses on retention price yet to be notified is accounted for by the Company as income for the year based on its ultimate collection with reasonable degree of certainty at the time of accrual.

g) Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

h) Employee benefits

(i) Defined contribution plans

Company's contribution paid/payable during the year to provident fund, superannuation fund and employees' state insurance corporation are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates declared by the Central Government, and such liability is recognized in the year of shortfall.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

(iii) Compensated absences

Provision for earned leave and medical leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

(iv) Share based payments

Equity settled share based payments to employees under DCM Shriram Employees Stock Purchase Scheme (ESPS) are measured at the Fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

i) Foreign currency transactions

The functional currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous financial statements are recognized as income/expense in the period in which they arise except for exchange difference on foreign currency borrowings relating to asset under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

j) Financial instruments

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement:

A. Non-derivative financial instruments

(i) Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)

The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries and Joint Venture) to present the subsequent changes in fair value in other comprehensive income.

(iii) Investment in subsidiaries and Joint Venture: Investment in equity instruments of subsidiaries and joint venture is carried at cost less impairment, if any, in the separate financial statements.

(iv) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

(v) Financial liabilities: Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments: The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company also holds swaps to mitigate interest rate risks. The counter party for these contracts is generally a bank.

(i) Cash flow hedge: The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

(ii) Fair Value Hedge: Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

(iii) Financial instruments at fair value through profit or loss: This category has derivative financial instruments which are not designated as hedges.

Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

k) Impairment

i) Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing

component is measured at an amount equal to lifetime expected credit loss.

ii) Non-financial assets:

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired

l) Income taxes

The Income-tax liability is provided in accordance with the provisions of the Income-tax Act, 1961. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

m) Provisions

Provisions for claims including litigations are recognised when the Company has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

1.4 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i) Useful lives and residual value of property, plant and equipment, intangible assets and Investment Properties: Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii) Impairment of investments: The Company reviews the carrying value of long term investments in equity/preference shares of subsidiaries, joint venture and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii) Deferred tax assets: The Company reviews the carrying amount of deferred tax assets including MAT credit at the end of each reporting period and reduces to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

iv) Revenue:

a) Provision of Sales Returns, Warranties and Discounts: Provision for Sales Returns, Warranties and Discounts are estimated based on past experience, market conditions and announced schemes.

b) Claims from 'Fertiliser Industry Coordination Committee' (FICC), Government of India: The Company takes revenue credits for urea subsidy claims , which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers, when as per judgment of the Company, there is reasonable certainty based on Policy and past experience that claims will be notified in due course (also refer note 29).

v) Provision for gratuity and compensated absences: The provision for gratuity and compensated absences are based on actuarial valuation using the projected unit credit method. The Company uses actuarial assumptions to determine the obligation for employee benefit at each reporting period. These assumptions include the discount rate, salary escalation and employee turnover rate.

1.5 Recent accounting pronouncements

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Indian Accounting Standard (Ind AS) 116, 'Leases' which will be effective from accounting period beginning on or after April 1, 2019. As per the present evaluation, the application of the said IndAS is likely to result into increase of approximately Rs 80 crores in both, the assets and liabilities.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

2.1 Property, plant and equipment

Rs. Crores

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Total
Gross Carrying amount								
Balance as at April 1, 2017	43.37	223.62	8.02	1,691.95	7.18	11.64	50.30	2,036.08
Additions	0.07	43.67	-	264.26	1.06	2.62	12.02	323.70
Disposals	-	(0.38)	-	(17.34)	(0.21)	(0.77)	(5.42)	(24.12)
Transferred (to)/from asset held for sale	-	1.17	-	-	-	-	-	1.17
Balance as at March 31, 2018	43.44	268.08	8.02	1,938.87	8.03	13.49	56.90	2,336.83
Additions	5.71	75.20	-	527.85	1.13	5.25	14.47	629.61
Disposals	-	(0.51)	-	(32.32)	(0.23)	(0.95)	(8.07)	(42.08)
Transferred (to)/from asset held for sale	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	49.15	342.77	8.02	2,434.40	8.93	17.79	63.30	2,924.36
Accumulated Depreciation								
Balance as at April 1, 2017	-	17.67	1.40	95.16	2.99	5.77	17.20	140.19
Depreciation charge for the year	-	9.95	1.23	102.99	1.19	2.80	11.63	129.79
Disposals	-	(0.15)	-	(11.30)	(0.17)	(0.59)	(3.73)	(15.94)
Balance as at March 31, 2018	-	27.47	2.63	186.85	4.01	7.98	25.10	254.04
Depreciation charge for the year	-	11.66	1.27	117.24	1.14	3.04	11.39	145.74
Disposals	-	(0.35)	-	(23.83)	(0.19)	(0.77)	(5.95)	(31.09)
Balance as at March 31, 2019	-	38.78	3.90	280.26	4.96	10.25	30.54	368.69
Net carrying amount								
As at March 31, 2019	49.15	303.99	4.12	2,154.14	3.97	7.54	32.76	2,555.67
As at March 31, 2018	43.44	240.61	5.39	1,752.02	4.02	5.51	31.80	2,082.79
Capital work in progress (refer note 50)								
As at March 31, 2019								308.53
As at March 31, 2018								83.15

Notes:

1. Refer note 41 for information on property, plant and equipment pledged as security
2. Refer note 23 for information on borrowing costs capitalised during the year
3. Refer note 28 (ii) for information on contractual commitments for acquisition of property, plant and equipment
4. Refer note 34(b)(i) for information on property, plant and equipment where the Company is a lessor under operating lease
5. Freehold land includes Rs. 2.07 crores (March 31, 2018 - Rs 2.19 crores) pending registration in favour of the Company

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

2.2 Investment property

Rs. Crores

	Freehold Land	Buildings	Total
Gross Carrying amount			
Balance as at April 1, 2017	1.41	5.57	6.98
Balance as at March 31, 2018	1.41	5.57	6.98
Balance as at March 31, 2019	1.41	5.57	6.98
Accumulated Depreciation			
Balance as at April 1, 2017	-	0.22	0.22
Depreciation charge for the year	-	0.10	0.10
Balance as at March 31, 2018	-	0.32	0.32
Depreciation charge for the year	-	0.11	0.11
Balance as at March 31, 2019	-	0.43	0.43
Net carrying amount			
As at March 31, 2019	1.41	5.14	6.55
As at March 31, 2018	1.41	5.25	6.66

Refer note 33 for other information relating to investment property

2.3 Intangible assets

Rs. Crores

	Technical Know how	Software	Total
Gross carrying amount			
Balance as at April 1, 2017	0.52	36.26	36.78
Additions	-	9.51	9.51
Disposals	-	(0.01)	(0.01)
Balance as at March 31, 2018	0.52	45.76	46.28
Additions	-	2.31	2.31
Disposals	-	-	-
Balance as at March 31, 2019	0.52	48.07	48.59
Accumulated amortization			
Balance at April 1, 2017	0.52	8.77	9.29
Amortization for the year	-	8.58	8.58
Disposals	-	(0.01)	(0.01)
Balance as at March 31, 2018	0.52	17.34	17.86
Amortization for the year	-	9.09	9.09
Disposals	-	-	-
Balance as at March 31, 2019	0.52	26.43	26.95
Net carrying amount			
As at March 31, 2019	-	21.64	21.64
As at March 31, 2018	-	28.42	28.42
Intangible assets under development			
As at March 31, 2019			2.36
As at March 31, 2018			2.56

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores		As at March 31, 2018 Rs. Crores	
3 NON-CURRENT FINANCIAL ASSETS				
3.1 Non-current investments				
(i) Investment in Equity Instruments				
- Subsidiaries (at cost)				
Unquoted				
11,74,551 (March 31, 2018: 11,74,551)				
Equity shares of US$ 1 each fully paid-up of Bioseeds Limited	14.41		14.41	
Less: Provision for impairment in value of investment	(14.41)	-	(14.41)	-
10,00,000 (March 31, 2018: 10,00,000)				
Equity shares of Rs 10 each fully paid up of Hariyali Rural Ventures Limited		1.00		1.00
50,000 (March 31, 2018: 50,000)				
Equity shares of Rs 10 each fully paid up of Fenesta India Limited		0.05		0.05
40,50,000 (March 31, 2018: 40,50,000)				
Equity shares of Rs 10 each, fully paid up of Shriram Bioseed Ventures Limited	20.05		20.05	
Less: Provision for impairment in value of investment	(20.05)	-	(20.05)	-
94,475 (March 31, 2018: 94,475) Class A				
Equity shares of USD 1 each, fully paid up of Bioseed Holding PTE Limited	0.60		0.60	
Less: Provision for impairment in value of investment	(0.60)	-	(0.60)	-
116,00,000 (March 31, 2018: 116,00,000) Class B				
Equity shares of USD 1 each, fully paid up of Bioseed Holding PTE Limited	76.03		76.03	
Less: Provision for impairment in value of investment	(34.84)	41.19	(34.84)	41.19
138,42,105 (March 31, 2018 - Nil) Class B Equity shares, fully paid up of Bioseed Holding PTE Limited, acquired during the year		18.80		-
60,01,208 (March 31, 2018: 60,01,208)				
Equity shares of Rs 10 each, fully paid-up of DCM Shriram Credit and Investments Limited		0.22		0.22
83,51,207 (March 31, 2018: 83,51,207)				
Equity shares of Rs 10 each, fully paid-up of DCM Shriram Aqua Foods Limited		4.22		4.22
50,000 (March 31, 2018: 50,000)				
Equity shares of Rs 10 each, fully paid up of Shridhar Shriram Foundation		0.05		0.05
1,00,014 (March 31, 2018: 50,007)				
Equity shares of Rs 10 each, fully paid up of Bioseed India Limited (50007 acquired during the year)	0.10		0.05	
Less: Provision for impairment in value of investment	(0.05)	0.05	(0.05)	-
17,50,280 (March 31, 2018: 17,50,280)				
Equity shares of Rs 10 each, fully paid up of Shri Ganpati Fertilizers Limited # (Re. 1)		#		#
		65.58		46.73
- Joint Venture (at cost)				
Unquoted				
17,32,500 (March 31, 2018: 17,32,500)				
Equity shares of Rs 10 each, fully paid up of Shriram Axiall Private Limited		3.42		3.42

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

		As at March 31, 2019 Rs. Crores		As at March 31, 2018 Rs. Crores
- Others				
Unquoted (at fair value through other comprehensive income)				
18,61,134 (March 31, 2018: 18,61,134) Equity shares of Rs 10 each, fully paid up of Narmada Clean Tech		1.85		1.85
(ii) Investment in Preference Shares - unquoted				
- Subsidiary (at amortized cost)				
10,00,000 (March 31, 2018: 10,00,000) 0.01% redeemable cumulative preference shares of Rs 10 each, Rs 10 paid up (March 31, 2018: Rs 9 paid up) of DCM Shriram Infrastructure Limited		0.88		0.79
- Subsidiary (at cost)				
30,00,000 (March 31, 2018: 30,00,000) 0.01% compulsorily convertible preference shares of Rs 10 each of DCM Shriram Credit and Investments Limited		3.00		3.00
(iii) Investment in Government securities				
Unquoted (at amortized cost)				
National savings certificates		0.06		0.06
(iv) Equity component of loan to subsidiary at concessional rate (at cost)				
- DCM Shriram Infrastructure Limited	11.45		11.45	
Less: Provision for impairment in value of investment	(11.45)		-	
-				
Total		74.79		67.30
Aggregate book value:				
- Unquoted		156.19		137.25
Aggregate provision for impairment of investments		81.40		69.95
Summary:				
- Investments carried at cost		72.00		64.60
- Investments carried at amortized cost		0.94		0.85
- Investments at fair value through other comprehensive income		1.85		1.85
NON-CURRENT FINANCIAL ASSETS				
3.2 Loans				
(unsecured considered good, unless otherwise stated)				
Loan to subsidiaries [refer note 31(b)]				
Considered good		31.42		104.89
Considered credit impaired		4.40		-
		35.82		104.89
Less: Provision for credit impaired loan		4.40		-
		31.42		104.89
Loan to employees				
Considered good		8.52		7.20
Considered credit impaired		1.65		-
		10.17		7.20
Less: Provision for credit impaired loan		1.65		-
		8.52		7.20
		39.94		112.09

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
3.3 Other financial assets		
Interest accrued on loans, investments, deposits etc	0.74	0.76
Fixed deposits with banks (earmarked)	1.68	8.27
Security deposits[(i)]	28.93	26.97
	31.35	36.00
(i) includes given to related parties [refer note 31(b)]		
4 Deferred tax assets / (liabilities) (Net)		
[refer note 42(d)]		
Deferred tax assets:		
Provision for gratuity and compensated absences	82.12	77.57
Provision for doubtful debts and advances	39.90	14.60
Others	33.14	31.50
MAT credit entitlement	344.64	320.81
	499.80	444.48
Deferred tax liabilities:		
Depreciation	426.22	370.24
	426.22	370.24
Deferred tax assets (Net)	73.58	74.24
5 Other non-current assets		
Capital advances	59.91	34.31
Prepaid expenses	20.21	16.97
Others (includes amount deposited with Government authorities)	38.69	31.66
	118.81	82.94
CURRENT ASSETS		
6 Inventories[(i)]		
Raw materials (includes goods in transit Rs. 1.90 crores; March 31, 2018 - Rs. 2.92 crores)	191.20	262.36
Work-in-progress *	51.46	54.35
Finished goods *	1,355.42	1,086.25
Stock-in-trade	110.98	88.00
Stores and spares (includes goods in transit Rs. 15.22 crores; March 31, 2018 - Rs. 20.64 crores)	180.03	140.35
	1,889.09	1,631.31
(i) refer note 41		
* after write down of inventories in respect of one of the business to net realizable value by Rs. 9.36 crores (March 31, 2018 - Rs 184.70 crores)		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
7 Financial assets		
7.1 Trade receivables[(i)]		
Secured - considered good	2.12	1.73
Unsecured - considered good	1,020.51	884.11
Unsecured - considered credit impaired	84.59	25.43
	1,107.22	911.27
Less: Provision for credit impaired receivables	84.59	25.43
	1,022.63	885.84
(i) includes dues from related parties [refer note 31(b)]		
7.2 Cash and cash equivalents[(i)]		
Balances with banks on		
- current accounts	221.81	103.99
Cheques on hand	0.10	0.91
Cash on hand	0.92	0.90
Liquid investments - mutual funds	140.99	8.13
	363.82	113.93
(i) comprises cash at bank and at hand, short term deposits and liquid mutual funds that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value		
7.3 Bank balances other than cash and cash equivalents		
Balances with banks on		
- current accounts (earmarked)[(i)]	7.42	6.06
- deposit accounts (earmarked)[(i)]	26.33	8.67
	33.75	14.73
(i) earmarked for unpaid dividend, margin money and deposit with banks for specific purpose		
7.4 Loans		
(Unsecured Considered good unless otherwise stated)		
Loan to employees	2.29	5.49
Loan to subsidiaries [refer note 31(b)]		
Considered good	110.33	30.24
Considered credit impaired	7.01	7.01
	117.34	37.25
Less: Provision for credit impaired loan	7.01	7.01
	110.33	30.24
	112.62	35.73

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
7.5 Other financial assets		
Interest accrued on loans, investment, deposits etc[(i)]		
Considered good	1.03	1.49
Considered doubtful	15.47	15.22
	16.50	16.71
Less: Provision for doubtful interest	15.47	15.22
	1.03	1.49
Other debts considered good(includes claims from government authorities)	107.47	9.93
Security deposits[(i)]	9.63	14.42
Derivatives designated as hedges:		
- Interest rate swaps	1.00	4.14
- Others (Foreign currency options)	2.59	2.99
- Foreign exchange forward contracts	-	1.90
	121.72	34.87
(i) includes from related parties [refer note 31(b)]		
8 Current tax assets		
Advance tax	563.00	331.71
Less: Provision for current tax	(524.46)	(278.11)
	38.54	53.60
9 Other current assets		
(Unsecured Considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	109.37	138.19
Considered doubtful	7.68	0.74
	117.05	138.93
Less: Provision for doubtful advances	7.68	0.74
	109.37	138.19
Advance to subsidiaries [refer note 31(b)]		
Considered good	14.37	10.08
Considered doubtful	19.02	17.17
	33.39	27.25
Less: Provision for doubtful advances	19.02	17.17
	14.37	10.08
Prepaid expenses	14.08	11.01
Balances with customs, excise etc	48.72	27.64
Unbilled revenue	30.29	22.76
Others	6.09	-
	222.92	209.68
10 Assets classified as held for sale		
Land and buildings	89.80	89.69
Plant and machinery	2.03	0.43
	91.83	90.12
Refer note 47 for other information relating to assets classified as held for sale		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
11 Equity share capital		
Authorised		
29,49,50,000 (March 31, 2018- 29,49,50,000) equity shares of Rs.2 each with voting rights	58.99	58.99
65,01,000 (March 31, 2018- 65,01,000) Cumulative redeemable preference shares of Rs. 100 each	65.01	65.01
	124.00	124.00
Issued		
15,98,42,296 (March 31, 2018 - 16,63,16,137) Equity shares of Rs 2 each with voting rights	31.97	33.26
Subscribed and fully paid up		
15,59,42,296 (March 31, 2018 - 16,24,16,137) Equity shares of Rs. 2 each with voting rights, fully paid-up	31.19	32.48
Forfeited shares - Amount originally paid up	0.16	0.16
	31.35	32.64

Notes:

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Subscribed and fully paid up Equity Shares:	No. of shares	Value (Rs. Crores)
As at April 1, 2017	162,416,137	32.48
As at March 31, 2018	162,416,137	32.48
Less: Equity shares bought-back	6,473,841	1.29
As at March 31, 2019	155,942,296	31.19

Buy-back of shares

- The Company bought back and extinguished 64,73,841 equity shares of Rs 2 each during financial year 2018-19
- The Company had bought back and extinguished 34,87,183 equity shares of Rs 2 each during financial years 2013-14 and 2014-15

(ii) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
(iii) Shares held by the holding company:				
Sumant Investments Private Limited	98,282,284	63.02%	98,282,284	60.51%
(iv) The shareholders holding more than 5% equity shares are as under:				
Sumant Investments Private Limited	98,282,284	63.02%	98,282,284	60.51%
Life Insurance Corporation of India	11,368,316	7.29%	11,368,316	7.00%

12 Other equity[1]		
12.1 General reserve	612.58	831.51
12.2 Surplus in statement of profit and loss	2,905.14	2,168.22
12.3 Securities premium	-	32.67
12.4 Capital redemption reserve	10.40	9.11
12.5 Storage fund for molasses account	1.04	1.03
12.6 Share held by trust under Employees Stock Purchase Scheme (ESPS)[2]	(7.47)	(7.91)
12.7 Other comprehensive income		
- Cash flow hedging reserve (refer note 45.3)	(0.28)	2.83
	3,521.41	3,037.46

1. Created under relevant Act/statutes. For movement during the year, refer 'Statement of changes in equity'.
2. Share held by trust under ESPS represents cost of 16,18,174 (March 31, 2018 - 17,13,174) equity shares purchased and held by the Employee Benefit trust under ESPS scheme.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
NON-CURRENT LIABILITIES		
13 Financial liabilities		
13.1 Long term borrowings (at amortized cost)		
Secured (refer note 41B)		
Term loans		
From banks	713.64	336.27
From others	192.66	159.48
	906.30	495.75
Unsecured		
Deposits		
Fixed	30.34	31.17
	30.34	31.17
	936.64	526.92
13.2 Other financial liabilities		
Interest accrued but not due on loans and deposits	1.03	1.81
	1.03	1.81
14 Long term provisions		
Provision for employee benefits		
Gratuity (refer note 32)	113.80	108.67
Compensated absences	77.14	74.67
Other benefits	6.49	4.94
Provision for contingencies (refer note 37)	20.74	20.74
	218.17	209.02
15 Other non-current liabilities		
Security deposits	0.74	0.84
Others	26.19	4.55
	26.93	5.39
CURRENT LIABILITIES		
16 Financial liabilities		
16.1 Short-term borrowings - at amortized cost		
Secured (refer note 41B)		
Loans repayable on demand from banks	175.93	1.32
Other loans from banks	211.96	35.00
	387.89	36.32
Unsecured		
Loans repayable on demand - other than banks	150.00	2.00
Other loans from banks	-	95.00
Loan from subsidiary company	1.45	1.45
	151.45	98.45
	539.34	134.77

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
16.2 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	16.41	19.20
Total outstanding dues of creditors other than micro enterprises and small enterprises[(i)]	1,105.78	1,074.89
	1,122.19	1,094.09
(i) includes due to related parties [Refer note 31(b)]		
16.3 Other financial liabilities		
Current maturities of long-term debt (Secured) [refer note 41B]		
From banks	80.66	74.56
From others	27.76	18.44
Current maturities of long-term debt (Unsecured)		
From banks	25.00	-
From others	1.81	1.16
Interest accrued but not due on borrowings	12.28	10.57
Unpaid dividends	7.35	5.98
Unpaid matured deposits and interest accrued thereon	0.03	0.04
Employee dues payable	36.42	32.31
Security deposits	40.00	36.63
Others liabilities	72.70	35.44
(includes capital creditors Rs 43.36 crores; March 31, 2018 - Rs 24.78 crores)		
Derivatives designated as hedge		
- Foreign exchange forward contracts	7.94	-
	311.95	215.13
17 Short term provisions		
Provision for employee benefits		
Gratuity	20.89	20.25
Compensated absences	23.22	18.44
Other benefits	0.59	0.53
	44.70	39.22
18 Other current liabilities		
Statutory levies	162.67	152.34
Advance received from customers[(i)]	199.67	184.22
Other current liabilities	3.97	3.94
	366.31	340.50
(i) includes from related party [refer note 31(b)]		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
19 Revenue from operations		
Revenue from sale of products (Also refer note 52)		
Gross revenue (i)	7,889.02	7,117.39
Less: Discounts	229.86	242.67
	7,659.16	6,874.72
Other operating revenue		
Rent	0.32	0.37
Liabilities/provisions no longer required written back	2.77	4.56
Miscellaneous income (includes scrap sales)	22.13	33.34
	25.22	38.27
Revenue from Operations	7,684.38	6,912.99

(i) Notes:

- In accordance with the requirements of Schedule III of the Companies Act 2013, sales for the period upto June 30, 2017 is inclusive of excise duty. Consequent to applicability of Goods and Service Tax (GST) w.e.f. July 1, 2017, sales are shown net of GST in accordance with requirements of Ind AS.The sales, net of excise duty, for the year ended March 31, 2019 is Rs 7,659.16 crores (2017-18 - Rs 6,768.64 crores)
- Includes Rs 159.65 crores against advance received from customers balance as at April 1, 2018.
- Includes Rs 15.13 crores on account of differential urea subsidy claims notified for earlier periods by 'Fertiliser Industry Coordination Committee (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers.
- The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the Company has not adjusted transaction prices for the time value of money.

20 Other income		
Interest income from financial assets carried at amortized cost (refer note 49)	16.18	25.79
Dividend income on short term investments mandatorily measured at fair value through profit or loss	-	1.03
Rent [refer note 34(b)(ii)]	5.23	4.87
Miscellaneous income (refer note 49)	41.35	16.27
Other gains/(losses):		
- net gain on financial assets mandatorily measured at fair value through profit or loss	2.79	0.13
- net gain on sale of short term investments carried at fair value through profit or loss	25.33	19.14
- net gain/(loss) on sale of property, plant and equipment (including assets held for sale)	(3.89)	(4.01)
	86.99	63.22
21 Change in inventories of finished goods, stock-in-trade and work-in-progress (refer note 6)		
Closing stock	1,517.86	1,228.60
Add: Provision for sales return (refer note 52)	5.09	-
Adjusted closing stock	1,522.95	1,228.60
Opening stock	1,228.60	1,251.50
Less: - Inventory used during trial run production	-	1.16
Adjusted opening stock	1,228.60	1,250.34
	(294.35)	21.74
22 Employee benefits expense		
Salaries, wages, bonus, gratuity, commission, etc.[(i)]	561.72	509.58
Expense on Employee stock purchase scheme[(ii)]	2.15	2.01
Contribution to provident and other funds[(i)]	34.72	32.57
Staff welfare expenses	30.95	26.52
	629.54	570.68

(i) refer note 32
(ii) refer note 40

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

	Note	Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
23 Finance costs			
Interest expense on financial liabilities measured at amortized cost[1]		121.26	67.28
Other borrowing costs		2.63	2.44
Net loss on foreign currency transactions and translation		15.64	17.00
		139.53	86.72
Less: Amount included in the cost of qualifying assets[2]		21.50	5.12
		118.03	81.60
24 Depreciation and amortization expense			
Depreciation of property, plant and equipment	2.1	145.74	129.79
Depreciation of investment property	2.2	0.11	0.10
Amortization of intangible assets	2.3	9.09	8.58
		154.94	138.47
25 Other expenses			
Consumption of stores and spare parts		261.57	218.81
Power, fuel etc.		1,045.03	904.50
Rent [refer note 34 (a) (iii)]		28.60	26.94
Repair			
Buildings		12.38	11.61
Plant and machinery		59.81	47.32
Donation[1]		5.38	5.35
Insurance		10.49	9.59
Rates and taxes		1.95	5.01
Auditors' remuneration			
Audit fee		1.00	1.00
Tax audit		0.18	0.20
Limited reviews		0.48	0.48
Other certification services[2]		0.74	0.99
Out-of-pocket expenses		0.13	0.10
Directors' fees		0.61	0.54
Bad debts and advances written off	0.15		1.19	
Less: adjusted against provision for doubtful debts and advances	(0.13)	0.02	(1.09)	0.10
Provision for credit impaired receivables		59.51		8.55
Provision for credit impaired loans and advances[3]		15.09		6.75
Freight and transport[4]		167.36		59.43
Commission to selling agents		9.19		7.15
Brokerage, discounts (other than trade discounts), etc.		0.01		7.07
Selling expenses		130.67		77.71
Exchange fluctuation costs		0.56		1.17
Royalty		11.78		14.73
Loss/(gain) on valuation of assets held for sale		(8.39)		4.09
Provision for diminution in value of long term investments		11.45		0.05
Increase/(decrease) in excise duty on finished goods		-		(64.15)
Corporate Social Responsibility[5]		13.35		9.10
Miscellaneous expenses		168.83		159.81
		2,007.78		1,524.00
Less:- Cost of own manufactured goods capitalised		(2.71)		(3.04)
		2,005.07		1,520.96

1. includes interest expense on loan from wholly owned subsidiary Rs 0.14 crores (2017-18: Rs. 0.14 crores)
2. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization is 7.54% p.a. (2017-18: 7.44% p.a.)

1 refer note 38.1
2 excludes Rs 0.01 crores related to buy-back certificate debited to General reserve and includes GST/service tax.
3 includes Rs. 6.50 crores (2017-18: Rs 6.75 crores) in respect of a subsidiary company
4 Rs. 49.87 crores netted off during financial year ended March 31, 2018 (Refer note 52)
5 refer note 38.2

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

		Year ended March 31, 2019 Rs. Crores		Year ended March 31, 2018 Rs. Crores
26	**Tax expense (refer note 42)**			
	Current tax	270.18	190.60	
	Less:- MAT credit entitlement *	(28.95)	241.23	(47.63) 142.97
	Deferred Tax		26.89	56.53
	Tax adjustments related to earlier years *			
	- Current tax	5.12	(38.02)	-
	- Deferred tax	0.23	5.35	35.54 (2.48)
			273.47	197.02
	* refer note 42 (d)			
27	**Earnings per share**			
	Profits after tax and exceptional item (Rs. Crores)		906.83	688.44
	Weighted average number of equity shares (Nos.)		158,611,943	162,416,137
	Basic and Diluted earnings per share (face value Rs 2 per share)			
	- Before exceptional item		57.17	42.39
	- After exceptional item		57.17	42.39

Rs. Crores

		As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
28.	(i) Contingent liabilities not provided for:		
	(a) Claims (excluding claims by employees where amount not ascertainable) not acknowledged as debts:		
	- Sales tax matters	-	1.33
	- Service tax/excise matters	31.66	31.85
	- Additional premium on land	8.11	8.11
	- Interest on cane purchases	44.39	45.18
	- Others	5.63	5.63
	Total	89.79	92.10

(b) The Company is in the process of evaluating the prior period impact of Supreme Court Judgment dated February 28, 2019 clarifying the definition of 'basic wages' as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (P.F. Act) for the purpose of determining contribution to Provident Fund under P.F. Act.

(ii)	Capital commitments (net of advances)	126.37	214.57
(iii)	Uncalled liability on partly paid shares	-	0.10

29. In accordance with past practice, the Company has taken revenue credits aggregating Rs. 141.83 crores (2017-18 - Rs. 102.09 crores) receivable for urea subsidy claims, which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Pricing Scheme administered for nitrogenous fertilisers. Necessary adjustments to revenue credits so accrued will be made on issuance of notification by FICC, Government of India.

30 Segment reporting

A. Operating segments and principal activities:

Based on the guiding principles given in Ind AS- 108 'Operating segments', the Company's operating segments, based on products include: Fertilisers (manufacturing of urea), Chloro-Vinyl (manufacturing of poly-vinyl chloride, carbide and chlor alkali products), Shriram Farm solutions (trading of super phosphate, other fertilisers, seeds and pesticides), Sugar (manufacturing of sugar, ethanol and co-generation of Power), Bioseed (production of hybrid seeds), Others (UPVC window systems, Cement, Rural retail and plaster of paris). Sale of power from the co-generation facilities set up for the operating segments is included in their respective results.

B. Geographical segments:

Since the Company's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the operating segments as set out in note 1.3, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:
Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:
Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipments, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales:
Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

D. Revenue from major products:

Revenue from major products is given in note 54

E. Geographical information:

(i) Revenue from external customers: The Company's revenue from external customers by location of operation are as under:

Rs. Crores

Particulars	This year	Previous year
- Within India	7,522.95	6,753.78
- Outside India	136.21	120.94
Total	7,659.16	6,874.72

(ii) Non-current assets other than financial instruments: There are no such assets which are located outside India.

F. Information about major customer

There is no single customer who contributed 10% or more of the Company's revenue during the year ended March 31, 2019 and March 31, 2018

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

G. Information about business segments

Rs. Crores

PARTICULARS	Chloro-Vinyl		Sugar		Shriram Farm Solutions		Bioseed		Fertiliser		Others		Elimination		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
1. REVENUE																
External sales (Gross)	2,460.91	2,117.86	2,348.54	1,967.76	706.27	880.60	300.76	305.02	1,037.40	800.82	805.28	802.66			7,659.16	6,874.72
Other Operating Income	9.08	8.38	4.45	20.25	0.42	0.24	2.70	3.24	3.56	1.28	5.01	4.88			25.22	38.27
Inter segment sales	32.75	28.67	-	-	-	-	93.21	106.98	-	-	3.13	2.99	129.09	138.62		
Total revenue	2,502.74	2,154.91	2,352.99	1,988.01	706.69	880.84	396.67	415.24	1,040.96	802.10	813.42	810.53	129.09	138.62	7,684.38	6,912.99
2. RESULTS																
Segment results	993.53	817.65	354.58	94.34	41.49	47.00	6.94	37.08	17.74	77.87	48.08	33.29			1,462.36	1,107.23
Unallocated expenses (net of income)															164.03	140.17
Operating profit	993.53	817.65	354.58	94.34	41.49	47.00	6.94	37.08	17.74	77.87	48.08	33.29			1,298.33	967.06
Finance costs															118.03	81.60
Profit before tax															1,180.30	885.46
Provision for taxation																
- Current and deferred tax															268.12	199.50
- Tax adjustments related to earlier years															5.35	(2.48)
Net profit															906.83	688.44
3. OTHER INFORMATION																
A. ASSETS																
Segment assets	1,647.43	1,352.83	2,892.12	1,966.32	291.19	407.18	487.37	563.34	734.05	570.31	277.53	278.14			6,329.69	5,138.12
Unallocated assets															800.45	507.84
Total assets	1,647.43	1,352.83	2,892.12	1,966.32	291.19	407.18	487.37	563.34	734.05	570.31	277.53	278.14			7,130.14	5,645.96
B. EQUITY AND LIABILITIES																
Equity (Share Capital & Other Equity)															3,552.76	3,070.10
Segment liabilities	346.08	294.08	853.12	676.72	83.55	135.66	191.10	281.48	128.25	116.83	221.62	203.67			1,823.72	1,708.44
Secured and unsecured loans															1,611.21	755.89
Unallocated liabilities															142.45	111.53
Total liabilities	346.08	294.08	853.12	676.72	83.55	135.66	191.10	281.48	128.25	116.83	221.62	203.67			7,130.14	5,645.96
C. OTHERS																
Capital expenditure	350.78	97.11	448.21	253.86	0.49	-	2.25	1.14	23.68	9.54	22.82	13.45			848.23	375.10
Unallocated capital expenditure															9.07	12.96
Depreciation and amortisation expense	73.64	70.20	44.18	31.66	0.13	0.04	2.62	2.88	10.25	10.04	10.64	10.92			141.46	125.74
Unallocated depreciation and amortisation expense															13.48	12.73
Non cash expenses other than depreciation	-	-	-	-	18.95	7.60	10.84	7.29	38.03	-	0.50	0.51			68.32	15.40
Unallocated non cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-	-	-			17.75	-

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

31 Related party disclosures

Name of related party and nature of related party relationship

1. Holding company: Sumant Investments Private Limited
2. Subsidiaries:

   DCM Shriram Credit and Investments Limited, Bioseed India Limited, DCM Shriram Infrastructure Limited, DCM Shriram Aqua Foods Limited, Hariyali Rural Ventures Limited, Fenesta India Limited, Shri Ganpati Fertilizers Limited, Shriram Bioseed Ventures Limited, Bioseeds Limited, Shriram Bioseed (Thailand) Ltd., Bioseed Research Philippines Inc., Bioseeds Holdings PTE. Ltd., Bioseed Vietnam Limited, PT Shriram Seed Indonesia, Bioseed Research USA Inc., PT Shriram Genetics Indonesia, DCM Shriram Foundation, Shridhar Shriram Foundation
3. Joint venture: Shriram Axiall Private Limited
4. Key Managerial Persons, their relatives and HUFs:

   (i) Executive Directors, their relatives and HUFs (with whom transactions are there):
   Mr. Ajay S. Shriram, Mr. Vikram S. Shriram, Mr. Ajit S. Shriram, Mr. N.J. Singh[1], Mr. K.K. Kaul, Mr. K.K. Sharma[2], Mr. Aditya A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Anand A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Pranav V. Shriram (relative of Mr. Vikram S. Shriram) Mrs. Anuradha Bishnoi (relative of Mr. Ajay S. Shriram), Mrs. Geeta Kaul (relative of Mr. K.K. Kaul), M/s. Ajay S. Shriram (HUF), M/s. Vikram S. Shriram (HUF), M/s. Ajit S. Shriram (HUF).

   (ii) Independent Directors and their relatives (with whom transactions are there):
   Mr. Pradeep Dinodia, Mr. Vimal Bhandari, Mr. Sunil Kant Munjal, Mrs. Ramni Nirula, Mr. Vikramjit Sen, Mr. Pravesh Sharma, Mr. Sharad Shrivastva, Mrs. Pallavi Dinodia (relative of Mr. Pradeep Dinodia)

   1 upto November 19, 2017

   2 w.e.f. November 20, 2017
5. Trust : Sir Shriram Foundation, DCM Shriram Employees' Provident Fund Trust, DCM Shriram Officers' Superannuation Fund Trust
6. Subsidiaries incorporated under section 8 of Companies Act 2013: DCM Shriram Foundation, Shridhar Shriram Foundation

(a) Transactions with related parties:

Rs. Crores

S. No.	Nature of transaction	This year					Total	Previous year					Total
		Holding Company	Subsidiaries	Joint Venture	KMP's/ Relatives	Trust		Holding Company	Subsidiaries	Joint Venture	KMP's/ Relatives	Trust	
1	Sale of products		44.16	48.00			92.16		83.78	22.19	0.06		106.03
2	Common services expenses recovered			0.96			0.96			0.96			0.96
3	Supply of water, power and steam			0.15			0.15			0.10			0.10
4	Purchases of finished goods		14.32	0.11			14.43		13.17	0.07			13.24
5	Rent paid (includes GST and service tax)		0.11		4.81		4.92		0.10		4.29		4.39
6	Remuneration (including commission)(i)				33.29		33.29				27.69		27.69
7	Sitting fees and commission				3.25		3.25				2.70		2.70
8	Security deposits given				0.07		0.07						-
9	Security deposits received back		1.34				1.34		0.50				0.50
10	Loans and advances given (net)		13.09				13.09		-				-
11	Loans and advances received back (net)		2.09				2.09		43.75				43.75
12	Interest income		0.90				0.90		6.00				6.00
13	Investment in equity and preference shares		18.95				18.95		41.39				41.39
14	Interest expenses		0.14				0.14		0.14				0.14
15	Dividend paid	88.45			2.88		91.33	80.59			2.63		83.22
16	Contribution to Provident fund trust					26.19	26.19					24.36	24.36
17	Contribution to Superannuation fund trust					8.53	8.53					8.21	8.21
18	Contribution for CSR activities		5.51				5.51		3.44				3.44
19	Provision for impairment in value of investments		11.45				11.45						-
20	Expense recognised in respect of provision for doubtful loan/advances and interest accrued		6.50				6.50		6.75				6.75

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

(b) Balance outstanding as at the year end
(unsecured unless otherwise stated)

Rs. Crores

S. No.	Nature of outstanding	This year					Total	Previous year					Total
		Holding Company	Subsidiaries	Joint Venture	KMP's/ Relatives	Trust		Holding Company	Subsidiaries	Joint Venture	KMP's/ Relatives	Trust	
1	Security deposits receivable		6.74		8.40		15.14		8.08		8.34		16.42
2	Loans and advances receivable		186.40				186.40		169.25				169.25
3	Loan payable		1.45				1.45		1.45				1.45
4	Interest receivable		14.22				14.22		15.62				15.62
5	Trade receivable		18.01	3.07			21.08		17.54	4.68			22.22
6	Interest payable		0.36				0.36		0.26				0.26
7	Trade payable		0.02				0.02		0.02	0.01			0.03
8	Commission payable				19.72		19.72				16.11		16.11
9	Outstanding guarantees given by subsidiary companies in respect of loan taken by the Company		130.16				130.16		130.35				130.35
10	Loan to employees						-				0.11		0.11
11	Provision for doubtful loan/advances and interest accrued against outstanding balances		45.90				45.90		39.40				39.40

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/payment or sale/purchase of goods or services.

(i) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on a actuarial basis for the Company as a whole.

Does not include accumulated gratuity Rs Nil (previous year Rs 0.63 crores) and accumulated earned leave Rs Nil (previous year Rs 0.19 crores) paid on retirement during the year to one of the directors.

Includes post employment benefits Rs. Nil (previous year Rs. 1.58 crores) of one of the directors.

(c) Maximum amount of loans and advances outstanding during the year:

Rs. Crores

S. No.	Name of the Company	Amount outstanding at the year end		Maximum amount outstanding during the year	
		This year	Previous year	This year	Previous year
1	DCM Shriram Credit and Investments Limited *	-	2.09	2.12	12.24
2	DCM Shriram Infrastructure Limited *	26.27	26.27	28.76	22.32
3	Shriram Bioseed Ventures Limited *	114.34	104.79	114.34	110.80
4	Shri Ganpati Fertilizers Limited *	40.40	34.26	41.88	33.82
5	Hariyali Rural Ventures Limited	0.01	-	8.08	8.58
6	DCM Shriram Foundation	0.01	0.01	0.01	0.01
7	Bioseed Holding PTE Limited *	4.91	1.37	5.16	38.76
8	Bioseed Vietnam Limited	0.23	0.23	0.23	0.23
9	Bioseed Research Philippines Inc.	0.23	0.23	0.23	0.23
	Total	186.40	169.25		

* includes loans given during the year for working capital requirements

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

32. Employee Benefits

The Company has classified the various benefits provided to employees as under:-

(i) Defined contribution plans:

The Company has recognized the following amounts in the statement of profit and loss:

Rs. Crores

	This year	Previous year
- Employers' contribution to provident fund*	26.19	24.36
- Employers' contribution to superannuation fund	8.53	8.21
- Employers' contribution to employees' state insurance corporation	0.57	0.53

* There is no shortfall in the interest cost for which Company is liable as at the date of financial statements.

(ii) Disclosure in respect of Defined benefit obligation (Gratuity) is as under:

The principal assumptions used for the purpose of actuarial valuation were as under:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate per annum	8.00%	8.00%
Expected rate of salary increase	8.00%	8.00%
Mortality rate	IALM (2006-08) ultimate, duly modified	IALM (2006-08) ultimate, duly modified
Withdrawal rates:		
- Upto 30 years	3%	3%
- 31 to 44 years	2%	2%
- above 44 years	1%	1%
Retirement age	58/60 yrs	58/60 yrs

(a) Amount recognised in statement of profit and loss in respect of the defined benefit plan are as follows:

Rs. Crores

	This year	Previous year
Components of defined benefit costs recognised in profit or loss		
Current service cost	9.63	8.57
Past service cost	-	1.82
Net interest expense	9.39	8.07
Components of defined benefit costs recognised in profit or loss	19.02	18.46
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gain)/loss from changes in financial assumptions	-	2.13
Actuarial (gain)/loss arising from experience adjustments	2.75	2.50
Return on plan assets (higher)/lower that discount rate	(0.02)	0.05
Total actuarial (gain)/loss recognised in other comprehensive income	2.73	4.68
Total amount recognised in statement of profit or loss	21.75	23.14

The current service cost and the net interest expense for the year are included in the salaries, wages, bonus, gratuity etc in note 22 "Employee Benefits expense".

The actuarial (gain)/loss on remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligation/plans is as follows:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation	139.53	131.63
Fair value of plan assets	(4.84)	(2.71)
Net liability arising from defined benefit obligation	134.69	128.92
- Non-current liability	113.80	108.67
- Current liability	20.89	20.25

(c) Movements in the fair value of plan assets are as follows:

Rs. Crores

	This year	Previous year
Opening fair value of plan assets	2.71	2.71
Expected return on plan assets	0.22	0.21
Employer contribution	2.19	0.35
Remeasurement gains/(losses):		
- Return on plan assets (higher)/lower that discount rate	0.02	(0.05)
Benefits paid	(0.30)	(0.51)
Closing fair value of plan assets	4.84	2.71

(d) Movements in the present value of defined benefit obligations are as follows:

Rs. Crores

	This year	Previous year
Opening defined benefit obligation	131.63	118.34
Current service cost	9.63	8.57
Past service cost	-	1.82
Interest cost	9.60	8.28
Remeasurement (gains)/losses:		
- Actuarial (gain)/loss from changes in financial assumptions	-	2.13
- Actuarial (gain)/loss arising from experience adjustments	2.75	2.50
Benefits paid by employer	(13.78)	(9.50)
Benefits paid from plan assets	(0.30)	(0.51)
Closing defined benefit obligations	139.53	131.63

(e) Sensitivity analysis

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Sensitivity of gross defined benefit obligation as mentioned above, in case of change in significant assumptions, would be as under :		
Discount rate		
(i) Discount rate -100 basis point	149.65	141.25
(ii)Discount rate +100 basis point	130.74	123.27
Salary increase rate		
(i) rate -100 basis point	130.85	123.34
(ii)rate +100 basis point	149.25	140.92

(f) Major categories of plan assets

The plan assets at one of the unit are maintained with LIC of India Gratuity Scheme. The details of investment maintained by LIC are not available and have therefore not been disclosed.

(g) The Company expects to contribute Rs. 0.91 crores to the LIC fund during the year 2019-20 (March 31, 2018 - Rs. 0.82 Crores).

(h) The average expected future working life of members of the defined benefit obligation as at March 31, 2019 is 16.05 years (as at March 31, 2018: 15.95 years)

(i) The maturity profile of defined benefit obligation is as follows:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
within 1 year	25.73	22.96
between 2-5 years	54.78	54.70
between 6-10 years	54.50	47.91

33. (a) Amount recognised in statement of profit and loss for investment properties

Rs. Crores

	This year	Previous year
Rental income	4.54	4.29
Direct operating expenses from property that generated rental income	-	-
Income from investment properties before depreciation	4.54	4.29
Depreciation	0.11	0.10
Income from investment properties after depreciation	4.43	4.19

(b) Fair value

The fair value of the Company's investment properties as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate of the property, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Company's investment properties and fair value hierarchy are as follows:

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Fair value of the investment properties (Rs. Crores)	55.90	53.68
Fair valuation hierachy	Level 3	Level 3

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

34 Disclosure in respect of operating leases as per Ind AS 17 'Leases' :

(a) Assets taken on lease:

(i) The Company has entered into lease agreements for lease of offices, showrooms, godowns etc., generally for a period of 5/15 years with renewal option on mutual consent, and which can be terminated after lock-in-period by serving notice period as per the terms of the agreements.

Rs. Crores

Particulars	This year	Previous year
(ii) Information w.r.t. non-cancellable leases:		
Total of minimum lease payments	35.01	0.82
The total of minimum lease payments for a period :		
- Not later than one year	10.78	0.46
- Later than one year and not later than five years	24.23	0.36
- Later than five years	-	-
(iii) Lease payment recognised in the statement of profit and loss for the year* (including cancellable and non-cancellable leases)	30.49	28.83

*Rs. 1.89 crores (2017-18 – Rs. 1.89 crores) is included in Employees benefits expense

(b) Assets given on lease:

(i) The Company has entered into operating lease arrangements for buildings (including certain other assets). The details of leased assets are as under:

Rs. Crores

	Gross Block as at		Accumulated depreciation as at		Depreciation	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	This year	Previous year
Land and building	19.76	19.76	1.22	0.91	0.31	0.31
Plant and equipment	0.45	0.45	0.16	0.12	0.04	0.04
Furniture and fixtures	0.16	0.16	0.12	0.11	0.01	0.02
Office equipments	0.01	0.01	-	-	-	-
	20.38	20.38	1.50	1.14	0.36	0.37

(ii) Information w.r.t. non-cancellable leases:

Rs. Crores

	This year	Previous year
Future minimum lease rent receivables	10.58	10.65
- Not later than one year	0.47	0.43
- Later than one year and not later than five years	1.92	1.83
- Later than five years	8.19	8.39

35. Information with respect to a joint venture is as under (refer note 3.1):

Name of Joint Venture	Shriram Axiall Private Limited
Country of incorporation	India

Rs. Crores

Particulars	This year	Previous year
Share of profit before tax	2.61	0.18
Share of profit after tax	1.77	0.04
Share of other comprehensive income/(loss)	(0.07)	0.01
Share of total comprehensive income/(loss)	1.70	0.05
Ownership Interest	50%	50%

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

36. The details of disputed Excise Duty, Service Tax, Income-Tax, Custom Duty and Sales-tax dues as on March 31, 2019 are as follows:

Rs. Crores

Name of the statute	Nature of the dues	Forum where pending	Amount*	Amount paid under protest	Period to which the amount relates
Central Excise Law	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal	0.56	0.28	2005-06, 2006-07, 2008-09, 2011-12, 2012-13, 2013-14
		Appellate Authority upto Commissioner's level	0.45	-	2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	31.66	31.66	2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13
		Appellate Authority upto Commissioner's level	0.41	-	2005-06, 2015-16, 2016-17
Customs Act, 1962	Customs Duty	Customs, Excise and Service Tax Appellate Tribunal	9.82	0.62	2012-13
		Appellate Authority upto Commissioner's level	0.03	-	2012-13, 2014-15
Sales Tax Laws	Sales tax	Appellate authority up to Commissioners' level	1.20	0.44	1999-00, 2000-01, 2001-02, 2002-03, 2004-05, 2007-08, 2013-14, 2016-17
		Rajasthan State Board	0.28	0.28	2011-12
		Assistant Commissioner - Commerical tax department	0.12	0.05	2011-12

*amount as per demand orders including interest and penalty wherever quantified in the Order.

37. Provision for contingencies in note 14 represents provision for various contingencies resulting from issues relating to reconstruction arrangement of the companies and other uncertainties requiring management judgement.

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Provision as at the beginning of the year	20.74	20.74
Provision as at the end of the year	20.74	20.74

38.1 Donation includes Rs. 4.50 crores (2017-18 - Rs. 4 crores) towards political contribution.

38.2 Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 as under:

Rs. Crores

Particulars	This year	Previous year
Amount required to be spent	13.30	9.06
Actual expenditure	13.35	9.10

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

39. Research and development expenses included under relevant heads in the statement of profit and loss Rs. 44.53 crores (2017-18- Rs. 39.44 crores).

The details of expenditure incurred on scientific research and development centres recognized by Department of Scientific and Industrial Research (DSIR) are as under:

Rs. Crores

Particulars	Revenue Expenditure		Capital Expenditure	
	This year	Previous year	This year	Previous year
ICIRISAT - Hyderabad, Telangana	13.12	10.87	1.25	-
MOKILA - District Ranga Reddy, Telangana	11.68	11.31	0.07	0.06
Total	24.80	22.18	1.32	0.06

40 Employee share based payments (refer note 12)

The Company has an Employees Stock Purchase Scheme (DCM Shriram ESPS) which is administered through DCM Shriram Employees Benefits Trust based on acquisition of shares from the market to provide equity based incentives to employees under the Scheme. The shares offered, lock-in-period and grant price may be different for different eligible participants and determined at the time of every grant of shares. The expenses related to the grant of shares under the Scheme is accounted for on the basis of the fair value (which equals to market price of the Company's share on date of grant less exercise price) of share on the date of grant and is amortized on a straight line basis over the lock-in period, if any.

The number and weighted average fair value of equity shares granted during the year are as under:

Rs. Crores

Particulars	This year	Previous year
No. of equity shares granted during the year	100,000	12,500
Weighted average fair value on the grant date (Rs per equity share)	354.95	367.05

41. Assets pledged as security

A. The carrying amount of assets pledged as security for borrowings are as under:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets	1,692.08	1,218.46
Inventories	1,889.09	1,631.31
Property, plant and equipment and intangible assets (including capital work-in-progress)	2,814.17	2,122.13
Total	6,395.34	4,971.90

B. Nature of security and terms of repayment for secured borrowings

S. No.	Nature of Security	Terms of Repayment
Short term working capital borrowings from banks:		
1.	Loans from banks on cash credit account of Rs. 175.93 Crores (March 31, 2018 - Rs. 1.32 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
2.	Short Term Loans of Rs. Nil (March 31, 2018 - Rs. 35.00 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the Company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad), and a third charge by way of mortgage/hypothecation of all the immovable and movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Not applicable

S. No.	Nature of Security	Terms of Repayment
Short term working capital borrowings from banks:		
3.	Short Term Loans of Rs. 97.90 Crores (March 31, 2018 - Rs. Nil) is secured by first pari passu charge by way of hypothecation on book debts and stocks, both present and future of the Company's undertakings at Shriram Bioseed Genetics and Bioseed Research India, Hyderabad.	- Repayable as per terms of agreement upto April 28, 2019
4.	Short Term Loans of Rs. 114.06 Crores (March 31, 2018 - Rs. Nil) is secured by way of hypothecation of identified subsidy receivables of indigenous urea.	- Repayable within 60 days from the date of disbursement
Long term loans from banks:		
1.	Term loan of Rs. Nil (March 31, 2018 - Rs. 32.29 Crores) is secured by way of second pari passu charge created on all the current assets, both present and future, of the Company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad) and by way of third pari passu mortgage /charge created on immovable and movable fixed assets, both present and future, of sugar units of the Company located at Ajbapur, Rupapur, Hariawan and Loni. (Rs. Nil due within 1 year; March 31, 2018 - Rs 32.29 Crores)	- Not applicable
2.	Term loan of Rs. 53.93 Crores (March 31, 2018 - Rs. 53.91 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh (Rs. Nil due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 20 equal quarterly installments commencing from January, 2022
3.	Term loan of Rs. 88.62 Crores (March 31, 2018 - Rs. 101.80 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. 35.54 Crores due within 1 year; March 31, 2018 - Rs 29.23 Crores)	- Repayable in 5 equal semi annual installments
4.	Term loan of Rs. 131.01 Crores (March 31, 2018 - Rs. 129.88 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. 13.83 Crores due within 1 year; March 31, 2018 - Rs 13.04 Crores)	- Repayable in 12 semi annual installments
5.	Term loan of Rs. 92.96 Crores (March 31, 2018 - 92.95 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh (Rs. 0.93 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 36 quarterly installments commencing from April, 2019
6.	Term loan of Rs. 181.78 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajabpur and Loni, Uttar Pradesh. (Rs. 29.81 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 60 equal monthly installments commencing from July, 2019
7.	Term loan of Rs. 15.00 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh. (Rs. Nil due within 1 year; March 31, 2018 - Rs. Nil)	- Repayable in 2 equal annual installment commencing from December, 2023
8.	Term loan of Rs. 190.00 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh. (Rs. 0.45 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 37 quarterly installments commencing from March, 2020
9.	Term loan of Rs. 41.00 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh. (Rs. 0.10 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 37 quarterly installments commencing from March, 2020

S. No.	Nature of Security	Terms of Repayment
Long term loans from others:		
1.	Term loan of Rs. 127.89 Crores (March 31, 2018 - Rs. 127.49 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 16.27 Crores due within 1 year; March 31, 2018 - Rs 7.67 crores)	- Repayable in 16 equal semi annual installments
2.	Term loan of Rs. Nil (March 31, 2018 - Rs. 5.33 Crores) is secured by way of a exclusive second charge on all immovable and movable assets (save and except book debts), both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs. Nil Crores due within 1 year; March 31, 2018 - Rs 5.33 Crores)	- Not applicable
3.	Term loan of Rs. 5.70 Crores (March 31, 2018 - Rs. 8.54 Crores) is secured by way of an exclusive second charge on all immovable and movable assets (save and except book debts) both present and future, pertaining to the Company's Rupapur Sugar Complex, Uttar Pradesh (Rs. 2.84 Crore due within 1 year; March 31, 2018 - Rs 2.84 Crores)	- Repayable in 2 equal annual installments
4.	Term Loan of Rs. 1.07 Crores (March 31, 2018 - Rs. 3.22 Crores) is secured by way of a exclusive second charge on all immovable and movable assets (save and except book debts) both present and future, pertaining to the Company's Loni Sugar Complex, Uttar Pradesh (Rs. 1.08 Crores due within 1 year; March 31, 2018 - Rs 2.15 Crores)	- Repayable in 1 equal semi annual installments
5.	Term Loan of Rs. 32.49 Crores (March 31, 2018 - Rs. 31.18 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs Nil due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown
6.	Term loan of Rs. 1.95 Crores (March 31, 2018 - Rs. 2.16 Crores) from Department of Biotechnology, Government of India is secured against hypothecation of plant & machinery, machinery spares, tools and accessories acquired from the loan proceeds to Company's Bioseed Research India division. (Rs. 0.45 Crores due within 1 year; March 31, 2018 - Rs 0.45 Crores)	- Rs. 0.06 Crores repayable in 2 equal annual installments - Rs. 0.77 Crores repayable in 3 equal annual installments - Rs. 0.39 Crores repayable in 5 equal semi annual installments - Rs. 0.73 Crore repayable in 10 equal semi annual installments commencing from December, 2019.
7.	Term Loan of Rs. 51.32 Crores (March 31, 2018 - Rs. Nil) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh (Rs. 7.12 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 8 equal semi annual installments commencing from March, 2020.

42. Income tax expense

Rs. Crores

	This year	Previous year
(a) Income tax expense		
Current tax		
Current tax on profits for the year	241.23	142.97
Adjustments for current tax of earlier years	5.12	(38.02)
Total current tax expense	246.35	104.95
Deferred tax		
Deferred tax charge/(credit)	26.89	56.53
Adjustments for deferred tax of earlier years	0.23	35.54
Total deferred tax expense/(benefit)	27.12	92.07
Total tax expense	273.47	197.02

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

Rs. Crores

	This year	Previous year
(b) Reconciliation of tax expense and the accounting profit		
Profit before tax	1,180.30	885.46
Income tax expense calculated at 34.944% (previous year 34.608%)	412.44	306.44
(i) Tax effect of:		
- Income exempt from tax	-	(0.36)
- Corporate social responsibility expenses not allowed as deduction	4.67	3.15
- Weighted deduction on research and development expenses	(2.76)	(2.32)
- Deduction under section 80-IA of the Income tax act 1961	(147.41)	(116.80)
- Unrecognised tax losses now recouped to reduce current tax expense	(0.58)	-
- deductible temporary differences on which no deferred tax is recognised	4.65	3.61
(ii) Others	2.46	3.30
Income tax expense	273.47	197.02

(c) Tax effect on unrecognised temporary differences relating to:

Rs. Crores

	This year	Previous year
(i) Provision for impairment in value of investments	24.60	21.72
(ii) Provision for impairment in value of land	3.17	3.14
(iii) Difference in tax base and accounting base of asset held for sale	5.57	5.52
Total	33.34	30.38

(d) Deferred tax movements

Deferred tax assets/(liabilities) in relation to:

Rs. Crores

	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Depreciation	Others	MAT credit entitlement	Total
As at April 1, 2017	68.08	11.97	(281.05)	46.27	240.26	85.53
(Charged)/credited to:						
Profit or loss	7.86	2.63	(55.61)	(11.41)	47.63	(8.90)
Other comprehensive income	1.63	-	-	(1.40)	-	0.23
Adjustment related to earlier year *	-	-	(33.58)	(1.96)	32.92	(2.62)
As at March 31, 2018	77.57	14.60	(370.24)	31.50	320.81	74.24
(Charged)/credited to:						
Profit or loss	3.60	25.30	(55.98)	0.20	28.95	2.07
Other comprehensive income	0.95	-	-	1.67	-	2.62
Adjustment related to earlier year *	-	-	-	(0.23)	(5.12)	(5.35)
As at March 31, 2019	82.12	39.90	(426.22)	33.14	344.64	73.58

* Tax charge of earlier years finalised on filing of returns/completion of assessments with corresponding impact on MAT

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

43 Financial instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.3 (j)

Rs. Crores

	As at March 31, 2019			As at March 31, 2018		
	Amortised cost*	FVTOCI	FVTPL	Amortised cost*	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity instruments	-	1.85	-	-	1.85	-
- Preference shares	0.88	-	-	0.79	-	-
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	1,022.63	-	-	885.84	-	-
Loans	152.56	-	-	147.82	-	-
Cash and cash equivalents and bank balances	256.58	-	140.99	120.53	-	8.13
Derivative financial assets	-	1.00	2.59	-	4.14	4.89
Others	149.48	-	-	61.84	-	-
Total financial assets	1,582.19	2.85	143.58	1,216.88	5.99	13.02
Financial liabilities						
Borrowings	1,475.98	-	-	661.69	-	-
Trade payables	1,122.19	-	-	1,094.09	-	-
Other financial liabilities	305.04	-	-	216.94	-	-
Derivative financial liabilities	-	1.42	6.52	-	-	-
Total financial liabilities	2,903.21	1.42	6.52	1,972.72	-	-

* The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

44 Capital management

The Company endeavours to optimize debt and equity balance and provide adequate strength to the balance sheet. The Company monitors capital on the basis of debt equity ratio.

45 Financial risk management

The Company's activities expose it to various financial risks : Credit risk, Liquidity risk and Market risk.

45.1 Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Company perform credit evaluation and defines credit limits for each customer/counter party. The Company also continuously reviews and monitors the same.
The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counter party. The Company also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years.

The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

Rs. Crores

Particulars	Trade receivables	Loans	Investments
As at April 1, 2017	18.55	7.01	69.90
Provision made during the year 2017-18	8.55	-	0.05
Written off/recovery during the year 2017-18	(1.67)	-	-
Provision as at March 31, 2018	25.43	7.01	69.95
Provision made during the year 2018-19	59.51	4.40	11.45
Written off/recovery during the year 2018-19	(0.35)	-	-
Provision as at March 31, 2019	84.59	11.41	81.40

45.2 Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Total Committed working capital limits from Banks	815.00	870.00
Utilized working capital limit	387.89	35.00
Unutilized working capital limit	427.11	835.00

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

Rs. Crores

	Upto 1 year	Between 1 year to 5 year	Over 5 years	Total
As at March 31, 2019				
Non-derivatives				
Borrowing *	286.67	538.95	428.10	1,253.72
Trade Payables	1,122.19	-	-	1,122.19
Other financial liabilities	169.81	-	-	169.81
Total non-derivative liabilities	1,578.67	538.95	428.10	2,545.72
Derivatives (net settled)				
Foreign exchange forward Contract	7.94	-	-	7.94
Total derivative liabilities	7.94	-	-	7.94
As at March 31, 2018				
Non-derivatives				
Borrowing *	193.93	313.82	222.68	730.43
Trade Payables	1,094.09	-	-	1,094.09
Other financial liabilities	122.78	-	-	122.78
Total non-derivative liabilities	1,410.80	313.82	222.68	1,947.30

* Excludes utilized working capital limited disclosed in note 45.2 (i)

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7

Rs. Crores

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings
Opening balance as on April 1, 2017	538.88	507.98	15.33
Add: Additions during the year	129.56	-	-
Less: Repayments during the year	(71.51)	(373.21)*	(2.95)
Add/(Less): Foreign exchange fluctuation gain/(loss)	1.40	-	-
Closing balance as on March 31, 2018	598.33	134.77	12.38
Add: Additions during the year	530.63	404.57*	43.15
Less: Repayments during the year	(78.98)	-	(42.22)
Add/(Less): Foreign exchange fluctuation gain/(loss)	20.14	-	-
Closing balance as on March 31, 2019	1,070.12	539.34	13.31

* net movement during the year

45.3 Market Risk

a) The Company's operations are mainly in India and therefore rupee denominated, except the following:

- Foreign currency denominated loans (Long term & Short term)
- Imports of some raw material, stores & spares and capital equipments
- Export of finished goods

The Company follows a policy of keeping these liabilities/assets fully hedged against foreign currencies. Regarding interest rate fluctuation, it follows a policy of partial hedge.

Some of the rupee liabilities have interest linked to the bank's MCLR or Financial market benchmark rates and are subject to variation in such rates.

b) The Company's exposure to foreign currency risk at the end of the reporting period is with respect to loan of USD Nil (Rs. Nil; March 31, 2018 - Rs. 32.59 crores) which is hedged by an option contract that has become ineffective.

c) Sensitivity

With respect to the above unhedged exposure the sensitivity is as follows:

Rs. Crores

	Impact on profit before tax	
	March 31, 2019	March 31, 2018
USD sensitivity *		
INR/USD -Increase by 5%	-	1.63
INR/USD -Decrease by 5%	-	(1.63)

* Holding all other variable constant

d) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Variable rate borrowings		
Long Term	534.45	325.09
Short Term	322.44	14.19
Total Variable rate borrowings	856.89	339.28
Fixed rate borrowings		
Long Term	402.19	201.83
Short Term	352.13	214.74
Total fixed Rate borrowings	754.32	416.57
Total Borrowings	1,611.21	755.85

e) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit or loss before tax may be as follows:

Rs. Crores

	Impact on profit before tax	
	This year	Previous year
Interest rate- increase by 100 basis points (100 bps)*	(8.57)	(3.39)
Interest rate- decrease by 100 basis points (100 bps)*	8.57	3.39

* Holding all other variable constant

45.4 Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

Rs. Crores

Type of hedge and risks	Nominal value of hedged instruments#		Carrying amount of hedging instrument##		Maturity date	Hedge ratio	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
March 31, 2019									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	66.57	10.67	65.35	10.49	10-Apr-19 to 27-Nov-19	1:1	USD 70.23 EUR 82.41	(1.04)	1.04
Fair value hedge									
(i) Foreign exchange forward contracts	313.08	6.29	325.00	6.22	5-Apr-19 to 30-Apr-20	1:1	USD 66.62 EUR 79.18 CNH 10.14	11.99	(11.99)
March 31, 2018									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	40.46	-	41.34	-	5-Apr-18 to 5-Oct-18	1:1	USD 64.50 EUR 77.65 JPY 0.61	0.88	(0.88
Fair value hedge									
(i) Foreign exchange forward contracts	288.70	3.63	287.68	3.61		1:1	USD 65.44 EUR 80.06 JPY 0.61 CNH 9.53	(1.01)	1.01

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

(b) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve and costs of hedging reserve

Rs. Crores

Risk category Derivative instrument	Foreign currency risk Foreign exchange forward contracts	Interest rate risk Interest rate swaps	Total
(i) Cash flow hedging reserve			
As at April 1, 2017	(0.79)	1.35	0.56
Add: Change in spot element of foreign exchange forward contracts	0.56	-	0.56
Add: Changes in fair value of interest rate swaps	-	2.08	2.08
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	1.56	-	1.56
Less: Amount included in Property, plant and equipment	0.19	-	0.19
Add: Amount included in Capital work in progress	(0.38)	-	(0.38)
Less: Deferred tax relating to above (net)	(1.74)	-	(1.74)
As at March 31, 2018	(0.60)	3.43	2.83

Rs. Crores

Risk category Derivative instrument	Foreign currency risk Foreign exchange forward contracts	Interest rate risk Interest rate swaps	Total
Add: Change in spot element of foreign exchange forward contracts	(1.46)	-	(1.46)
Add: Changes in fair value of interest rate swaps		(3.14)	(3.14)
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.06)	-	(0.06)
Less: Amount included in Property, plant and equipment	(0.12)	-	(0.12)
Less: Deferred tax relating to above (net)	1.67		1.67
As at March 31, 2019	(0.57)	0.29	(0.28)
(ii) Costs of hedging reserve			
As at April 1, 2017	(0.33)	-	(0.33)
Less: Included in the carrying amount of hedged item	(0.01)	-	(0.01)
Less: Deferred tax relating to above (net)	0.34		0.34
As at March 31, 2018	-	-	-
As at March 31, 2019	-	-	-

46 Fair value hierarchy (refer note 43)

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierachy of financial assets and financial liabilities measured at fair value on a recurring basis:

Rs. Crores

	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
Financial assets				
Investments in liquid mutual fund at FVTPL	140.99	-	-	140.99
Investments in equity shares (unquoted) at FVTOCI	-	-	1.85	1.85
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	1.00	-	1.00
Other derivatives (foreign currency options) at FVTPL	-	2.59	-	2.59
Total financial assets	140.99	3.59	1.85	146.43
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	7.94	-	-	7.94
Total financial liabilities	7.94	-	-	7.94
As at March 31, 2018				
Financial assets				
Investments in liquid mutual fund at FVTPL	8.13	-	-	8.13
Investments in equity shares (unquoted) at FVTOCI	-	-	1.85	1.85
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	4.14	-	4.14
Other derivatives (foreign currency options) at FVTPL	-	4.89	-	4.89
Total financial assets	8.13	9.03	1.85	19.01

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 inputs are unobservable inputs for the asset or liability

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

47. Asset classified as held for sale

The segment to which the 'assets held for sale' relates are as under:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
- Sugar	0.40	0.40
- Others (Hariyali Kisaan Bazaar)	71.36	75.12
- Shriram Farm Solutions	2.28	-
- Unallocated	17.79	14.60
	91.83	90.12

Assets classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell at the reporting date. The fair value of the assets held for sale is determined using level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures.

Amounts recognised in the statement of profit and loss on assets held for sale is as under:

Rs. Crores

Particulars	This year	Previous year
Provision/(Reversal) for impairment in value of assets held for sale included in 'other expenses' in the statement of profit and loss	(8.39)	4.09
Profit (net) recognised in 'other income' in the statement of profit and loss on sale of assets held for sale	2.23	1.52

48. Based on the information available with the Company as at year end, the principal amount and interest due to Micro and small enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is Rs. 16.41 crores (March 31, 2018 - Rs. 19.20 crores) and Rs. Nil (March 31, 2018 Rs Nil) respectively.

49. Disclosures related to government grant

The government grant/government assistance recognised are as under:

Rs. Crores

Nature of Grant/assistance	Income/Expense head	This year	Previous year
Production subsidy on cane crushed (includes Rs 38.63 crores for financial year 2017-18)	Cost of materials consumed	113.58	-
Interest subsidy (includes Rs 5.24 crores for earlier years)	Other income	14.16	-
Buffer stock subsidy	Other income	13.60	-
Benefit of loan at concessional rate of interest	Other income	2.82	0.23

50. Details of pre-operative expenses pending allocation included under capital work-in-progress in note 2.1 is as under:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Finance cost	6.97	5.12
Salaries, wages etc	1.11	3.01
Insurance	0.55	0.17
Power, fuel etc	0.16	0.15
Miscellaneous expenses	3.35	5.93
	12.14	14.38
Add: Brought forward from previous year	3.40	0.67
Total	15.54	15.05
Less: Capitalised during the year	(3.40)	(11.65)
Transferred to capital work-in-progress	12.14	3.40

Notes to the Standalone Financial Statements For The Year Ended March 31, 2019

51. Hon'ble High Court of Allahabad vide its order dated February 12, 2019 has set aside and quashed the notification withdrawing the Sugar Industrial Promotion Policy 2004 (Policy). The State Government has filed special leave petition (SLP) with Supreme Court against the above said order. The Company has not accrued the benefits consequent to the above said order due to uncertainties of the amount and the collection thereof.

52 Effective April 1, 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers'. The standard has been applied retrospectively with the cumulative effect of initial application of this standard adjusted to the opening balance of retained earnings. The impact of Ind AS 115 on these results is as under:

Rs. Crores

Particulars	Increase/(Decrease)
(a) Opening balance of retained earnings	-
(b) Net increase in 'total revenue from operations' on account of:	
- Freight	49.87
- Cash discount	(8.91)
Net change in 'total revenue from operations'	40.96
(c) Net increase in 'other expenses' on account of:	
- Freight	49.87
- Cash discount	(8.91)
Net change in 'other expenses'	40.96
(d) Increase in 'other current assets' on account of provision for sales return	5.09
(e) Decrease in 'inventories' on account of provision for sales return	(5.09)

53 Proposed dividend

The Board of Directors, in its meeting held on May 1, 2019, have recommended a final dividend of Rs. 1.60/- per equity share of Rs 2/- each aggregating to Rs. 30.08 crores (including corporate dividend tax amounting to Rs 5.13 crores) for the financial year ended March 31, 2019. The recommendation is subject to the approval of shareholders at the Annual General Meeting to be held on July 23, 2019.

54. Particulars of sales

Rs. Crores

Description	Sales	
	2018-19	2017-18
Urea	1,037.40	799.89
PVC resins	418.57	425.70
Caustic soda	1,668.30	1,607.74
Marketable Calcium carbide	131.37	109.46
Super Phosphate	113.19	329.11
Seeds	618.47	627.63
Cement	153.97	170.37
Sugar	1,899.59	1,779.44
Ethanol	198.36	-
UPVC Windows	382.65	329.02
Power Sale	174.01	125.17
Petrol / Diesel	250.35	287.17
Other sales/stocks and adjustments	612.93	284.02
Total	7,659.16	6,874.72

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Independent Auditor's Report

To the Members of DCM Shriram Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of DCM Shriram Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entity, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 16 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   Below Key Audit Matters have been reproduced from the report on the audit of standalone financial statements of the Holding Company.

Key audit matter	How our audit addressed the key audit matter
4.1 Determination of net realizable value of inventory of sugar as at the year ended March 31, 2019 (Refer to the accompanying note 1.4 (e) and 6 forming integral part of the Consolidated Financial Statements) As on March 31, 2019, the Company has inventory of sugar with the carrying value 1,185.37 crores. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the government in determination of net realizable value.	We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar. We considered various factors including the actual selling price prevailing around and subsequent to the year end, minimum selling price & monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole. Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year-end and comparison with cost for valuation of inventory, is considered to be reasonable.
4.2 Assessment of impairment of investments and loans/advances given to subsidiaries (Refer to the accompanying note 1.5(ii) forming integral part of the Consolidated Financial Statements and note 3.1, 3.2, 7.4, 25 and 31 of Standalone Financial Statements of the Holding Company) The Company had given loans and advances which aggregates to Rs. 200.37 crores as at March 31, 2019, to subsidiaries. The Company also has investments amounting to Rs. 150.86 crores in subsidiaries. These subsidiaries have incurred loss during the year and as at the year end their networth stands substantially eroded	We understood and tested the design and operating effectiveness of controls as established by management in determination of appropriateness of the carrying value of investments, loans and advances. We evaluated the Company's process regarding impairment assessment by involving our valuation experts to assist in assessing the appropriateness of the impairment model including the independent assessment of the underlying assumptions relating to discounts rate, economic growth rate, terminal value etc.

Key audit matter	How our audit addressed the key audit matter
which indicates potential impairment of investment in those subsidiaries along with loans and advances given to such subsidiaries. The Company has recognized impairment of Rs 126.05 crores as at March 31, 2019 (including Rs 17.95 crores during the year) against the above investments and loans and advances. We consider this a key audit matter given the relative significance of value of investment and loans and advances to the financial statements and extent of managements judgements and estimates involved around impairment assessment of related factors such as future cash flows, discount rate, terminal value and economic growth rates etc.	We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the budgets provided by the management and our understanding of the industry's external external factors. We assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment. We checked the mathematical accuracy of the impairment model. Based on the above procedures performed, we observed the management's impairment assessment to be reasonable.
4.3 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability (Refer to the accompanying note 1.4 (f)(ii), 1.5 (iv) (b), 19, 29 and 44.1 forming integral part of the Consolidated Financial Statements) During the year the Company has recognised accruals/subsidy claims amounting to Rs. 831.01 crores and as at March 31, 2019, the Company has receivables of Rs. 532.66 crores relating to such claims which is significant to the financial statements. We focused on this area because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgement of the management. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the related computation rates, and basis for determination of accruals/claims.	We understood and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the claims. We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the notifications/policies and collections. We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognised pursuant to changes in the rates and basis for determination of claims. We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering claim collection against historical trends, the level of credit loss charged over time and provisions made. Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and there recoverability are considered to be reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.
6. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph [16] below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements 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 financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for assessing the ability of the Group and of its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for overseeing the financial reporting process of the Group and of its jointly controlled entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 financial statements.

12. 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 financial statements, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 made by management.
- Conclude on the appropriateness of management's 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 ability of the Group and its jointly controlled entity to continue as a going concern. 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 financial statements 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 jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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.

13. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the consolidated financial statements of three subsidiaries, namely Bioseeds Limited along with step down subsidiaries Bioseed Holdings PTE Limited, Bioseed Vietnam Limited, Bioseed Research Philippines Inc., Shriram Bioseed (Thailand) Limited, PT. Shriram Seed Indonesia, PT. Shriram Genetics Indonesia and Shriram Bioseed Ventures Limited along with step down subsidiary Bioseed Research USA Inc. and DCM Shriram Credit and Investments Limited along with step down subsidiary DCM Shriram Infrastructure Limited and standalone financial statement of five subsidiaries Bioseed India Limited, Haryali Rural Ventures Limited, DCM Shriram Aqua Foods Limited, Fenesta India Limited, Shri Ganpati Fertilizers Limited, whose financial statements reflect total assets of Rs 397.14 crores and net assets of Rs 2.24 crores as at March 31, 2019, total revenue of Rs. 157.71 crores, total comprehensive income (comprising of loss and other comprehensive income) of Rs (29.71) crores and net cash flows amounting to Rs 0.37 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act (including report on Other Information) insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and jointly controlled company incorporated in India, none of the directors of the Group companies and jointly controlled company incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, and jointly controlled entity- Refer Note 28 to the consolidated financial statements;

        ii. The Group and its joint ventures did not have any long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and its jointly controlled company incorporated in India; and

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group and its jointly controlled company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Harinderjit Singh

Place: New Delhi — Partner

Date: May 1, 2019 — Membership Number: 086994

Annexure A to Independent Auditors' Report

Referred to in paragraph 17(f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the consolidated financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of DCM Shriram Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and jointly controlled company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies and jointly controlled company (refer to note 54 forming integral part of the Consolidated Financial Statements), to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and jointly controlled company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to consolidated financial statement of two subsidiary companies and standalone financial statement of five subsidiary companies (refer to note 54 forming integral part of the Consolidated Financial Statements), which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Harinderjit Singh
Partner
Membership Number: 086994

Place: New Delhi
Date: May 1, 2019

Consolidated Balance Sheet As At March 31, 2019

	Note	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	2,585.86	2,103.51
Capital work-in-progress	2.1	329.95	114.36
Investment property	2.2	6.85	6.96
Goodwill	2.3	74.78	70.87
Other intangible assets	2.3	22.17	29.19
Intangible assets under development	2.3	2.36	2.56
Financial assets			
Investments			
- Investment in Joint Venture	3.1	21.72	20.02
- Other investments	3.1	9.04	9.79
Loans	3.2	11.97	9.94
Other financial assets	3.3	32.43	36.86
Deferred tax assets (net)	4	67.45	67.74
Other non-current assets	5	118.90	83.03
Total non-current assets		3,283.48	2,554.83
Current assets			
Inventories	6	1,925.12	1,651.54
Financial assets			
Trade receivables	7.1	1,039.17	903.60
Cash and cash equivalents	7.2	382.04	133.73
Bank balances other than cash and cash equivalents	7.3	33.87	14.86
Loans	7.4	2.66	8.34
Other financial assets	7.5	119.65	27.30
Current tax assets (Net	8	37.79	53.00
Other current assets	9	217.63	206.63
Total current assets		3,757.93	2,999.00
Assets classified as held for sale	10	94.99	97.86
Total assets		7,136.40	5,651.69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	31.35	32.64
Other equity	12	3,494.33	3,006.86
Equity attributable to shareholders of the Company		3,525.68	3,039.50
Non-controlling interest		0.65	1.60
Total Equity		3,526.33	3,041.10
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	13.1	936.83	527.24
Other financial liabilities	13.2	1.03	1.81
Provisions	14	221.52	209.79
Other non-current liabilities	15	26.93	5.39
Total non-current liabilities		1,186.31	744.23
Current liabilities			
Financial Liabilities			
Borrowings	16.1	537.89	134.05
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		16.41	19.20
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,127.95	1,099.05
Other financial liabilities	16.3	311.76	215.08
Provisions	17	44.95	39.26
Other current liabilities	18	374.58	350.05
Current tax liabilities (net)	8	0.10	0.16
Total current liabilities		2,413.64	1,856.85
Liabilities associated with assets classified as held for sale		10.12	9.51
Total equity and liabilities		7,136.40	5,651.69

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Statement of Consolidated Profit and Loss For The Year Ended March 31, 2019

	Note	Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
Revenue from operations	19	7,771.14	7,006.56
Other income	20	87.64	56.11
Total income		7,858.78	7,062.67
Expenses			
Cost of materials consumed		3,228.05	2,723.70
Purchases of stock-in-trade		771.19	935.75
Change in inventories of finished goods,stock-in-trade and work-in-progress	21	(308.01)	34.99
Excise duty on sale of goods		-	106.11
Employee benefits expense	22	663.73	598.87
Finance costs	23	118.94	83.04
Depreciation and amortisation expense	24	157.15	140.66
Other expenses	25	2,047.49	1,572.21
Total Expenses		6,678.54	6,195.33
Profit before tax		1,180.24	867.34
Tax expense			
-Current tax	26	245.57	143.52
-Deferred tax		26.71	57.64
-Tax adjustments related to earlier years		5.35	(2.48)
Total tax expense		277.63	198.68
Profit after tax		902.61	668.66
Share of Profit of Joint Venture (net of tax)		1.77	0.04
Non controlling interest		1.12	0.86
Net Profit attributable to equity shareholders of the Company		905.50	669.56
Other Comprehensive Income			
(i) Items that will not be re-classified to profit or loss			
- Remeasurements of defined benefit obligation (net)	32 (ii)	(2.43)	(4.73)
- Changes in fair value of equity instruments through other comprehensive income		(0.75)	(1.14)
- Income tax relating to items that will not be re-classified to profit or loss		0.88	1.64
- Share of other comprehensive income in joint venture (net of tax)		(0.03)	0.01
(ii) Items that may be re-classified to profit or loss			
- Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		(4.78)	4.00
- Exchange differences in translating the financial statements of foreign operations		5.45	1.86
- Income tax relating to items that may be re-classified to profit or loss		1.67	(1.40)
- Share of other comprehensive income in joint venture (net of tax)		(0.04)	
Total Other comprehensive income (net of tax)		(0.03)	0.24
Total Comprehensive income		905.47	669.80
Attributable to:			
- Owners of the Company		904.35	668.94
- Non-controlling interest		1.12	0.86
Earnings per equity share-basic/diluted (Rs.) (face value Rs 2 per share)	27	57.09	41.22

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Statement of Consolidated Changes In Equity For The Year Ended March 31, 2019

	Equity Share Capital	Other Equity													Non-controlling interest	Total
		Reserves and Surplus								Other comprehensive income				Total Other Equity		
		Securities premium	Capital redemption reserve	Storage fund for molasses account	General Reserve	Surplus in Statement of profit and loss	Statutory Reserve	Capital Reserve	Shares held by Trust under ESPS Scheme	Cash flow hedging reserve	Cost of hedging reserve	Equity instruments through OCI	Exchange differences on translating the financial statements of foreign operations			
As at April 1, 2017	32.64	34.98	9.11	1.08	831.57	1,579.35	0.79	37.62	(7.96)	0.44	(0.33)	4.38	4.06	2,495.09	2.08	2,529.81
Profit for the year	-	-	-	-	-	669.56	-	-	-	-	-	-	-	669.56	(0.86)	668.70
Fair value movements of equity instruments through OCI	-	-	-	-		-	-	-	-	-	-	(1.14)	-	(1.14)	-	(1.14)
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-	-	1.86	1.86	0.38	2.24
Movements related to employees stock purchase scheme	-	-	-	-	0.74	-	-	-	-	-	-	-	-	0.74	-	0.74
Dividend on shares held by ESPS trust	-	-	-	-	-	1.49	-	-	-	-	-	-	-	1.49	-	1.49
Dividend on equity shares (Rs 8.20 per equity share)	-	-	-	-	-	(133.18)	-	-	-	-	-	-	-	(133.18)	-	(133.18)
Corporate dividend tax	-	-	-	-	-	(27.12)	-	-	-	-	-	-	-	(27.12)	-	(27.12)
Shares granted to employees under ESPS	-	-	-	-	-	-	-	-	0.05	-	-	-	-	0.05	-	0.05
Transfer to/(from) storage fund for molasses	-	-	-	(0.05)	-	0.05	-	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	(3.09)	-	-	-	-	-	-	-	(3.09)	-	(3.09)
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	2.27	0.33	-	-	2.60	-	2.60
As at March 31, 2018	32.64	34.98	9.11	1.03	832.31	2,087.06	0.79	37.62	(7.91)	2.71	-	3.24	5.92	3,006.86	1.60	3,041.10
Profit for the year	-	-	-	-	-	905.50	-	-	-	-	-	-	-	905.50	(1.12)	904.38
Buy-back of equity shares (refer note 11)	(1.29)	(32.67)	1.29	-	(219.77)	-	-	-	-	-	-	-	-	(251.15)	-	(252.44)
Fair value movements of equity instruments through OCI	-	-	-	-	-	-	-	-	-	-	-	(0.75)	-	(0.75)	-	(0.75)
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-	-	5.45	5.45	0.17	5.62
Movements related to employees stock purchase scheme	-	-	-	-	0.84	-	-	-	-	-	-	-	-	0.84	-	0.84
Dividend on shares held by ESPS trust	-	-	-	-	-	1.53	-	-	-	-	-	-	-	1.53	-	1.53
Dividend on equity shares (Rs 9 per equity share)	-	-	-	-	-	(140.73)	-	-	-	-	-	-	-	(140.73)	-	(140.73)
Corporate dividend tax	-	-	-	-	-	(28.92)	-	-	-	-	-	-	-	(28.92)	-	(28.92)
Shares granted to employees under ESPS	-	-	-	-	-	-	-	-	0.44	-	-	-	-	0.44	-	0.44
Transfer to/(from) storage fund for molasses	-	-	-	0.01	-	(0.01)	-	-	-	-	-	-	-	-	-	-
Transfer to/(from) from statutory reserve	-	-	-	-	-	(0.06)	0.06	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	(1.59)	-	-	-	-	-	-	-	(1.59)	-	(1.59)
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	(3.15)	-	-	-	(3.15)	-	(3.15)
As at March 31, 2019	31.35	2.31	10.40	1.04	613.38	2,822.78	0.85	37.62	(7.47)	(0.44)	-	2.49	11.37	3,494.33	0.65	3,526.33

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
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Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
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Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Consolidated Cash Flow Statement For The Year Ended March 31, 2019

	Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
A. Cash flow from operating activities		
Net profit after tax	902.61	668.66
Adjustments for :		
Income tax expense recognized in profit or loss	277.63	198.68
Depreciation and amortization expense	157.15	140.66
Net gain on financial assets and short term investments	(28.14)	(19.54)
(Profit) / Loss on sale of property, plant and equipment (including assets held for sale)	3.68	6.03
Net provision for impairment in value of assets	1.97	4.09
Finance cost	118.94	83.04
Dividend and interest income	(15.38)	(21.06)
Operating profit before working capital changes	1,418.46	1,060.56
Changes in operating assets and liabilities:		
Trade receivables	(136.99)	104.61
Inventories	(273.58)	(35.87)
Trade Payables	26.11	(28.20)
Other financial assets	(87.93)	(0.80)
Other current/non-current assets	(21.27)	49.63
Provisions	10.46	29.01
Other financial liabilities	53.15	(20.43)
Other current/non-current liabilities	46.07	(99.39)
Cash generated from operations	1,034.48	1,059.12
Income taxes paid (net of refunds)	(259.60)	(232.01)
Net cash from operating activities	774.88	827.11
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(850.87)	(379.67)
Purchase of other intangible assets	(2.17)	(8.14)
Fixed deposits and current account balances with banks (Earmarked)	(12.42)	2.33
Sale of property, plant and equipment	4.93	0.66
Proceeds from asset held for sale	13.24	22.48
Interest received	15.70	20.59
Dividend and profit on sale of investments	28.17	20.63
Net cash used in investing activities	(803.42)	(321.12)
C. Cash flow from financing activities		
Buy-back of equity shares (refer note 11)	(252.44)	-
Proceeds/(Repayment) from/of long term borrowings	407.30	54.18
Proceeds/(Repayment) from/of short term borrowings	229.23	(205.97)
Changes in loans repayable on demand from banks	174.61	(168.27)
Dividends paid	(140.73)	(133.18)
Corporate dividend tax paid	(28.92)	(27.12)
Finance cost paid	(112.20)	(91.04)
Net cash from / (used) in financing activities	276.85	(571.40)
Net increase / (decrease) in cash and cash equivalents	248.31	(65.41)
Cash and cash equivalents at the beginning of the year	133.73	199.14
Cash and cash equivalents at the end of the year	382.04	133.73

Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'

Reconciliation of cash and cash equivalents as per the Cash flow statement

Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (refer notes 7.2)	382.04	133.73
Balances as per statement of cash flows	382.04	133.73

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

New Delhi
May 1, 2019

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

1.1 Group Overview

DCM Shriram Limited ('the Company') is a public limited company incorporated in India. The Holding company, Sumant Investments Private Limited owns 63.02% of equity share capital of the Company. The registered office of the Company is at 1st Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi -110001, India.

The consolidated financial statements have been approved by Board of Directors in their board meeting dated May 1, 2019.

DCM Shriram Limited together with its subsidiaries is hereinafter referred to as "Group".

For information in respect of subsidiaries and joint venture, refer note 55

The business portfolio of the Group comprises of:

a. Chloro-Vinyl
b. Sugar
c. Shriram Farm Solutions
d. Bioseed
e. Fertlisers
f. Others: (Fenesta, Cement and Hariyali Kisaan Bazaar)

The Group has presence in various parts of India and also in Philippines, Vietnam and Indonesia, and its principal place of businesses together with major products are as under:

Business (Products)	Principal places
Chloro- Vinyl (Poly-vinyl chloride, carbide and chlor alkali)	Kota (Rajasthan) and Bharuch (Gujarat)
Sugar (Sugar, molasses, ethanol and power)	Ajbapur, Rupapur, Hariawan and Loni at Uttar Pradesh
Shriram Farm Solutions (Trading of agri inputs)	Distribution Network across India
Bioseed (Hybrid seeds)	Various parts of India, Philippines, Vietnam and Indonesia
Fertlisers (Urea)	Kota (Rajasthan)
Fenesta (UPVC windows and doors)	Kota and Bhiwadi (Rajasthan), Chennai (Tamilnadu), Hyderabad (Telengana)
Cement (Cement)	Kota (Rajasthan)
Hariyali Kisaan Bazaar (Fuel)	Fuel outlets at various parts of India

1.2 Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable (also refer note 52).

1.3 Principles of consolidation

The Consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company ('The Group'). The Company controls an entity when the Company is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The financial statements of subsidiaries namely DCM Shriram Foundation and Shridhar Shriram Foundation, incorporated under Section 8 of the Companies Act, 2013 are not considered for consolidation since the objective of control in these companies is not to obtain economic benefits from its activities.

Consolidation of the subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

a) The consolidated financial statements have been prepared on the following basis:
   - The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income, expense, each component of other comprehensive income and cash flows, after fully eliminating intra-group balances, intra-group transactions and unrealized profit or losses on intra group transactions including tax adjustment thereon.
   - Interest in joint venture is accounted for using the equity method. Accordingly, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profit or losses of the investee in profit and loss, and Company's share of other comprehensive income of the investee in other comprehensive income
   - The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements
   - Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the date of investments
   - In respect of acquisitions prior to April 1, 2015, the excess of the cost of the Company of its investments in subsidiary company over the Company's portion of the equity of the subsidiary at the date on which investments were made is recognized in the consolidated financial statements as goodwill and is tested for impairment at the end of the reporting period. However, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investments, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

b) The Companies considered for Consolidated Financial Statements are given in note 55.

1.4 Significant accounting policies

a) Property, Plant and Equipment

Owned Assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and gains or losses on effective portion of cash flow hedges related to purchase in foreign currency and interest on loans attributable to the acquisition or construction of assets up to the date of commissioning of assets.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its property, plant and equipment at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Group is following straight line method of depreciation in respect of buildings, plant and equipment and written down value method in respect of other assets.

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc., which coincides with the useful life as prescribed under Schedule II of the Companies Act 2013 except for certain items of Plant and Equipment.

(i) Estimated useful lives:

Asset	Useful life
Buildings: - Roads - Other than Roads	 3-10 years 30-60 years
Leasehold improvements	5-10 Years
Plant and equipment used in generation, transmission and distribution of power	25-40 years
Plant and equipment (other than used in generation, transmission and distribution of power)	3-40 years
Furniture and fixtures	8-10 Years
Office equipments	5 Years
Vehicles	8-10 Years

(ii) Estimated residual value:

Asset	Residual value
Certain electrical equipment	10%
Other assets	0-5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

Assets taken on Finance lease

Assets taken on finance lease are stated at the lower of the fair value of the lease assets or the present value of the minimum lease payments at the inception of the lease.

In respect of Assets taken on finance lease, when there is reasonable certainty that the Group will obtain ownership by the end of the lease term, depreciation is provided in accordance with the policy followed by the Group for owned assets.

b) Intangible assets

Intangible assets (excluding goodwill on consolidation) are stated at cost less accumulated amortization and accumulated impairment loss, if any. Cost of acquisition is inclusive of duties, taxes, consultancy and other directly attributable incidental expenses.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its intangible assets at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

Amortization of intangibles is provided on straight line basis over its estimated useful lives as follows:

Technical know-how	10 years
Softwares	5 years

On assets sold, discarded etc. during the year, amortization is provided up to the date of sale/discard.

c) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any.

Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses and interest on loans attributable to the acquisition/construction of properties up to the date of Commissioning.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its investment properties at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Group is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is 58-60 years and estimated residual value is 5%.

d) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount (cost less accumulated depreciation, if any) and fair value assessed on annual basis.

e) Inventories

Inventories are valued at lower of cost (determined on weighted average basis) and net realisable value. The basis for determining cost (which also includes taxes and duties wherever applicable) for different categories of inventory are as under:

Stores & spares, raw materials and stock-in-trade	-	Weighted average rate.
Work-in-Progress and finished goods	-	Direct cost plus appropriate share of overheads after giving credit for other income and excluding certain expenses like ex-gratia and gratuity etc.

Securities are valued at cost and net realisable value, whichever is lower

By-products are valued at estimated net realisable value

f) Revenue recognition

i) Sales are recognized, at values as per agreements, net of returns, trade discounts and volume discounts, if any, on transfer of significant risks and rewards of ownership/effective Control to the buyer, which coincides with dispatch/delivery/ installation to customers, as applicable. Sales include excise duty but exclude sales tax, value added tax and Goods and Service tax.

ii) Under the retention pricing scheme, the Government of India reimburses to the fertilizer industry, the difference between the retention price based on the cost of production and selling price (as realized from the farmers) as fixed by the Government from time to time, in the form of subsidy. The effect of variation in input costs/expenses on retention price yet to be notified is accounted for by the Company as income for the year based on its ultimate collection with reasonable degree of certainty at the time of accrual.

g) Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the Group will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

h) Employee benefits

(i) Defined contribution plans

Company's contribution paid/payable during the year to provident fund, superannuation fund and employees' state insurance corporation are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates declared by the Central Government, and such liability is recognized in the year of shortfall.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

(iii) Compensated absences

Provision for earned leave and medical leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

(iv) Share based payments

Equity settled share based payments to employees under DCM Shriram Employees Stock Purchase Scheme (ESPS) are measured at the Fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

i) Foreign currency transactions

The functional currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous consolidated financial statements are recognized as income/expense in the period in which they arise except for exchange difference on foreign currency borrowings relating to asset under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to

interest cost on those foreign currency borrowings.

The results and financial position of Group's foreign operations that have a functional currency different from the presentation currency (INR) are translated into the presentation currency as under:

- Assets and liabilities are translated at the closing exchange rate at the end of each reporting period
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognized in other comprehensive income.

Exchange differences on monetary items receivable from or payable to subsidiaries having foreign operations for which settlement is neither planned nor likely to occur are recognized in other comprehensive income and are reclassified from equity to profit or loss on repayment of monetary items.

j) Financial instruments

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement:

A. Non-derivative financial instruments

(i) Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI): The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries and Joint Venture) to present the subsequent changes in fair value in other comprehensive income.

(iii) Investment in subsidiaries and Joint Venture: Investment in subsidiaries and joint venture is carried at cost less impairment, if any.

(iv Financial assets carried at fair value through profit or loss (FVTPL) : A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss

(v) Financial liabilities: Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments: The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company also holds swaps to mitigate interest rate risks. The counterparty for these contracts is generally a bank.

(i) Cash flow hedge: The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

(ii) Fair Value Hedge: Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

(iii) Financial instruments at fair value through profit or loss: This category has derivative financial instruments which are not designated as hedges.

Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

k) Impairment

i) Financial assets

The Group recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

ii) Non-financial assets:

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair

value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

l) Income taxes

The Income-tax expense is provided in accordance with the tax laws of countries where the Company and its subsidiaries operate. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

m) Provisions

Provisions for claims including litigations are recognised when the Group has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

1.5 Use of estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i) Useful lives and residual value of property, plant and equipment, intangible assets and Investment Properties: Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii) Impairment of investments: The Company reviews the carrying value of long term investments in equity/preference shares of subsidiaries, joint venture and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii) Deferred tax assets: The Company reviews the carrying amount of deferred tax assets including MAT credit at the end of each reporting period and reduces to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

iv) Revenue:

a) Provision of Sales Returns, Warranties and Discounts: Provision for Sales Returns, Warranties and Discounts are estimated based on past experience, market conditions and announced schemes.

b) Claims from 'Fertiliser Industry Coordination Committee' (FICC), Government of India: The Company takes revenue credits for urea subsidy claims , which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers, when as per judgment of the Company, there is reasonable certainty based on Policy and past experience that claims will be notified in due course (also refer note 29).

v) Provision for gratuity and compensated absences: The provision for gratuity and compensated absences are based on actuarial valuation using the projected unit credit method. The Company uses actuarial assumptions to determine the obligation for employee benefit at each reporting period. These assumptions include the discount rate, salary escalation and employee turnover rate.

1.6 Recent accounting pronouncements

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Indian Accounting Standard (Ind AS) 116, 'Leases' which will be effective from accounting period beginning on or after April 1, 2019. As per the present evaluation, the application of the said IndAS is likely to result into increase of approximately Rs 80 crores in both, the assets and liabilities.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

2.1 Property, plant and equipment

Rs. Crores

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Vehicle on finance lease	Total
Gross Carrying amount									
Balance as at April 1, 2017	54.10	228.28	8.02	1,696.17	7.36	12.11	51.13	1.11	2,058.28
Additions	0.07	44.19	-	266.13	1.07	2.68	12.02	0.12	326.28
Disposals	-	(0.38)	-	(17.34)	(0.21)	(0.77)	(5.42)	-	(24.12)
Transferred (to)/from asset held for sale	-	1.17	-	-	-	-	-	-	1.17
Exchange differences	-	(0.03)	-	(0.02)	(0.03)	(0.03)	(0.05)	(0.01)	(0.17)
Balance as at March 31, 2018	54.17	273.23	8.02	1,944.94	8.19	13.99	57.68	1.22	2,361.44
Additions	12.14	77.04	0.05	529.52	1.14	5.37	14.57	-	639.83
Disposals	-	(0.51)	-	(32.33)	(0.23)	(0.95)	(8.36)	-	(42.38)
Transferred (to)/from asset held for sale	0.79	-	-	-	-	-	-	-	0.79
Exchange differences	-	(0.04)	-	(0.03)	(0.03)	(0.03)	(0.05)	(0.01)	(0.19)
Balance as at March 31, 2019	67.10	349.72	8.07	2,442.10	9.07	18.38	63.84	1.21	2,959.49
Accumulated Depreciation									
Balance as at April 1, 2017	-	18.69	1.40	96.87	3.05	6.06	16.46	0.19	142.72
Depreciation charge for the year	-	10.52	1.23	103.84	1.23	2.89	11.84	0.11	131.66
Disposals	-	(0.15)	-	(11.28)	(0.17)	(0.59)	(3.73)	-	(15.92)
Exchange differences	-	-	-	(0.35)	(0.02)	(0.11)	(0.03)	(0.02)	(0.53)
Balance as at March 31, 2018	-	29.06	2.63	189.08	4.09	8.25	24.54	0.28	257.93
Depreciation charge for the year	-	12.30	1.28	118.10	1.15	3.15	11.57	0.10	147.65
Disposals	-	(0.35)	-	(23.84)	(0.19)	(0.77)	(6.24)	-	(31.39)
Reclassified as asset held for sale	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	(0.36)	(0.03)	(0.12)	(0.03)	(0.02)	(0.56)
Balance as at March 31, 2019	-	41.01	3.91	282.98	5.02	10.51	29.84	0.36	373.63
Net carrying amount									
As at March 31, 2019	67.10	308.71	4.16	2,159.12	4.05	7.87	34.00	0.85	2,585.86
As at March 31, 2018	54.17	244.17	5.39	1,755.86	4.10	5.74	33.14	0.94	2,103.51
Capital work in progress									
As at March 31, 2019									329.95
As at March 31, 2018									114.36

Notes:

1. Refer note 39 for information on property, plant and equipment pledged as security
2. Refer note 23 for information on borrowing costs capitalised during the year
3. Refer note 28 (ii) for information on contractual commitments for acquisition of property, plant and equipment
4. Refer note 34(b)(i) for information on property, plant and equipment where the Company is a lessor under operating lease
5. Freehold land includes Rs. 2.07 crores (March 31, 2018 - Rs 2.19 crores) pending registration in favour of the Company

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

2.2 Investment property

Rs. Crores

	Freehold Land	Buildings	Total
Gross Carrying amount			
Balance as at April 1, 2017	1.71	5.57	7.28
Balance as at March 31, 2018	1.71	5.57	7.28
Balance as at March 31, 2019	1.71	5.57	7.28
Accumulated Depreciation			
Balance as at April 1, 2017	-	0.22	0.22
Depreciation charge for the year	-	0.10	0.10
Balance at March 31, 2018	-	0.32	0.32
Depreciation charge for the year	-	0.11	0.11
Balance as at March 31, 2019	-	0.43	0.43
Net carrying amount			
As at March 31, 2019	1.71	5.14	6.85
As at March 31, 2018	1.71	5.25	6.96

Refer note 33 for other information relating to investment property

2.3 Intangible assets

Rs. Crores

	Technical Know how	Software	Total	Goodwill
Gross carrying amount				
Balance as at April 1, 2017	0.52	37.95	38.47	70.55
Additions	-	9.51	9.51	-
Disposals	-	(0.01)	(0.01)	-
Exchange differences	-	(0.01)	(0.01)	0.32
Balance as at March 31, 2018	0.52	47.44	47.96	70.87
Additions	-	2.33	2.33	-
Disposals	-	-	-	-
Exchange differences	-	0.04	0.04	3.91
Balance as at March 31, 2019	0.52	49.81	50.33	74.78
Accumulated amortization				
Balance at April 1, 2017	0.52	9.35	9.87	-
Amortization for the year	-	8.90	8.90	-
Balance as at March 31, 2018	0.52	18.25	18.77	-
Amortization for the year	-	9.39	9.39	-
Balance as at March 31, 2019	0.52	27.64	28.16	-
Net carrying amount				
As at March 31, 2019	-	22.17	22.17	74.78
As at March 31, 2018	-	29.19	29.19	70.87
Intangible assets under development				
As at March 31, 2019			2.36	
As at March 31, 2018			2.56	

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

		As at March 31, 2019 Rs. Crores		As at March 31, 2018 Rs. Crores
3 NON-CURRENT FINANCIAL ASSETS				
3.1 Non-current investments				
(a) Investment in Joint Venture (using equity method of accounting)				
Unquoted				
17,32,500 (March 31, 2018 ; 17,32,500) Equity shares of Shriram Axiall Private Limited of Rs. 10/- each fully paid up		21.72		20.02
		21.72		20.02
(b) Other than Joint Venture				
(i) Investment in Equity Instruments				
- Subsidiaries (at cost)				
Unquoted				
10,000 (March 31, 2018: 10,000) Equity shares of DCM Shriram Foundation of Rs. 10/- each fully paid up		0.01		0.01
50,000 (March 31, 2018: 50,000) Equity shares of Shridhar Shriram Foundation of Rs. 10/- each fully paid up		0.05		0.05
		0.06		0.06
- Other than subsidiaries (at fair value through other comprehensive income)				
Quoted				
1,40,000 (March 31, 2018: 1,40,000) Equity shares of IFCI Limited of Rs.10/- each fully paid up		0.19		0.27
5,400 (March 31, 2018: 5,400) Master Gains 92 of Unit Trust of India of Rs. 10/-each fully paid up		0.06		0.07
296,795 (March 31, 2018: 296,795) Equity shares of Bank of Baroda of Rs. 2/-each fully paid up		3.82		4.22
20,108 (March 31, 2018: 20,108) Equity shares of Gujarat State Petronet Limited of Rs. 10/- each fully paid up		0.38		0.38
17,150 (March 31, 2018: 17,150) Equity shares of Punjab National Bank of Rs. 2/- each fully paid up		0.16		0.16
89,350 (March 31, 2018: 89,350) Equity shares of Yes Bank Ltd of Rs 10/- each fully paid up		2.46		2.72
6,53,592 (March 31, 2018: 6,53,592) Equity shares of NICCO Corporation Ltd of Rs. 2/-each fully paid up	0.03		0.03	
Less: Written off during the year	(0.03)	-	(0.03)	-
		7.07		7.82

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

		As at March 31, 2019 Rs. Crores		As at March 31, 2018 Rs. Crores
Unquoted				
18,61,134 (March 31, 2018: 18,61,134)				
Equity shares of Narmada Clean Tech of Rs. 10/- each fully paid up		1.85		1.85
2,00,000 (March 31, 2018: 2,00,000)				
Equity shares of Ellenbarie Commercial Limited of Rs.10/- each fully paid up	1.50		1.50	
Less : Provision for impairment in value of investment	(1.50)	-	(1.50)	-
40,000 (March 31, 2018: 40,000)				
Equity shares of BMD Estate Private Limited of Rs.10/- each fully paid up	0.75		0.75	
Less : Provision for impairment in value of investment	(0.75)	-	(0.75)	-
		1.85		1.85
(ii) Investment in Government securities				
Unquoted (at amortized cost)				
National savings certificates		0.06		0.06
		9.04		9.79
Total		30.76		29.81
Aggregate book value - Quoted		7.10		7.85
- Unquoted		25.94		24.24
Aggregate provision for diminution in value of investments		2.28		2.28
Summary:				
- Investments carried at cost		0.06		0.06
- Investments carried at amortized cost		0.06		0.06
- Investments at fair value through other comprehensive income		8.92		9.67
- Investments in joint venture using equity method of accounting		21.72		20.02

3.2 Loans

(unsecured considered good, unless otherwise stated)				
Loan to employees				
Considered good		11.97		9.94
Considered credit impaired		1.65		-
		13.62		9.94
Less: Provision for credit impaired loan		1.65		-
		11.97		9.94

3.3 Other financial assets

Interest accrued on investments, deposits etc.		0.74		0.76
Fixed deposits with banks (earmarked)		1.68		8.27
Security deposits[(i)]		30.01		27.83
		32.43		36.86

(i) includes given to related parties [(refer note 31(b)]

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
4 Deferred tax assets / (liabilities) (Net)		
[refer note 40(d)]		
Deferred tax assets:		
Provision for gratuity and compensated absences	82.14	77.64
Provision for doubtful debts and advances	39.90	14.60
Others	25.68	23.62
MAT Credit entitlement	343.33	319.50
	491.05	435.36
Deferred tax liabilities:		
Depreciation	423.60	367.62
	423.60	367.62
Net deferred tax assets - after set off	67.45	67.74
Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and liabilities relate to income tax levied by the same taxation authority		
5 Other non-current assets		
Capital advances	60.00	34.40
Prepaid expenses	20.21	16.97
Others (including amount deposited with Government authorities)	38.69	31.66
	118.90	83.03
CURRENT ASSETS		
6 Inventories[(i)]		
Raw materials(includes goods in transit - Rs 1.90 crores; March 31, 2018 - Rs 2.92 crores)	196.82	268.43
Work-in-progress *	65.49	62.41
Finished goods *	1,365.83	1,089.07
Stock-in-trade	110.98	88.01
Stores and spares(includes goods in transit - Rs 15.22 crores; March 31, 2018 - Rs 20.64 crores)	186.00	143.62
	1,925.12	1,651.54
(i) refer note 39		
* after write down of inventories in respect of one of the business to net realizable value by Rs. 9.36 crores (March 31, 2018 - Rs 184.70 crores)		
7 Financial Assets		
7.1 Trade receivables[(i)]		
Secured - considered good	2.12	1.73
Unsecured - considered good	1,037.05	901.87
Unsecured - considered credit impaired	92.95	36.62
	1,132.12	940.22
Less: Provision for credit impaired receivables	92.95	36.62
	1,039.17	903.60
(i) includes dues from related parties [(refer note 31(b)]		
7.2 Cash and cash equivalents[(i)]		
Balances with banks on		
-current accounts	239.03	120.83
Cheques on hand	0.10	0.91
Cash on hand	0.94	0.93
Liquid investments - mutual funds	141.97	11.06
	382.04	133.73
(i) comprises cash at bank and at hand, short term deposits and liquid mutual funds that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value		

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
7.3 Bank balances other than cash and cash equivalents		
Balances with banks on		
- current accounts (earmarked)[(i)]	7.42	6.19
- deposit accounts (earmarked)[(i)]	26.45	8.67
	33.87	14.86
(i) earmarked for unpaid dividend, margin money and deposit with banks for specific purpose		
7.4 Loans		
(Unsecured Considered good unless otherwise stated)		
Loan to employees	2.66	5.64
Loan to others	-	2.70
	2.66	8.34
7.5 Other financial assets		
Interest accrued on loans, investment, deposits etc	0.83	1.16
Other debts considered good(includes claims from government authorities)	109.28	10.72
Security deposits	2.94	6.66
Derivative designated as hedge:		
- Interest rate swaps	1.00	4.14
- Others (Foreign currency options)	2.59	2.99
- Forward exchange forward contracts	3.01	1.63
	119.65	27.30
8 Current tax assets (net)		
Advance tax	562.55	331.62
Less: Provision for current tax	(524.86)	(278.78)
	37.69	52.84
Net current tax assets - after set off	37.79	53.00
Net current tax liabilities - after set off	(0.10)	(0.16)
Current tax assets and current tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities		
9 Other current assets		
(Unsecured Considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	112.87	141.58
Considered doubtful	8.28	1.34
	121.15	142.92
Less: Provision for doubtful advances	8.28	1.34
	112.87	141.58
Prepaid expenses	16.62	12.59
Balances with customs, excise etc.	51.76	29.70
Unbilled revenue	30.29	22.76
Others	6.09	-
	217.63	206.63

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
10. Assets classified as held for sale		
Land and buildings	92.96	97.43
Plant and machinery	2.03	0.43
	94.99	97.86

Refer note 46 for other information relating to assets classified as held for sale.

11. Equity share capital		
Authorised		
29,49,50,000 (March 31, 2018 - 29,49,50,000)	58.99	58.99
Equity shares of Rs. 2 each with voting rights		
65,01,000 (March 31, 2018 - 65,01,000)		
Cumulative redeemable preference shares of Rs. 100 each	65.01	65.01
	124.00	124.00
Issued		
15,98,42,296 (March 31, 2018 - 16,63,16,137)		
Equity shares of Rs 2 each with voting rights	31.97	33.26
Subscribed and fully paid up		
15,59,42,296 (March 31, 2018 - 16,24,16,137)		
Equity shares of Rs. 2 each with voting rights, fully paid- up	31.19	32.48
Forfeited shares - Amount originally paid up	0.16	0.16
	31.35	32.64

Notes:

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Subscribed and fully paid up Equity Shares:	No. of shares	Value (Rs. Crores)
As at March 31, 2017	162,416,137	32.48
As at March 31, 2018	162,416,137	32.48
Less: Equity shares bought-back	6,473,841	1.29
As at March 31, 2019	155,942,296	31.19

Buy-back of shares

- The Company bought back and extinguished 64,73,841 equity shares of Rs 2 each during financial year 2018-19
- The Company had bought back and extinguished 34,87,183 equity shares of Rs 2 each during financial years 2013-14 and 2014-15

(ii) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	%	No. of shares	%
(iii) Shares held by the holding company:				
Sumant Investments Private Limited	98,282,284	63.02%	98,282,284	60.51%
(iv) The shareholders holding more than 5% equity shares are as under:				
Sumant Investments Private Limited	98,282,284	63.02%	98,282,284	60.51%
Life Insurance Corporation of India	11,368,316	7.29%	11,368,316	7.00%

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
12. Other equity[1]		
12.1 General Reserve	613.38	832.31
12.2 Surplus in statement of profit and loss	2,822.78	2,087.06
12.3 Securities premium	2.31	34.98
12.4 Capital reserve	37.62	37.62
12.5 Capital redemption reserve	10.40	9.11
12.6 Storage fund for molasses account	1.04	1.03
12.7 Statutory reserve	0.85	0.79
12.8 Share held by trust under Employees Stock Purchase Scheme (ESPS)[2]	(7.47)	(7.91)
12.9 Other comprehensive income		
- Cash flow hedging reserve [refer note 44.4(b)]	(0.44)	2.71
- Exchange difference on translating the financial statements of foreign operations	11.37	5.92
- Investments in equity instruments through OCI	2.49	3.24
	3,494.33	3,006.86

1. Created under relevant Act/statutes. For movement during the year, refer 'Statement of changes in equity'.
2. Share held by trust under ESPS represents cost of 16,18,174 (March 31, 2018 - 17,13,174) equity shares purchased and held by the Employee Benefit trust under ESPS scheme.

NON-CURRENT LIABILITIES

13 Financial liabilities

13.1 Long term borrowings (at amortized cost)		
Secured (refer note 39B)		
Term loans		
From banks	713.64	336.27
From others	192.66	159.48
	906.30	495.75
Unsecured		
Deposits		
Fixed	30.34	31.17
Finance lease liability	0.19	0.32
	30.53	31.49
	936.83	527.24
13.2 Other financial liabilities		
Interest accrued but not due on loans and deposits	1.03	1.81
	1.03	1.81

14 Long term provisions

Provision for employee benefits		
Gratuity (refer note 32)	117.13	109.42
Compensated absences	77.16	74.69
Other benefits	6.49	4.94
Provision for contingencies (refer note 35)	20.74	20.74
	221.52	209.79

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

	As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
15. Other non-current liabilities		
Security deposits	0.74	0.84
Others	26.19	4.55
	26.93	5.39
CURRENT LIABILITES		
16 Financial Liabilities		
16.1 Short-term borrowings - at amortized cost		
Secured (refer note 39B)		
Loans repayable on demand from banks	175.93	1.32
Other loans and advances from banks	211.96	35.00
	387.89	36.32
Unsecured		
Loans repayable on demand - other than banks	150.00	2.70
Other loans from banks	-	95.03
	150.00	97.73
	537.89	134.05
16.2 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 47)	16.41	19.20
Total outstanding dues of creditors other than micro enterprises and small enterprises[(i)]	1,127.95	1,099.05
	1,144.36	1,118.25
16.3 Other financial liabilities		
Current maturities of long-term debt (Secured) [refer note 39B]		
From banks	80.66	74.56
From others	27.76	18.44
Current maturities of long-term debt (Unsecured)		
From banks	25.00	-
From others	1.81	1.16
Current maturities of finance lease obligations	0.10	0.12
Interest accrued but not due on borrowings	11.92	10.34
Unpaid dividends	7.35	5.98
Unpaid matured deposits and interest accrued thereon	0.03	0.04
Employee dues payable	36.49	32.37
Security deposits	40.00	36.63
Others liabilities(includes capital creditors Rs 43.36 crores; March 31, 2018 - Rs 24.78 crores)	72.70	35.44
Derivative designated as hedge:		
- Foreign exchange forward contracts	7.94	-
	311.76	215.08
17 Short term provisions		
Provision for employee benefits		
Gratuity	20.89	20.27
Compensated absences	23.22	18.45
Other benefits	0.59	0.53
Contingent provision for standard assets	0.25	0.01
	44.95	39.26
18 Other current liabilities		
Statutory levies	164.63	154.21
Advances received from customers	205.97	190.42
Other current liabilities	3.98	5.42
	374.58	350.05

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

	Year ended March 31, 2019 Rs. Crores	Year ended March 31, 2018 Rs. Crores
19. Revenue from operations		
Revenue from sale of products (Also refer note 52)		
Gross revenue[(i)]	7,986.95	7,226.34
Less: Discounts	243.61	262.22
	7,743.34	6,964.12
Other operating revenue		
Rent	0.32	0.37
Liabilities / provisions no longer required written back	3.04	4.56
Interest income	0.15	0.83
Miscellaneous income (includes scrap sales)	24.29	36.68
	27.80	42.44
Revenue from Operations	7,771.14	7,006.56

(i) Notes:

- According to the requirements of Schedule III of the Companies Act 2013, sales for the period upto June 30, 2017 is inclusive of excise duty. Consequent to applicability of Goods and Service Tax (GST) w.e.f. July 1, 2017, sales are shown net of GST in accordance with requirements of Ind AS. The sales, net of excise duty, for the year ended March 31, 2019 is Rs 7,743.34 crores (2017-18 - Rs 6,858.01 crores)
- includes Rs 162.25 crs against advance received from customers balance as at April 1, 2018.
- Includes Rs 15.13 crores for financial year 2017-18 on account of differential urea subsidy claims notified by 'Fertiliser Industry Coordination Committee (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers.
- The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the Company has not adjusted transaction prices for the time value of money.

20 Other income		
Interest income from financial assets carried at amortized cost(refer note 48)	15.35	19.97
Dividend income on short term investments mandatorily measured at fair value through profit or loss	0.03	1.09
Rent [refer note 34 (b) (ii)]	5.23	4.87
Miscellaneous income (refer note 48)	42.57	16.67
Other gains/(losses):		
- net gain of financial assets mandatorily measured at fair value through profit or loss	2.79	0.13
- net gain on sale of short term investments carried at fair value through profit or loss	25.35	19.41
- net gain/(loss) on sale of property, plant and equipment (including assets held for sale)	(3.68)	(6.03)
	87.64	56.11
21 Change in inventories of finished goods, stock-in-trade and work-in-progress (refer note 6)		
Closing stock	1,542.30	1,239.49
Add: Provision for sales return (refer note 52)	5.09	-
Less: Translation difference transferred to foreign currency translation reserve	5.83	5.94
Adjusted Closing stock	1,541.56	1,233.55
Opening stock	1,233.55	1,269.70
Less: - Inventory used during trial run production	-	1.16
Adjusted opening stock	1,233.55	1,268.54
	(308.01)	34.99
Change in inventories	(308.01)	34.99
22 Employee benefits expense		
Salaries, wages, bonus, gratuity, commission, etc.[(i)]	594.81	537.11
Expense on Employee stock purchase scheme[(ii)]	2.15	2.01
Contribution to provident and other funds[(i)]	34.95	32.64
Staff welfare expenses	31.82	27.11
	663.73	598.87

(i) refer note 32
(ii) refer note 38

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

	Note	Year ended March 31, 2019 Rs. Crores		Year ended March 31, 2018 Rs. Crores
23 Finance costs				
Interest expense on financial liabilities measured at amortized cost		121.17		67.29
Other borrowing costs		2.63		2.44
Net loss on foreign currency transactions and translation		16.64		18.43
		140.44		88.16
Less: Amount included in the cost of qualifying assets[1]		21.50		5.12
		118.94		83.04
1 Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization is 7.54% p.a. (2017-18: 7.44% p.a.)				
24 Depreciation and amortization expense				
Depreciation of property, plant and equipment	2.1	147.65		131.66
Depreciation of investment property	2.2	0.11		0.10
Amortization of intangible assets	2.3	9.39		8.90
		157.15		140.66
25 Other expenses				
Consumption of stores and spare parts		271.17		224.76
Power, fuel etc.		1,047.26		906.68
Rent [refer note 34 (a) (iii)]		30.93		29.22
Repairs				
Buildings		12.38		11.61
Plant and machinery		60.22		47.70
Donation[1]		5.38		5.35
Insurance		10.90		10.07
Rates and taxes		2.43		6.22
Auditors' remuneration				
Audit fee		1.32		1.21
Tax audit		0.22		0.21
Limited reviews		0.48		0.48
Other certification services[2]		0.77		1.03
Out-of-pocket expenses		0.13		0.10
Directors' fees		0.61		0.54
Bad debts and advances written off	0.18		1.20	
Less: adjusted against provision for doubtful debts and advances	(0.13)	0.05	(1.10)	0.10
Provision for credit impaired receivables		59.65		13.24
Provision for credit impaired loans and advances		8.59		-
Freight and transport[3]		173.54		64.21
Commission to selling agents		9.19		7.15
Brokerage, discounts (other than trade discounts), etc.		0.01		7.07
Selling expenses		133.61		80.53
Exchange fluctuation costs		0.93		1.17
Royalty		20.97		27.83
Loss/(gain) on valuation of assets held for sale		(7.38)		4.09
Provision for impairment in value of assets[4]		9.35		-
Increase/(decrease) in excise duty on finished goods		-		(64.15)
Corporate Social Responsibility[5]		13.35		9.10
Miscellaneous expenses		184.14		179.73
		2,050.20		1,575.25
Less:- Cost of own manufactured goods capitalised		(2.71)		(3.04)
		2,047.49		1,572.21

1 refer note 51
2 excludes Rs 0.01 crores related to buy-back certificate debited to General reserve and includes GST/service tax.
3 Rs 49.87 crores netted off during financial year ended March 31, 2018 (Refer note 52)
4 in respect of direct expenses incurred capitalised as CWIP in respect of Chattru Hydro power project in one of its subsidiaries.
5 refer note 36

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

		Year ended March 31, 2019 Rs. Crores		Year ended March 31, 2018 Rs. Crores
26 Tax expense				
Current tax	274.52		191.15	
Less:- MAT credit entitlement *	(28.95)	245.57	(47.63)	143.52
Deferred Tax		26.71		57.64
Tax adjustments related to earlier years *				
- Current tax	5.12		(38.02)	
- Deferred tax	0.23	5.35	35.54	(2.48)
		277.63		198.68

* refer note 40 (d)

27 Earnings per share

Profits for the year attributable to equity holders of the Company (Rs. Crores)	905.50	669.56
Weighted average number of equity shares (Nos.)	158,611,943	162,416,137
Basic and Diluted earnings per share (face value Rs 2 per share)	57.09	41.22

Rs. Crores

		As at March 31, 2019 Rs. Crores	As at March 31, 2018 Rs. Crores
28.	(i) Contingent liabilities not provided for:		
	(a) Claims (excluding claims by employees where amount not ascertainable) not acknowledged as debts:		
	- Sales tax matters	0.14	1.47
	- Service tax/excise matters	31.66	31.85
	- Additional premium on land	8.11	8.11
	- Interest on cane purchases	44.39	45.18
	- Others	5.63	5.63
	Total	89.93	92.24

(b) The Company is in the process of evaluating the prior period impact of Supreme Court Judgment dated February 28, 2019 clarifying the definition of 'basic wages' as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (P.F. Act) for the purpose of determining contribution to Provident Fund under P.F. Act.

(ii)	Capital commitments (net of advances)	126.37	214.57

29 In accordance with past practice, the Company has taken revenue credits aggregating Rs. 141.83 crores (2017-18 - Rs. 102.09 crores) receivable for urea subsidy claims, which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Pricing Scheme administered for nitrogenous fertilisers. Necessary adjustments to revenue credits so accrued will be made on issuance of notification by FICC, Government of India.

30 Segment reporting

A. Operating segments and principal activities:

Based on the guiding principles given in Ind AS- 108 'Operating segments', the Group's operating segments, based on products include: Fertilisers (manufacturing of urea), Chloro-Vinyl (manufacturing of poly-vinyl chloride, carbide and chlor alkali products), Shriram Farm solutions (trading of super phosphate, other fertilisers, seeds and pesticides), Sugar (manufacturing of sugar, ethanol, co-generation of Power and distillery), Bioseed (production of hybrid seeds), Others (UPVC window systems, Cement, Rural retail and plaster of paris). Sale of power from the co-generation facilities set up for the operating segments is included in their respective results.

B. Geographical segments:

Since the Group's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the operating segments as set out in note 1.4, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipments, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

D. Revenue from major products:

Revenue from major products is given in note 56

E. Geographical information:

(i) Revenue from external customers: The Group's revenue from external customers by location of operation are as under:

Rs. Crores

Particulars	This year	Previous year
- Within India	7,533.62	6,768.06
- Outside India	209.72	196.06
Total	7,743.34	6,964.12

(ii) Non-current assets other than financial instruments and deferred tax assets:

Rs. Crores

Particulars	March 31, 2019	March 31, 2018
- Within India	2,945.54	2,256.83
- Outside India	76.43	70.62
Total	3,021.97	2,327.45

F. Information about major customer

There is no single customer who contributed 10% or more of the Group's revenue during the year ended March 31, 2019 and March 31, 2018.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

G. Information about business segments

Rs. Crores

PARTICULARS	Chloro-Vinyl		Sugar		Shriram Farm Solutions		Bioseed		Fertiliser		Others		Elimination		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
1. REVENUE																
External sales (Gross)	2,460.93	2,117.86	2,348.54	1,967.76	716.16	887.86	374.26	379.52	1,037.40	800.82	806.05	810.30			7,743.34	6,964.12
Other Operating Income	9.08	8.38	4.45	20.25	0.47	0.28	4.84	6.54	3.56	1.28	5.40	5.71			27.80	42.44
Inter segment sales	32.73	28.67	-	-	-	-	93.21	106.98	-	-	3.13	2.97	129.07	138.62		
Total revenue	2,502.74	2,154.91	2,352.99	1,988.01	716.63	888.14	472.31	493.04	1,040.96	802.10	814.58	818.98	129.07	138.62	7,771.14	7,006.56
2. RESULTS																
Segment results	993.53	817.54	354.58	94.34	40.65	51.75	3.21	20.66	17.74	77.87	38.23	34.18			1,447.94	1,096.34
Unallocated expenses (net of income)															148.76	145.96
Operating profit	993.53	817.54	354.58	94.34	40.65	51.75	3.21	20.66	17.74	77.87	38.23	34.18			1,299.18	950.38
Finance costs															118.94	83.04
Profit before tax															1,180.24	867.34
Provision for taxation																
- Current and deferred tax															272.28	201.16
- Tax adjustments related to earlier years															5.35	(2.48)
Net profit															902.61	668.66
3. OTHER INFORMATION																
A. ASSETS																
Segment assets	1,647.43	1,352.83	2,892.12	1,966.32	292.42	408.83	651.76	697.46	734.05	570.31	310.69	328.20			6,528.47	5,323.95
Unallocated assets															607.93	327.74
Total assets	1,647.43	1,352.83	2,892.12	1,966.32	292.42	408.83	651.76	697.46	734.05	570.31	310.69	328.20			7,136.40	5,651.69
B. EQUITY AND LIABILITIES																
Equity															3,526.33	3,041.10
Segment liabilities	346.08	294.08	853.12	676.72	86.34	136.26	218.78	308.48	128.25	116.83	225.25	211.14			1,857.82	1,743.51
Secured and unsecured loans															1,610.05	755.61
Unallocated liabilities															142.20	111.47
Total liabilities	346.08	294.08	853.12	676.72	86.34	136.26	218.78	308.48	128.25	116.83	225.25	211.14			7,136.40	5,651.69
C. OTHERS																
Capital expenditure	350.78	97.11	448.21	253.86	0.49	-	12.05	2.77	23.68	9.54	13.47	13.63			848.68	376.91
Unallocated capital expenditure															9.07	12.96
Depreciation and amortisation expense	73.64	70.20	44.18	31.66	0.46	0.39	4.49	4.70	10.25	10.04	10.65	10.92			143.67	127.91
Unallocated depreciation and amortisation expense															13.48	12.75
Non cash expenses other than depreciation		-		-	17.10	0.85	10.97	11.98	38.03	-	0.49	0.51			66.59	13.34
Unallocated non cash expenses other than depreciation															11.00	-

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

31 Related party disclosures

Name of related party and nature of related party relationship

1. Holding company: Sumant Investments Private Limited
2. Joint venture: Shriram Axiall Private Limited
3. Key Managerial Persons, their relatives and HUFs:
   (i) Executive Directors and their relatives and HUFs (with whom transactions are there):
   Mr. Ajay S. Shriram, Mr. Vikram S. Shriram, Mr. Ajit S. Shriram, Mr. N.J. Singh[1], Mr. K.K. Kaul, Mr. K.K. Sharma[2], Mr. Aditya A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Anand A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Pranav V. Shriram (relative of Mr. Vikram S. Shriram) Mrs. Anuradha Bishnoi (relative of Mr. Ajay S. Shriram), Mrs. Geeta Kaul (relative of Mr. K.K. Kaul), M/s. Ajay S. Shriram (HUF), M/s. Vikram S. Shriram (HUF), M/s. Ajit S. Shriram (HUF).
   (ii) Independent Directors and their relatives (with whom transactions are there):
   Mr. Pradeep Dinodia, Mr. Vimal Bhandari, Mr. Sunil Kant Munjal, Mrs. Ramni Nirula, Mr. Vikramjit Sen, Mr. Pravesh Sharma, Mr. Sharad Shrivastva, Mrs. Pallavi Dinodia (relative of Mr. Pradeep Dinodia)
   1 upto November 19, 2017
   2 w.e.f. November 20, 2017
4. Trust : Sir Shriram Foundation, DCM Shriram Employees' Provident Fund Trust, DCM Shriram Officers' Superannuation Fund Trust
5. Subsidiaries incorporated under section 8 of Companies Act 2013: DCM Shriram Foundation, Shridhar Shriram Foundation

(a) Transactions with related parties:

Rs. Crores

S. No.	Nature of transaction	This year					Total	Previous year					Total
		Holding Company	Joint Venture	Subsidiaries	KMP's/ Relatives	Trust		Holding Company	Joint Venture	Subsidiaries	KMP's/ Relatives	Trust	
1	Sale of products		48.00				48.00		22.19		0.06		22.25
2	Common services expenses recovered		0.96				0.96		0.96				0.96
3	Supply of water, power and steam		0.15				0.15		0.10				0.10
4	Purchases of finished goods		0.11				0.11		0.07				0.07
5	Rent paid (includes GST and service tax)				4.81		4.81				4.29		4.29
6	Remuneration (including commission)(i)				33.29		33.29				27.69		27.69
7	Sitting fees and commission				3.25		3.25				2.70		2.70
8	Dividend paid	88.45			2.88		91.33	80.59			2.63		83.22
9	Contribution to Provident fund trust					26.19	26.19					24.36	24.36
10	Contribution to Superannuation fund trust					8.53	8.53					8.21	8.21
11	Contribution for CSR activities			5.51			5.51			3.44			3.44

(b) Balance outstanding as at the year end
(unsecured unless otherwise stated)

Rs. Crores

S. No.	Nature of outstanding	This year					Total	Previous year					Total
		Holding Company	Joint Venture	Subsidiaries	KMP's/ Relatives	Trust		Holding Company	Joint Venture	Subsidiaries	KMP's/ Relatives	Trust	
1	Security deposits receivable				8.40		8.40				8.34		8.34
2	Loans and advances receivable			0.01			0.01			0.01			0.01
3	Trade receivable		3.07				3.07		4.68				4.68
4	Trade payable						-		0.01				0.01
5	Commission payable				19.72		19.72				16.11		16.11
6	Loan to employees						-				0.11		0.11

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/payment or sale/purchase of goods or services.

(i) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on a actuarial basis for the Company as a whole.
Does not include accumulated gratuity Rs Nil (previous year Rs 0.63 crores) and accumulated earned leave Rs Nil (previous year Rs 0.19 crores) paid on retirement during the year to one of the directors
Includes post employment benefits Rs. Nil (previous year Rs. 1.58 crores) of one of the directors

32. Employee Benefits

The Group has classified the various benefits provided to employees as under:-

(i) Defined contribution plans:

The Group has recognized the following amounts in the statement of profit and loss:

Rs. Crores

	This year	Previous year
Employers' contribution to provident fund*	26.42	24.41
Employers' contribution to superannuation fund	8.53	8.23
Employers' contribution to employees' state insurance corporation	0.57	0.53

* There is no shortfall in the interest cost for which Company is liable as at the date of financial statement.

(ii) Disclosure in respect of Defined benefit obligation (Gratuity) is as under:

The principal assumptions used for the purpose of actuarial valuation were as under:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	8.00%	8.00%
Expected rate of salary increase	8.00%	8.00%
Mortality rate	IALM (2006-08) ultimate, duly modified	IALM (2006-08) ultimate, duly modified
Withdrawl rates:		
- Upto 30 years	3%	3%
- 31 to 44 years	2%	2%
- above 44 years	1%	1%
Retirement age	58/60 yrs	58/60 yrs

(a) Amount recognised in statement of profit and loss in respect of the defined benefit plan are as follows:

Rs. Crores

	This year	Previous year
Components of defined benefit costs recognised in statement of consolidated profit and loss		
Current service cost	12.46	8.58
Past service cost	-	1.82
Net interest expense	9.39	8.07
Components of defined benefit costs recognised in profit or loss	21.85	18.47
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gain)/loss from changes in financial assumptions	-	2.18
Actuarial (gain)/loss arising from experience adjustments	2.49	2.50
Return on plan assets (higher)/lower that discount rate	(0.02)	0.05
Total actuarial (gain)/loss recognised in other comprehensive income	2.47	4.73
Total amount recognised in statement of consolidated profit or loss	24.32	23.20

The current service cost and the net interest expense for the year are included in the salaries, wages, bonus, gratuity etc in note 22 "Employee Benefits expense".

The actuarial (gain)/loss on remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligation/plans is as follows:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation	142.86	132.40
Fair value of plan assets	(4.84)	(2.71)
Net liability arising from defined benefit obligation	138.02	129.69
- Non-current liability	117.13	109.42
- Current liability	20.89	20.27

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

(c) Movements in the present value of defined benefit obligations are as follows:follows:

Rs. Crores

	This year	Previous year
Opening defined benefit obligation	132.40	123.55
Current service cost	12.46	8.58
Past service cost	-	1.82
Interest cost	9.60	8.28
Remeasurement (gains)/losses:		
- Actuarial (gain)/loss from changes in financial assumptions	-	2.18
- Actuarial (gain)/loss arising from experience adjustments	2.49	2.50
Benefits paid by employer	(13.79)	(14.00)
Benefits paid from plan assets	(0.30)	(0.51)
Closing defined benefit obligations	142.86	132.40

(d) Movements in the fair value of plan assets are as follows:

Rs. Crores

	This year	Previous year
Opening fair value of plan assets	2.71	2.71
Expected return on plan assets	0.22	0.21
Employer contribution	2.19	0.35
Remeasurement gains/(losses):		
- Return on plan assets (higher)/lower that discount rate	0.02	(0.05)
Benefits paid	(0.30)	(0.51)
Closing fair value of plan assets	4.84	2.71

(e) Sensitivity analysis

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Sensitivity of gross defined benefit obligation as mentioned above, in case of change in significant assumptions, would be as under :		
Discount rate		
(i) Discount rate -100 basis point	149.73	141.25
(ii) Discount rate +100 basis point	130.81	123.27
Salary increase rate		
(i) rate -100 basis point	130.92	123.34
(ii) rate +100 basis point	149.33	140.92

(f) Major categories of plan assets
The plan assets at one of the unit are maintained with LIC of India Gratuity Scheme. The details of investment maintained by LIC are not available and have therefore not been disclosed.

(g) The Company expects to contribute Rs. 0.91 crores to the LIC fund during the year 2019-20 (March 31, 2018 - Rs. 0.82 Crores).

(h) The average expected future working life of members of the defined benefit obligation as at March 31, 2019 is 16.05 years (as at March 31, 2018: 15.95 years)

(i) The maturity profile of defined benefit obligation is as follows:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
within 1 year	25.75	22.97
between 2-5 years	54.81	54.73
between 6-10 years	54.57	47.97

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

33. (a) Amount recognised in statement of profit and loss for investment properties

Rs. Crores

	This year	Previous year
Rental income	4.54	4.29
Direct operating expenses from property that generated rental income	-	-
Income from investment properties before depreciation	4.54	4.29
Depreciation	0.11	0.10
Income from investment properties after depreciation	4.43	4.19

(b) Fair value

The fair value of the Group's investment properties as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate of the property, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Group's investment properties and fair value hierarchy are as follows:

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Fair value of the investment properties (Rs. Crores)	61.64	58.70
Fair valuation hierarchy	Level 3	Level 3

34 Disclosure in respect of leases as per IndAS 17 "Leases" :-

(a) Assets taken on lease

(i) Finance lease

Bioseed Research Philippines Inc (BRP) has entered into finance lease arrangement for vehicles. Some of the significant terms and conditions of such leases are as under:

- renewal for a further period on such terms and conditions as may be mutually agreed upon between lessor and BRP.
- assets to be purchased by BRP or the nominee appointed by BRP at the end of the lease term.

Reconciliation between the total of minimum lease payments at the balance sheet date and their present value:

Rs. Crores

	Total		Not later than one year		Later than one year but not later than five years	
	This year	Previous year	This year	Previous year	This year	Previous year
Total of minimum lease payments at the balance sheet date	0.30	0.44	0.11	0.13	0.19	0.31
Less: Future finance charges	0.01	0.01	0.01	0.01	-	-
Present value of minimum lease payments at the balance sheet date	0.29	0.43	0.10	0.12	0.19	0.31

(ii) Operating lease

The Company has entered into lease agreements for lease of offices, showrooms, godowns etc., generally for a period of 5/15 years, which can be terminated after lock-in period, by serving notice period as per the terms of the agreements.

Information w.r.t. non-cancellable leases:

Rs. Crores

	This year	Previous year
Total of minimum lease payments	35.01	0.82
The total of minimum lease payments for a period :		
- Not later than one year	10.78	0.46
- Later than one year and not later than five years	24.23	0.36
(iii) Lease payment recognised in the statement of profit and loss for the year* (including cancellable and non-cancellable leases)	32.82	31.11

*Rs. 1.89 crores (2017-18 – Rs. 1.89 crores) is included in Employees benefits expense

(b) Assets given on lease:

(i) The Company has entered into operating lease arrangements for buildings (including certain other assets). The details of leased assets are as under:

Rs. Crores

	Gross Block		Accumulated depreciation		Depreciation for the year	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	This year	Previous year
Land and building	19.76	19.76	1.22	0.91	0.31	0.31
Plant and Equipment	0.45	0.45	0.16	0.12	0.04	0.04
Furniture and Fixtures	0.16	0.16	0.12	0.11	0.01	0.02
Office equipments	0.01	0.01	-	-	-	-
	20.38	20.38	1.50	1.14	0.36	0.37

(ii) Information w.r.t. non-cancellable leases:

Rs. Crores

	This year	Previous year
Future minimum lease rent receivables	10.58	10.65
- Not later than one year	0.47	0.43
- Later than one year and not later than five years	1.92	1.83
- Later than five years	8.19	8.39

35 Provision for contingencies in note 14 represents provision for various contingencies resulting from issues relating to reconstruction arrangement of the companies and other uncertainties requiring management judgement.

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Provision as at the beginning of the year	20.74	20.74
Provision as at the end of the year	20.74	20.74

36 Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 as under:

Rs. Crores

Particulars	This year	Previous year
Amount required to be spent	13.30	9.06
Amount actually spent	13.35	9.10

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

37 Research and development expenses included under relevant heads in the statement of profit and loss Rs. 44.53 crores (2017-18 - Rs. 39.44 crores).

38 Employee share based payments (refer note 12)

The Company has an Employees Stock Purchase Scheme (DCM Shriram ESPS) which is administered through DCM Shriram Employees Benefits Trust based on acquisition of shares from the market to provide equity based incentives to employees under the Scheme. The shares offered, lock-in-period and grant price may be different for different eligible participants and determined at the time of every grant of shares. The expenses related to the grant of shares under the Scheme is accounted for on the basis of the fair value (which equals to market price of the Company's share on date of grant less exercise price) of share on the date of grant and is amortized on a straight line basis over the lock-in period, if any.

The number and weighted average fair value of equity shares granted during the year are as under:

Rs. Crores

Particulars	This year	Previous year
No. of equity shares granted during the year	100,000	12,500
Weighted average fair value on the grant date (Rs per equity share)	354.95	367.05

39. Assets pledged as security

A. The carrying amount of assets pledged as security for borrowings are as under:

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Financial assets	1,692.08	1,218.46
Inventories	1,889.09	1,631.31
Property, Plant and Equipment and intangible assets (including capital work-in-progress)	2,814.60	2,122.56
Total	6,395.77	4,972.33

B. Nature of security and terms of repayment for secured borrowings

S. No.	Nature of Security	Terms of Repayment
Short term working capital borrowings from banks:		
Company		
1.	Loans from banks on cash credit account of Rs. 175.93 Crores (March 31, 2018 - Rs. 1.32 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the Company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
2.	Short Term Loans of Rs. Nil (March 31, 2018 - Rs. 35.00 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the Company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad), and a third charge by way of mortgage/hypothecation of all the immovable and movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Not applicable
3.	Short Term Loans of Rs. 97.90 Crores (March 31, 2018 - Rs. Nil) is secured by first pari passu charge by way of hypothecation on book debts and stocks, both present and future of the Company's undertakings at Shriram Bioseed Genetics and Bioseed Research India, Hyderabad.	- Repayable as per terms of agreement upto April 28, 2019
4.	Short Term Loans of Rs. 114.06 Crores (March 31, 2018 - Rs. Nil) is secured by way of hypothecation of identified subsidy receivables of indigenous urea.	- Repayable within 60 days from the date of disbursement

Long term loans from banks:		
Company		
1.	Term loan of Rs. Nil (March 31, 2018 - Rs. 32.29 Crores) is secured by way of second pari passu charge created on all the current assets, both present and future, of the Company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad) and by way of third pari passu mortgage /charge created on immovable and movable fixed assets, both present and future, of sugar units of the Company located at Ajbapur, Rupapur, Hariawan and Loni. (Rs. Nil due within 1 year; March 31, 2018 - Rs 32.29 Crores)	- Not applicable
2.	Term loan of Rs. 53.93 Crores (March 31, 2018 - Rs. 53.91 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh (Rs. Nil due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 20 equal quarterly installments commencing from January, 2022
3.	Term loan of Rs. 88.62 Crores (March 31, 2018 - Rs. 101.80 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. 35.54 Crores due within 1 year; March 31, 2018 - Rs 29.23 Crores)	- Repayable in 5 equal semi annual installments
4.	Term loan of Rs. 131.01 Crores (March 31, 2018 - Rs. 129.88 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. 13.83 Crores due within 1 year; March 31, 2018 - Rs 13.04 Crores)	- Repayable in 12 equal semi annual installments
5.	Term loan of Rs. 92.96 Crores (March 31, 2018 - 92.95 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh (Rs. 0.93 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 36 quarterly installments commencing from April, 2019
6.	Term loan of Rs. 181.78 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajabpur and Loni, Uttar Pradesh. (Rs. 29.81 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 60 equal monthly installments commencing from July, 2019
7.	Term loan of Rs. 15.00 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh. (Rs. Nil due within 1 year; March 31, 2018 - Rs. Nil)	- Repayable in 2 equal annual installment commencing from December, 2023
8.	Term loan of Rs. 190.00 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh. (Rs. 0.45 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 37 quarterly installments commencing from March, 2020
9.	Term loan of Rs. 41.00 Crores (March 31, 2018 - Rs. Nil) is secured by way of first pari passu mortgage/charge created/ to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh. (Rs. 0.10 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 37 quarterly installments commencing from March, 2020
Long term loans from others:		
Company		
1.	Term loan of Rs. 127.89 Crores (March 31, 2018 - Rs. 127.49 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 16.27 Crores due within 1 year; March 31, 2018 - Rs 7.67 crores)	- Repayable in 16 Equal Semi Annual Installments

2.	Term loan of Rs. Nil (March 31, 2018 - Rs. 5.33 Crores) is secured by way of a exclusive second charge on all immovable and movable assets (save and except book debts), both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs. Nil Crores due within 1 year; March 31, 2018 - Rs 5.33 Crores)	- Not applicable
3.	Term loan of Rs. 5.70 Crores (March 31, 2018 - Rs. 8.54 Crores) is secured by way of an exclusive second charge on all immovable and movable assets (save and except book debts) both present and future, pertaining to the Company's Rupapur Sugar Complex, Uttar Pradesh (Rs. 2.84 Crore due within 1 year; March 31, 2018 - Rs 2.84 Crores)	- Repayable in 2 equal annual installments
4.	Term Loan of Rs. 1.07 Crores (March 31, 2018 - Rs. 3.22 Crores) is secured by way of a exclusive second charge on all immovable and movable assets (save and except book debts) both present and future, pertaining to the Company's Loni Sugar Complex, Uttar Pradesh (Rs. 1.08 Crores due within 1 year; March 31, 2018 - Rs 2.15 Crores)	- Repayable in 1 equal semi annual installments
5.	Term Loan of Rs. 32.49 Crores (March 31, 2017 - Rs. 31.18 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs Nil due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown
6.	Term loan of Rs. 1.95 Crores (March 31, 2018 - Rs. 2.16 Crores) from Department of Biotechnology, Government of India is secured against hypothecation of plant & machinery, machinery spares, tools and accessories acquired from the loan proceeds to Company's Bioseed Research India division. (Rs. 0.45 Crores due within 1 year; March 31, 2018 - Rs 0.45 Crores)	- Rs. 0.06 Crores repayable in 2 equal annual installments - Rs. 0.77 Crores repayable in 3 equal annual installments - Rs. 0.39 Crores repayable in 5 equal semi annual installments - Rs. 0.73 Crore repayable in 10 equal semi annual installments commencing from December, 2019.
7.	Term Loan of Rs. 51.32 Crores (March 31, 2018 - Rs. Nil) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh (Rs. 7.12 Crores due within 1 year; March 31, 2018 - Rs Nil)	- Repayable in 8 equal semi annual installments commencing from March, 2020.

40. Income tax expense

Rs. Crores

	This year	Previous year
(a) Income tax expense		
Current tax		
Current tax on profits for the year	245.57	143.52
Adjustments for current tax of prior year	5.12	(38.02)
Total current tax expense	250.69	105.50
Deferred tax		
Deferred tax charge/(credit)	26.71	57.64
Adjustments for deferred tax of prior year	0.23	35.54
Total tax expense	277.63	198.68

(b) Reconciliation of tax expense and the accounting profit		
Profit before tax	1,180.24	867.34
Income tax expense calculated at 34.944% (previous year 34.608%)	412.42	300.17
(i) Tax effect of:		
- Income exempt from tax	(0.01)	(0.38)
- Corporate social responsibility expenses not allowed as deduction	4.67	3.15
- Weighted deduction on research and development expenses	(2.76)	(2.32)
- Deduction under section 80-IA of the Income-tax Act, 1961	(147.41)	(116.80)
- Unrecognised tax losses now recognised to reduce current tax expense	(0.58)	-
- deductible temporary differences on which no deferred tax is recognised	5.26	5.56
- different tax rates of subsidiaries operating in other jurisdiction	3.47	7.22
(ii) Others	2.57	2.08
Income tax expense	277.63	198.68
(c) Tax effect on unrecognised temporary differences relating to:		
(i) Provision for impairment in value of land	5.83	3.14
(ii) Difference in tax base and accounting base of asset held for sale	8.27	5.54
(iii) Unabsorbed business loss	11.23	12.34
(iv) Unabsorbed business depreciation	1.80	2.08
Total	27.13	23.10

(d) Deferred tax movements

Deferred tax assets/(liabilities) in relation to:

Rs. Crores

	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Depreciation	Others	MAT credit entitlement	Total
As at April 1, 2017	68.08	11.97	(278.43)	39.54	238.95	80.11
(Charged)/credited to:						
Profit or loss	7.92	2.63	(55.61)	(12.56)	47.63	(9.99)
Other comprehensive income	1.64	-	-	(1.40)	-	0.24
Adjustment related to earlier year *	-	-	(33.58)	(1.96)	32.92	(2.62)
As at March 31, 2018	77.64	14.60	(367.62)	23.62	319.50	67.74
(Charged)/credited to:						
Profit or loss	3.62	25.30	(55.98)	0.62	28.95	2.51
Other comprehensive income	0.88	-	-	1.67	-	2.55
Adjustment related to earlier year *	-	-	-	(0.23)	(5.12)	(5.35)
As at March 31, 2019	82.14	39.90	(423.60)	25.68	343.33	67.45

* Tax charge of earlier years finalised on filing of returns/completion of assessments with corresponding impact on MAT

41. Information with respect to a joint venture is as under (refer note 3.1):

Name of Joint Venture	Shriram Axiall Private Limited
Country of incorporation	India

Rs. Crores

Particulars	This year	Previous year
Share of profit before tax	2.61	0.18
Share of profit after tax	1.77	0.04
Share of other comprehensive income/(loss)	(0.07)	0.01
Share of total comprehensive income/(loss)	1.70	0.05
Ownership Interest	50%	50%

42. Financial instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.4 (j)

Rs. Crores

	March 31, 2019			March 31, 2018		
	Amortised cost*	FVTOCI	FVTPL	Amortised cost*	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity instruments	-	8.92	-	-	9.67	-
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	1,039.17	-	-	903.60	-	-
Loans	14.63	-	-	18.28	-	-
Cash and cash equivalents and bank balances	273.94	-	141.97	137.53	-	11.06
Derivative financial assets	-	1.00	5.60	-	4.14	4.62
Others	145.48	-	-	55.40	-	-
Total financial assets	1,473.28	9.92	147.57	1,114.87	13.81	15.68
Financial liabilities						
Borrowings	1,474.72	-	-	661.29	-	-
Trade payables	1,144.36	-	-	1,118.25	-	-
Derivative financial liabilities	-	1.42	6.52	-	-	-
Other financial liabilities	304.85			216.89		
Total financial liabilities	2,923.93	1.42	6.52	1,996.43	-	-

* The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

43 Capital management

The Group endeavors to optimize debt and equity balance and provide adequate strength to the balance sheet. The Group monitors capital on the basis of debt equity ratio.

44 Financial risk management

The Group's activities expose it to various financial risks : Credit risk, Liquidity risk and Market risk.

44.1 Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Group perform credit evaluation and defines credit limits for each customer/counter party. The Group also continuously reviews and monitors the same.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty. The Group also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years.

The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

Rs. Crores

Particulars	Trade receivables	Investments
Provision as at April 1, 2017	29.98	2.25
Provision made during the year 2017-18	13.24	-
Written off/recovery during the year 2017-18	(6.60)	-
Provision as at March 31, 2018	36.62	2.25
Provision made during the year 2018-19	59.65	-
Written off/recovery during the year 2018-19	(3.32)	-
Provision as at March 31, 2019	92.95	2.25

44.2 Liquidity risk management

(i) The Group manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Group also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity)

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Total Committed working capital limits from Banks	815.00	870.00
Utilized working capital limit	387.89	35.00
Unutilized working capital limit	427.11	835.00

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

Rs. Crores

	Upto 1 year	Between 1 year to 5 year	Over 5 years	Total
As at March 31, 2019				
Non-derivatives				
Borrowing *	285.32	539.14	428.10	1,252.56
Trade Payables	1,144.36	-	-	1,144.36
Other financial liabilities	169.52			169.52
Total non-derivative liabilities	1,599.20	539.14	428.10	2,566.44
Derivatives (net settled)				
Foreign exchange forward Contract	7.94	-	-	7.94
Total derivative liabilities	7.94	-	-	7.94
As at March 31, 2018				
Non-derivatives				
Borrowing *	193.33	314.14	222.68	730.15
Trade Payables	1,118.25	-	-	1,118.25
Other financial liabilities	122.61	-	-	122.61
Total non-derivative liabilities	1,434.19	314.14	222.68	1,971.01

* Excludes utilized working capital limit disclosed in note 44.2 (i)

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7

Rs. Crores

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings
Opening balance as on April 1, 2017	538.88	508.29	15.16
Add: Additions during the year	129.56	-	-
Less: Repayments during the year	(71.51)	(374.24)*	(3.01)
Add/(Less): Foreign exchange fluctuation gain/(loss)	1.40	-	-
Closing balance as on April 1, 2018	598.33	134.05	12.15
Add: Additions during the year	530.63	403.84*	43.15
Less: Repayments during the year	(78.98)	-	(42.35)
Add/(Less): Foreign exchange fluctuation gain/(loss)	20.14	-	-
Closing balance as on March 31, 2019	1,070.12	537.89	12.95

* net movement during the year

44.3 Market Risk

a) The Group's operations are mainly in India and therefore rupee denominated, except the following:

- Foreign currency denominated loans (Long term & Short term)
- Imports of some raw material, stores & spares and capital equipments
- Export of finished goods

The Group follows a policy of keeping these liabilities/assets fully hedged against foreign currencies. Regarding interest rate fluctuation, it follows a policy of partial hedge. Some of the rupee liabilities have interest linked to the bank's MCLR or Financial market benchmark rates and are subject to variation in such rates.

(b) The Company's exposure to foreign currency risk at the end of the reporting period is with respect to loan of USD Nil (Rs. Nil; March 31, 2018 - Rs. 32.59 crores) which is hedged by an option contract that has become ineffective.

(c) Sensitivity

With respect to the above unhedged exposure the sensitivity is as follows:

Rs. Crores

	Impact on profit before tax	
	This year	Previous year
USD sensitivity *		
INR/USD -Increase by 5%	-	1.63
INR/USD -Decrease by 5%	-	(1.63)

* Holding all other variable constant

(d) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Rs. Crores

	As at March 31, 2019	As at March 31, 2018
Variable rate borrowings		
Long Term	534.45	325.09
Short Term	322.44	14.19
Total Variable rate borrowings	856.89	339.28
Fixed rate borrowings		
Long Term	402.38	202.15
Short Term	350.78	214.14
Total fixed Rate borrowings	753.16	416.29
Total Borrowings	1,610.05	755.57

(e) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit or loss before tax may be as follows:

Rs. Crores

	Impact on profit before tax	
	March 31, 2019	March 31, 2018
Interest rate- increase by 100 basis points (100 bps)*	(8.57)	(3.39)
Interest rate- decrease by 100 basis points (100 bps)*	8.57	3.39

* Holding all other variable constant

44.4 Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

Rs. Crores

Dec 31, 2018 Type of hedge and risks	Nominal value of hedged instruments#		Carrying amount of hedging instrument##		Maturity date	Hedge ratio	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	66.57	10.67	65.35	10.49	10-Apr-19 to 27-Nov-19	1:1	USD 70.23 EUR 82.41	(1.04)	1.04
Fair value hedge									
(i) Foreign exchange forward contracts	313.08	6.29	325.00	6.22	5-Apr-19 to 30-Apr-20	1:1	USD 66.62 EUR 79.18 CNH 10.14	11.99	(11.99)

March 31, 2018									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	40.46	-	41.34	-	5-Apr-18 to 5-Oct-18	1:1	USD 64.50 EUR 77.65 JPY 0.61	0.88	(0.88)
Fair value hedge									
(i) Foreign exchange forward contracts	288.70	3.63	287.68	3.61		1:1	USD 65.44 EUR 80.06 JPY 0.61 CNH 9.53	(1.01)	1.01

Nominal value is the INR value of the instrument based on spot rate of the first hedge
Carrying value is the INR value of the instrument based on the spot rate of the reporting date

(b) Disclosure of effect of hedge accounting on financial performance:
Movement in cash flow hedging reserve and costs of hedging reserve

Risk category Derivative instrument	Foreign currency risk Foreign exchange forward contracts	Interest rate risk Interest rate swaps	Total
(i) Cash flow hedging reserve			
As at April 1, 2017	(0.91)	1.35	0.44
Add: Change in spot element of foreign exchange forward contracts	0.57	-	0.57
Add: Changes in fair value of interest rate swaps	-	2.08	2.08
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	1.56	-	1.56
Less: Amount included in Property, plant and equipment	0.19	-	0.19
Less: Amount included in Capital work in progress	(0.38)	-	(0.38)
Less: Deferred tax relating to above (net)	(1.75)	-	(1.75)
As at March 31, 2018	(0.72)	3.43	2.71
Add: Change in spot element of foreign exchange forward contracts	(1.52)	-	(1.52)
Add: Changes in fair value of interest rate swaps	-	(3.14)	(3.14)
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.06)	-	(0.06)
Less: Amount included in Property, plant and equipment	(0.12)	-	(0.12)
Less: Deferred tax relating to above (net)	1.69	-	1.69
As at March 31, 2019	(0.73)	0.29	(0.44)

(ii) Costs of hedging reserve			
As at April 1, 2017	(0.33)	-	(0.33)
Less: Included in the carrying amount of hedged item	(0.02)	-	(0.02)
Less: Deferred tax relating to above (net)	0.35		0.35
As at March 31, 2018	-	-	-
As at March 31, 2019	-	-	-

45. Fair value hierarchy (refer note 42)

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierachy of financial assets and financial liabilities measured at fair value on a recurring basis:

Rs. Crores

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
Financial assets				
Financial investments in liquid mutual fund at FVTPL	141.97	-	-	141.97
Other derivatives (foreign currency options) at FVTPL	-	5.60	-	5.60
Financial investments at FVTOCI				
- unquoted equity investments	-	-	1.85	1.85
- quoted equity investments	7.07	-	-	7.07
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	1.00	-	1.00
Total financial assets	149.04	6.60	1.85	157.49
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	7.94	-	-	7.94
Total financial liabilities	7.94	-	-	7.94
As at March 31, 2018				
Financial assets				
Financial investments in liquid mutual fund at FVTPL	11.06	-	-	11.06
Other derivatives (foreign currency options) at FVTPL	-	4.62	-	4.62
Financial investments at FVTOCI				
- unquoted equity investments	-	-	1.85	1.85
- quoted equity investments	7.82	-	-	7.82
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	4.14	-	4.14
Total financial assets	18.88	8.76	1.85	29.49

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 inputs are unobservable inputs for the asset or liability

46. Asset classified as held for sale

The segment to which the 'assets held for sale' relates are as under:

Rs. Crores

Particulars	As at March 31, 2019	As at March 31, 2018
- Sugar	0.40	0.40
- Others (Hariyali Kisaan Bazaar)	74.52	82.86
- Shriram Farm Solutions	2.28	-
- Unallocated	17.79	14.60
	94.99	97.86

Assets classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell at the reporting date. The fair value of the assets held for sale is determined using level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures. Amounts recognised in the statement of profit and loss on assets held for sale is as under:

Rs. Crores

Particulars	This year	Previous year
Provision for impairment in value of assets held for sale included in 'other expenses' in the statement of profit and loss	(7.38)	4.09
Profit (net) recognised in 'other income' in the statement of profit and loss on sale of assets held for sale	2.38	1.52

47. Based on the information available with the Company as at year end, the principal amount and interest due to Micro and small enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is Rs. 16.41 crores (March 31, 2018 - Rs. 19.20 crores) and Rs. Nil (March 31, 2018 Rs Nil) respectively.

48. Disclosures related to government grant

The government grant/government assistance recognised are as under:

Rs. Crores

Nature of Grant/assistance	Income/Expense head	This year	Previous year
Production subsidy on cane crushed (includes Rs 38.63 crores for financial year 2017-18)	Cost of materials consumed	113.58	-
Interest subsidy (includes Rs 5.24 crores for ealier years)	Other income	14.16	-
Buffer stock subsidy	Other income	13.60	-
Benefit of loan at concessional rate of interest	Other Income	2.82	0.23

49. Details of pre-operative expenses pending allocation included under capital work-in-progress in note 2.1 is as under:

Rs. Crores

Particulars	As at	
	March 31, 2019	March 31, 2018
Finance cost	6.97	5.12
Salaries, wages etc	1.11	3.01
Insurance	0.55	0.17
Depreciation	-	0.01
Power, fuel etc	0.16	0.15
Miscellaneous expenses	3.35	6.09
	12.14	14.55
Add: Brought forward from previous year	6.80	3.90
Total	18.94	18.45
Less: Capitalised/provision during the year	(3.40)	(11.65)
Transferred to capital work-in-progress	15.54	6.80

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

50. Hon'ble High Court of Allahabad vide its order dated February 12, 2019 has set aside and quashed the notification withdrawing the Sugar Industrial Promotion Policy 2004 (Policy). The State Government has filed special leave petition (SLP) with Supreme Court against the above said order. The Company has not accrued the benefits consequent to the above said order due to uncertainties of the amount and the collection thereof.

51. Donation includes Rs. 4.50 crores (2017-18 - Rs. 4 crores) towards political contribution.

52. Effective April 1, 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers'. The standard has been applied retrospectively with the cumulative effect of initial application of this standard adjusted to the opening balance of retained earnings. The impact of Ind AS 115 on these results is as under:

Particulars	Increase/(Decrease)
(a) Opening balance of retained earnings	-
(b) Net increase in 'total revenue from operations' on account of:	
- Freight	49.87
- Cash discount	(8.91)
Net change in 'total revenue from operations'	40.96
(c) Net increase in 'other expenses' on account of:	
- Freight	49.87
- Cash discount	(8.91)
Net change in 'other expenses'	40.96
(d) Increase in 'other current assets' on account of provision for sales return	5.09
(e) Decrease in 'inventories' on account of provision for sales return	(5.09)

53. Proposed dividend

The Board of Directors, in its meeting held on May 1, 2019, have recommended a final dividend of Rs. 1.60/- per equity share of Rs 2/- each aggregating to Rs. 30.08 crores (including corporate dividend tax amounting to Rs 5.13 crores) for the financial year ended March 31, 2019. The recommendation is subject to the approval of shareholders at the Annual General Meeting to be held on July 23, 2019.

54. Shriram Bioseed Ventures Limited (one of the subsidiary of the Company) has become a Non Banking Financial Institution within the purview of section 45(IC) of Reserve Bank of India Act 1934 (the Act). The Subsidiary has applied for the Certificate of Registration under the above said section of the Act. As the certificate is yet to be received by the Subsidiary, this matter has been emphasised by the subsidiary's statutory auditor in its audit report.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

55. Statement containing salient features, pursuant to Schedule III of the Companies Act 2013, of subsidiaries and joint ventures as per standalone financial statements of each entity for:

(i) financial year ended March 31, 2018

Rs. Crores

Name of the entity in the Group	Country of incorporation	% of voting power	Net Assets		Share in Profit /(loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (Rs. Crores)	As % of consolidated profit /(loss)	Amount (Rs. Crores)	As % of consolidated other comprehensive income	Amount (Rs. Crores)	As % of consolidated total comprehensive income	Amount (Rs. Crores)
Parent										
DCM Shriram Limited			100.95%	3,070.10	102.82%	688.44	(187.50%)	(0.45)	102.72%	687.99
Subsidiaries										
Indian										
DCM Shriram Credit and Investments Limited	India	100%	0.29%	8.96	0.04%	0.24	(475.00%)	(1.14)	(0.13%)	(0.90)
Bioseed India Limited	India	100%	-	-	-	-	-	-	-	-
DCM Shriram Infrastructure Limited	India	100%	0.15%	4.67	(0.36%)	(2.40)	-	-	(0.36%)	(2.40)
Fenesta India Limited	India	100%	0.01%	0.20	(0.01%)	(0.10)	4.17%	0.01	(0.01%)	(0.09)
Shri Ganpati Fertilizers Limited	India	81.41%	(0.89%)	(26.96)	(0.73%)	(4.90)	-	-	(0.73%)	(4.90)
Hariyali Rural Ventures Limited	India	100%	(0.03%)	(0.80)	0.01%	0.04	-	-	0.01%	0.04
DCM Shriram Aqua Foods Limited	India	100%	0.11%	3.24	0.01%	0.07	-	-	0.01%	0.07
Shriram Bioseed Ventures Limited	India	100%	0.66%	19.98	(0.23%)	(1.57)	-	-	(0.23%)	(1.57)
Foreign										
Bioseeds Limited	Mauritius	100%	4.03%	122.66	0.27%	1.78	-	-	0.27%	1.78
Bioseed Holdings PTE Limited	Singapore	100%	2.33%	70.83	(1.08%)	(7.20)	-	-	(1.07%)	(7.20)
Bioseed Research Philippines Inc.	Philippines	100%	(0.05%)	(1.59)	(0.43%)	(2.87)	-	-	(0.43%)	(2.87)
Bioseed Vietnam Limited	Vietnam	100%	0.21%	6.51	(1.24%)	(8.30)	(8.33%)	(0.02)	(1.24%)	(8.32)
PT Shriram Seed Indonesia	Indonesia	95%	0.02%	0.56	(1.65%)	(10.17)	(54.17%)	(0.13)	(1.54%)	(10.30)
PT. Shriram Genetics Indonesia	Indonesia	100%	(0.16%)	(4.96)	(0.22%)	(1.47)	54.17%	0.13	(0.20%)	(1.34)
Shriram Bioseed (Thailand) Limited	Thailand	99.99%	0.02%	0.59	0.01%	0.07	-	-	0.01%	0.07
Bioseed Research USA Inc.	USA	100%	0.00%	0.06	(0.00%)	(0.02)	-	-	(0.30%)	(0.02)
Minority Interest			(0.05%)	(1.60)	(0.13%)	(0.86)	-	-	(0.13%)	(0.86)
Joint Venture (Indian)										
Shriram Axiall Private Limited	India	50%	0.66%	20.02	0.01%	0.04	4.17%	0.01	0.01%	0.05
Total				3,292.47		650.82		(1.59)		649.23
Add/(less): consolidation adjustments				(251.37)		18.74		1.83		20.57
Total after consolidation adjustments				3,041.10		669.56		0.24		669.80

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2019

(ii) financial year ended March 31, 2019

Rs. Crores

Name of the entity in the Group	Country of incorporation	% of voting power	Net Assets		Share in Profit /(loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (Rs. Crores)	As % of consolidated profit /(loss)	Amount (Rs. Crores)	As % of consolidated other comprehensive income	Amount (Rs. Crores)	As % of consolidated total comprehensive income	Amount (Rs. Crores)
Parent										
DCM Shriram Limited			100.75%	3,552.76	100.15%	906.83	16300.00%	(4.89)	99.61%	901.94
Subsidiaries										
Indian										
DCM Shriram Credit and Investments Limited	India	100%	0.23%	8.25	0.00%	0.04	2500.00%	(0.75)	(0.08%)	(0.71)
Bioseed India Limited	India	100%	0.00%	0.05	-	-	-	-	-	-
DCM Shriram Infrastructure Limited	India	100%	(0.20%)	(7.21)	(1.32%)	(11.97)	-	-	(1.32%)	(11.97)
Fenesta India Limited	India	100%	0.01%	0.45	0.03%	0.25	0.00%	-	0.03%	0.25
Shri Ganpati Fertilizers Limited	India	81.41%	(0.94%)	(32.99)	(0.67%)	(6.04)	-	-	(0.67%)	(6.04)
Hariyali Rural Ventures Limited	India	100%	(0.05%)	(1.66)	(0.09%)	(0.86)	-	-	(0.09%)	(0.86)
DCM Shriram Aqua Foods Limited	India	100%	0.09%	3.24	0.00%	0.01	-	-	0.00%	0.01
Shriram Bioseed Ventures Limited	India	100%	0.57%	20.07	0.01%	0.09	-	-	0.01%	0.09
Foreign										
Bioseeds Limited	Mauritius	100%	3.74%	131.98	0.21%	1.86	-	-	0.21%	1.86
Bioseed Holdings PTE Limited	Singapore	100%	2.39%	84.27	(1.01%)	(9.16)	-	-	(1.01%)	(9.16)
Bioseed Research Philippines Inc.	Philippines	100%	0.34%	11.82	1.05%	9.51	-	-	1.05%	9.51
Bioseed Vietnam Limited	Vietnam	100%	0.00%	(0.08)	(0.77%)	(6.97)	300.00%	(0.09)	(0.78%)	(7.06)
PT Shriram Seed Indonesia	Indonesia	95%	(0.16%)	(5.78)	(0.72%)	(6.49)	(133.33%)	0.04	(0.71%)	(6.45)
PT. Shriram Genetics Indonesia	Indonesia	100%	(0.24%)	(8.55)	(0.39%)	(3.57)	(833.33%)	0.25	(0.37%)	(3.32)
Shriram Bioseed (Thailand) Limited	Thailand	99.99%	0.02%	0.71	0.01%	0.10	-	-	0.01%	0.10
Bioseed Research USA Inc.	USA	100%	0.00%	0.05	(0.00%)	(0.02)	-	-	(0.22%)	(0.02)
Minority Interest			(0.02%)	(0.65)	(0.12%)	(1.12)	-	-	(0.12%)	(1.12)
Joint Venture (Indian)										
Shriram Axiall Private Limited	India	50%	0.62%	21.70	0.20%	1.77	233.33%	(0.07)	0.19%	1.70
Total				3,778.43		874.26		(5.51)		868.75
Add/(less): consolidation adjustments				(252.10)		31.24		5.48		36.72
Total after consolidation adjustments				3,526.33		905.50		(0.03)		905.47

56. Particulars of sale of products

Rs. Crores

Description	Sales	
	2018-19	2017-18
Urea	1,037.40	799.89
PVC resins	418.57	425.70
Caustic soda	1,668.30	1,607.74
Marketable Calcium carbide	131.37	109.46
Super Phosphate	113.19	329.11
Seeds	618.47	627.63
Cement	153.97	170.37
Sugar	1,899.59	1,779.44
Ethanol	198.36	-
UPVC Windows	382.65	329.02
Power Sale	174.01	125.17
Petrol / Diesel	250.35	287.17
Other sales/stocks and adjustments	697.11	373.42
Total	7,743.34	6,964.12

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Harinderjit Singh
Partner
Membership No. 086994
New Delhi
May 1, 2019

Sameet Gambhir
Company Secretary

J.K. Jain
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137

Registered Office:
1st Floor, Kanchenjunga Building,
18, Barakhamba Road, New Delhi-110001
Tel : 011-23316801, Fax : 011-23318072
CIN : L74899DL1989PLC034923
E-mail : shares@dcmshriram.com
Website : www.dcmshriram.com

Notice

Notice is hereby given that the Thirtieth (30th) Annual General Meeting (AGM) of DCM Shriram Ltd. will be held on Tuesday, the 23rd July, 2019 at 11.30 A.M. at Kamani Auditorium, 1, Copernicus Marg (Near Mandi House), New Delhi - 110001 to transact the following business:

Ordinary Business:

1. To consider and adopt:
   (a) the audited financial statements of the Company for the financial year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and
   (b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2019.
2. To declare a final dividend and to note the payment of interim dividends on Equity Shares of the Company for the financial year 2018-19.
3. To appoint a Director in place of Mr. Ajit S. Shriram (DIN : 00027918), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. K.K. Sharma (DIN : 07951296), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

5. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

   "Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable law, the remuneration payable/paid to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year 2018-19, as detailed in the Explanatory Statement to this Notice, be and is hereby ratified and confirmed.

   Resolved further that the Board of Directors or Committee thereof or its other delegate be and are hereby authorized to do all such acts, deeds and things as may be deemed appropriate in this connection."

6. To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

   "Resolved that pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof and subject to such consents and permissions, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. K.K. Kaul, Whole Time Director (DIN : 00980318) on the terms and conditions including the remuneration as set out hereunder:

   Terms & Conditions of appointment

   1. Tenure:- 2 years w.e.f. 2.7.2019
   2. Remuneration
      (a) Salary

      Rs.8.71 lakhs per month. The Board or any Committee thereof in its absolute discretion and from time to time will review the salary payable to Mr. K.K. Kaul.

      (b) Perquisites

      Perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases) including Leased & Company maintained furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishings, club fees, personal accident insurance, use of Company's car with driver & other expenses, and telephone at residence, medical reimbursement, leave and leave travel concession, education benefits and any other benefits provided to the employee(s) of the Company from time to time, including but not limited to entitlements on account of any subsisting or future long term incentive plans, rewards, provident fund, superannuation fund and gratuity in accordance with the scheme(s) and rule(s) applicable to the members of the staff of the Company from time to time, in respect of any of such benefits.

      (c) Commission on net profits

      Such amount as may be decided by the Board of Directors or a Committee thereof from year to year provided that the total remuneration including salary and perquisites along with commission paid to all the Managing/Whole Time Directors of the Company shall not exceed the limit laid down under Sections 197 and 198 of the Companies Act, 2013 and other applicable provisions.

      (d) Remuneration for a part of the Year

      Remuneration for a part of the year shall be computed on pro-rata basis.

      (e) Minimum Remuneration

      In the event of absence or inadequacy of profits in any financial year, the aforementioned remuneration excluding commission shall be paid to Whole Time Director as the minimum remuneration, subject to necessary approvals, if any.

   3. Functions

   Mr. K.K. Kaul shall discharge such duties and functions as may be assigned to him by Chairman & Senior Managing Director and Vice Chairman & Managing Director of the Company from time to time.

4. Sitting Fee

   If permissible by law and approved by the Board, he shall be entitled to sitting fee in addition to the components of remuneration mentioned above for attending meeting(s) of the Board of Directors or Committees thereof.

5. Termination

   The appointment of Mr. K.K. Kaul may be terminated by either party giving to the other three calendar months' notice in writing.

   Resolved further that the Board of Directors or a Committee thereof be and is hereby authorised to vary or modify any of the above terms & conditions including alter, vary or increase the salary, grade, designation and other remuneration, notwithstanding the same shall exceed the overall remuneration set out as above or as may be prescribed/permissible provided however that the same is within the limits laid down in the Schedule V than subsisting, without requiring any further resolution or consent of or reference to the Members and to take all necessary steps, actions, which are incidental and consequential to give effect to the above Resolution."

7. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

   "Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Pradeep Dinodia (DIN: 00027995), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for second term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of 35th AGM of the Company at such remuneration including fees and commission as approved by Board/Committee within prescribed limits.

   Resolved further that the Board of Directors and/or any Committee of the Board or its other delegate be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

8. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

   "Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vimal Bhandari (DIN: 00001318), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for second term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of 35th AGM of the Company at such remuneration including fees and commission as approved by Board/Committee within prescribed limits.

   Resolved further that the Board of Directors and/or any Committee of the Board or its other delegate be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

9. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

   "Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sunil Kant Munjal (DIN:00003902), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for second term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of 35th AGM of the Company at such remuneration including fees and commission as approved by Board/Committee within prescribed limits.

   Resolved further that the Board of Directors and/or any Committee of the Board or its other delegate be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

10. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

    "Resolved that pursuant to Section 180(1)(c) of the Companies Act, 2013 and rules made there under and Sections 42, 71 and any other provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force) to the extent applicable, and any other applicable laws/rules, and applicable provisions of the Articles of Association of the Company, and subject to all the applicable regulations including but not limited to regulations of SEBI, consent of the Company be and is hereby accorded to the Board of Directors of the

Company or any Board committee/other delegate thereof, to borrow money, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board/Committee/delegate may think fit, for the purpose of business of the Company, such that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) and outstanding at any point of time shall not exceed a sum of Rs.5000 Crore (Rupees Five Thousand Crore only).

Resolved further that the Board (including any Board Committee or delegate thereof), be and is hereby authorized to borrow as aforesaid from time-to-time in any manner including by making an offer(s) or invitation(s) to subscribe or issuance of Non Convertible Debentures, bonds, or other instruments or other debt securities whether secured or unsecured, listed or unlisted, rated or otherwise, on private placement basis or otherwise, in one or more tranches, on such terms and conditions as the Board/ Committee/delegate may from time to time determine and consider proper and that the said borrowing shall be within the overall borrowing limits of the Company as approved by the Company from time-to-time.

Resolved further that the Board/Committee/or its other delegate be and is hereby authorised to do all such acts, deeds or things, and take all such steps as may be necessary, proper or expedient and to execute all such deeds, documents, instruments and writings as may be required in connection therewith to give effect to this resolution without requiring further consent/approval from the Members."

11. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"Resolved that, consent of the Company under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013,(including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws/rules, and applicable provisions of the Articles of Association of the Company, and subject to all the applicable regulations including but not limited to regulations of SEBI, be and is hereby accorded to the Board of Directors/Committee/other delegate thereof to create such charge(s), mortgage(s) and hypothecation(s) in addition to the existing charges, mortgages and hypothecations created by the Company on such movable and immovable properties, both present and future of the Company, and in such manner as the Board or a Committee or other delegate may in its absolute discretion deem fit to secure the repayment of rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to equity shares and/or rupee/foreign currency convertible bonds and/or bonds with share warrants attached (hereinafter collectively referred to as 'Loans') together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, guarantee commission, remuneration payable to trustees, costs, charges, expenses and all other moneys payable by the Company including any increase as a result of devaluation/revaluation/fluctuation in the rate of exchange of foreign currency, in respect of said loans, interest and other charges, provided that the total amount of charges/mortgages/hypothecations so created shall not at any time exceed the borrowing limit of Rs.5000 Crore (Rupees Five Thousand Crore only).

Resolved further that, in case of default, consent of the Members be and is hereby accorded to the takeover of the management of the business and concern of the Company by the Banks/Financial Institutions/other Lenders and Trustees for the holders of debentures/bonds/other instruments in the repayment of the loans referred in the aforesaid Resolution.

Resolved further that the Board of Directors/Committee thereof or other delegate be and is hereby authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient and to execute all such deeds, documents, instruments and writings as may be required in connection therewith to give effect to this resolution without requiring further consent/approval from the Members."

By Order of the Board

New Delhi
1.5.2019

Sameet Gambhir
Company Secretary
Membership No.: F4658

Notes:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A Member entitled to attend and vote is entitled to appoint a proxy/proxies to attend and vote instead of himself and the proxy/proxies need not be a Member of the Company. A Proxy Form is attached herewith.

   The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate Resolution/Authority, as applicable.

   A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such a person cannot act as a proxy for any other Member.

Any Member entitled to vote on the Resolution(s), may request the Company, in writing, at least three days before the commencement of AGM for the inspection of Proxies. The same shall be made available for inspection during the business hours of the Company from the period beginning twenty-four hours before the time fixed for commencement of AGM and ending with the conclusion of AGM.

3. The Share Transfer Books and the Register of Members of the Company will remain closed from 16.7.2019 to 23.7.2019 (both days inclusive) for annual closing and determining the entitlement of the Members to the final dividend for 2018-19, if declared by the Members.
4. Details under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting ("SS-2"), in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting (AGM), form integral part of the Notice. The Directors have furnished the requisite declarations in regard to their appointment.
5. In terms of Notification issued by the Securities and Exchange Board of India (SEBI), Equity Shares of the Company are under compulsory demat trading by all investors w.e.f. 21st March, 2000. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience of trading in the shares of the Company.
6. Electronic Copy of Notice of 30th AGM of the Company, inter-alia, indicating the manner of electronic voting ('e-voting') along with Explanatory Statement, Attendance Slip, Proxy Form and Route Map is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For Members who have not registered their email address or have requested for physical copy, the physical copies of the aforesaid notice/other documents are being sent in the permitted mode.
7. Members may also note that the Notice of 30th AGM, Attendance Slip, Proxy Form, Route Map, Polling/Ballot Paper and the Annual Report for 2019 are available on the Company's website i.e. www.dcmshriram.com for the download.
8. Members holding shares in physical form, are requested to update and/or intimate their change in address, email id, mobile no., if any, to M/s. MCS Share Transfer Agent Ltd., the Registrar and Share Transfer Agent (RTA) at F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 along with proof of address (old and new both for change of address). Beneficial owners holding shares in electronic form are requested to intimate their change in address, email id, mobile no., if any, to their respective Depository Participants (DPs) in order to get the same registered.
9. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/National Electronic Clearing Service (NECS) details, and /or, update their PAN and Bank Account details through a request letter along with self attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/statement showing name of the account holder to M/s. MCS Share Transfer Agent Ltd., RTA. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.
10. Members who are holding shares in physical form in identical names in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.
11. Pursuant to the SEBI circular except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository, after April 1, 2019. SEBI further clarified that transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 1, 2019. However, the said direction does not prohibit the investor from holding the shares in physical form.
12. The cases of Non-availability of PAN of transferor, mismatch of name in PAN vis a vis name on share certificate/transfer deed and major mismatch/non-availability of transferor's signature shall be dealt as per the procedure for transfer of physical securities as prescribed by SEBI vide its circular dated November 6, 2018.
13. In view of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended from time to time, the Company has during the Financial Year 2018-19 transferred the unpaid dividend for the financial year 2010-11 to the Investor Education and Protection Fund (IEPF). The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on date on the website of the Company (www.dcmshriram.com). Members of the Company who have not yet encashed their dividend for the financial year 2011-12 onwards are requested to write to the Company immediately.

    Further, according to the said Rules, 86,462 Equity Shares in respect of which dividends have not been paid or claimed by the Shareholders for a period of seven consecutive years (i.e. from the dividend of the Financial Year 2010-11 onwards) has been transferred to a Demat Account of the Investor Education and Protection Fund (IEPF) Authority, during the F.Y. 2018-19.

    The above details have also been uploaded on the website of the IEPF authority and the same can be accessed through the website: www.iepf.gov.in. Members may also note that unclaimed dividends as well as shares transferred to IEPF Authority can be claimed back from there as per the procedure prescribed.

14. In terms of Section 72 of the Companies Act, 2013 and related Rules thereunder, Member(s) of the Company may nominate a person to whom the Shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company/RTA in case shares are held in Physical form, and to their respective DP, if held in electronic form.
15. Members are requested to register/update their e-mail addresses for receiving all communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
16. Appointment/Re-appointment of Directors

    The information, as required under the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, in relation to the appointment/re-appointment of Directors is as under:

Name of the Director	Mr. Ajit S. Shriram	Mr. K.K. Kaul	Mr. K.K. Sharma	Mr. Pradeep Dinodia	Mr. Vimal Bhandari	Mr. Sunil Kant Munjal
Date of Birth & Age	3.10.1967 (51 Years)	30.3.1950 (69 Years)	17.10.1965 (53 Years)	2.12.1953 (65 Years)	23.8.1958 (60 Years)	14.12.1957 (61 Years)
Nationality	Indian	Indian	Indian	Indian	Indian	Indian
Date of first Appointment on the Board of the Company	2.5.2001	2.7.2014	20.11.2017	18.7.1994	13.5.2003	13.5.2003
Qualification	B.Com., MBA	BE in Chemical Engineering and Doctorate Degree in Human Letters	B. Tech in Chemical Engineering	B.A. (Eco. Hons.), LL.B., F.C.A.	B.Com, C.A.	B. Com, Training in Mechanical Engineering.
Experience	28 Years	45 Years	29 Years	40 Years	35 Years	40 Years
Expertise in Functional Areas	General Management, Strategy, Finance, Agri Businesses, Sugar, and Chloro Vinyl Business	General Management, Project Management, Procurement and Supply Chain Management, Setting up/ Operation of Fertilizer, Chemicals, Petrochemicals, Cement, process plants and Human Resource Management	Environment Health and Safety, Agrochemicals and Pharmaceutical manufacturing.	Corporate Legal Matters, FEMA, Accounting and Direct Taxes	Finance, Human Resources and General Management	Mergers & Acquisitions, Impact Investing, Finance & Banking, Macro-economy, Corporate Strategy, Succession Planning, Business process and improvements, Restructuring etc.
Directorships held in other Companies	- DCM Shriram Credit and Investments Ltd. - DCM Shriram Infrastructure Ltd. - Shriram Bioseed Ventures Ltd. - DCM Shriram Foundation - Hariyali Rural Ventures Ltd. - Fenesta India Ltd. - Shridhar Shriram Foundation - Indian Sugar Exim Corporation Ltd.	- The Fertiliser Association of India - DCM Shriram Aqua Foods Ltd. - DCM Shriram Foundation - Shriram Axiall Pvt. Ltd.	- Shriram Axiall Pvt. Ltd. - Shri Ganpati Fertilizers Ltd.	- Shriram Pistons & Rings Ltd.(L) - Hero MotoCorp Ltd.(L) - DFM Foods Ltd.(L) - J.K. Lakshmi Cement Ltd.(L) - Hero Fincorp Ltd.	- Kalpataru Power Transmission Ltd.(L) - J.K. Tyre Industries Ltd.(L) - Bharat Forge Ltd.(L) - HDFC Trustee Company Ltd. - Kirloskar Capital Ltd.	- Hero Corporate Service Pvt. Ltd. - Hero Management Service Ltd. - Hero Steels Limited - Shivam Autotech Ltd.(L) - Hero Realty Private Ltd. - Hero Realty and Infra Pvt. Ltd. - Rockman Industries Ltd.

Name of the Director	Mr. Ajit S. Shriram	Mr. K.K. Kaul	Mr. K.K. Sharma	Mr. Pradeep Dinodia	Mr. Vimal Bhandari	Mr. Sunil Kant Munjal
	- SRCC Development Foundation - Hariyali Kisaan Bazaar Ltd. - Ajit Shriram Facilities Pvt. Ltd.					- Hero Mindmine Institute Ltd. - BML Investments Pvt. Ltd. - BML EduCorp Services - Hero INC. B.V. - Dreamsmiths Exim Pvt. Ltd. - Hero Home Finance Pvt Ltd. - Hero Corporation Pvt. Ltd. - Vikas Parks Pvt. Ltd. - Hero Innovation Ventures and Enterprises Pvt. Ltd. - Unnati Industrial Park Pvt. Ltd. - Management & Entrepreneurship and Professional Skills Councils. - Airtel Africa Limited, London. - Indian Schools of Buiness (Member of Board of Governors) - Indian Public School Society (Chairman of Board of Governors)
Chairman/Member of the Committee(s) of the Board of Directors of the Company and other entities	DCM Shriram Ltd. Member - Corporate Social Responsibility Committee - Stakeholders Relationship Committee - Board Finance Committee Indian Sugar Exim Corporation Ltd. Member - Legal Committee	DCM Shriram Ltd. Chairman - Board Risk Management Committee Member - Board Finance Committee	DCM Shriram Ltd. Member - Board Risk Management Committee	DCM Shriram Ltd. Chairman - Stakeholders Relationship Committee - Board Audit Committee - Nomination, Remuneration and Compensation Committee Hero MotoCorp Ltd. Chairman - Risk Management Committee - Stakeholders Relationship Committee Member - Audit Committee - Nomination and Remuneration Committee - CSR Committee	DCM Shriram Ltd. Member - Nomination, Remuneration and Compensation Committee Kalpataru Power Transmission Ltd. Chairman - Nomination & Compensation Committee Member - Audit Committee JK Tyre & Industries Ltd. Member - Nomination & Remuneration Committee	DCM Shriram Ltd. Member - Nomination, Remuneration and Compensation Committee - Corporate Social Responsibility Committee - Board Audit Commitee

Name of the Director	Mr. Ajit S. Shriram	Mr. K.K. Kaul	Mr. K.K. Sharma	Mr. Pradeep Dinodia	Mr. Vimal Bhandari	Mr. Sunil Kant Munjal
				- Committee of Directors - Committee of Directors (BSVI Project) Hero FinCorp Ltd. Chairman - Stakeholders Relationship Committee - IT Strategic Committee Member - Audit Committee - Risk Management Committee - Nomination and Remuneration Committee - Asset Liability Management Committee - CSR Committee Shriram Pistons & Rings Ltd. Chairman - Risk Management Committee - CSR Committee Member - Audit Committee - Nomination and Remuneration Committee - Stakeholders Relationship Committee DFM Foods Ltd. Chairman - Audit Committee Member - Nomination and Remuneration Committee JK Lakshmi Cement Ltd. Member - CSR Committee	Bharat Forge Ltd. Member - Nomination & Remuneration Committee HDFC Trustee Company Ltd. Member - Customer Service Committee - Risk Management Committee - Audit Committee - Committee of Trustee to approve Investments in Unrated Debt Securities by Schemes of HDFC Mutual Funds	

Name of the Director	Mr. Ajit S. Shriram	Mr. K.K. Kaul	Mr. K.K. Sharma	Mr. Pradeep Dinodia	Mr. Vimal Bhandari	Mr. Sunil Kant Munjal
Number of shares held in the Company	5,95,580	59,000	NIL	29,270	2,000	NIL
Last Drawn Remunation (per annum)	Rs. 8.49 Crores	Rs.2.53 Crores	Rs.0.93 Crore	Rs.0.95 Crore	Rs.0.39 Crore	Rs.0.41 Crore
Number of Board Meetings attended during the year	5	4	5	4	5	2
Relationship with other Directors, Manager and other Key Managerial Personnel	Brother of Chairman & Sr. Managing Director and Vice Chairman & Managing Director	NIL	NIL	NIL	NIL	NIL

L stands for Listed Companies.

17. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative and also the signature of the said representative duly attested by the Company Secretary or Director of the Company, to attend and vote on their behalf at the AGM.
18. In case of joint Members attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and related Rules thereunder and Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 and related Rules thereunder will be available for inspection by Members of the Company at the venue of the AGM.
20. As per Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014, a certificate by the Statutory Auditors of the Company, certifying the implementation of the DCM Shriram Employee Stock Purchase Scheme in accordance with the said Regulations, will be available for inspection by Members of the Company at the venue of the AGM.
21. Relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on all working days during 11.00 A.M. to 1.00 P.M. up to the date of the Meeting and also at the Venue of the AGM.
22. The route map for reaching the Venue of the AGM is attached for the ready reference.
23. Voting through electronic means

    I. In compliance with provisions of Section 108 of the Companies Act, 2013 ("the Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up to date and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members to cast their votes, on the Resolutions proposed to be considered at AGM, by electronic voting system from a place other than venue of the AGM ("remote e-voting") arranged by National Securities Depository Limited (NSDL).

    II. The facility for voting through polling/ballot paper will also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting will be able to exercise their right at the AGM through polling/ballot paper.

    III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend and participate in the AGM but shall not be entitled to cast their vote again.

    IV. Mr. Sanjay Grover, Managing Partner of M/s. Sanjay Grover & Associates, Company Secretaries (Membership No.-FCS-4223, CP No. 3850) failing him Ms. Priyanka Gupta, Partner, M/s. Sanjay Grover & Associates Company Secretaries (Membership No. ACS-41459, CP No. 16187), has been appointed as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

    V. The remote e-voting period shall commence on 20.7.2019 (9.00 A.M.) and ends on 22.7.2019 (5.00 P.M.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17.7.2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

    VI. The manner and process of remote e-Voting are as under:

    The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

    Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

    Step 2 : Cast your vote electronically on NSDL e-Voting system.

    Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

   Details on Step 2 is given below:

   How to cast your vote electronically on NSDL e-Voting system?

   1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles
   2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
   3. Select "EVEN" of DCM Shriram Limited for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

VII. In case of any queries/grievance, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Mr. Amarjit at 011-41406148 (E-mail : admin@mcsregistrars.com) or Mr. Amit Mehra, Addl. Manager (Co. Law)/Mr. Y.K. Gupta, Manager (Co. Law) at 011-23316801 (E-mail : shares@dcmshriram.com). If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17.7.2019.

X. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 17.7.2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Registrar and Transfer Agent (RTA) of the Company.

XI. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper and a person who is not a Member as on the cut-off date i.e. 17.7.2019, should treat this Notice for information purposes only.

XII. The Chairman shall, at the AGM, at the end of discussion allow voting on all the Resolutions, with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIII. The Scrutinizer will after the conclusion of voting at the AGM, will first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XIV. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company www.dcmshriram.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately submitted to the BSE Limited, Mumbai & The National Stock Exchange of India Ltd., Mumbai.

XV. General

Please note that:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login ID and password can be used by you exclusively for e-voting on the Resolutions placed by the companies in which you are the Shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sanjaygrover7@gmail.com with a copy marked to evoting@nsdl.co.in.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 5

The Board, on the recommendation of the Board Audit Committee, had approved the appointment of M/s. J.P. Sarda & Associates, Cost Accountants, Kota (FRN: 000289) and M/s. Yogesh Gupta & Associates, Cost Accountants, New Delhi (FRN: 000373) to audit the cost accounting records of the Company at a total remuneration upto Rs.4.35 Lakhs plus applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable/paid to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, confirmation of the Members is being sought by passing an Ordinary Resolution as set out at Item No.5 of the Notice for ratification of the remuneration payable/paid to the Cost Auditors for the financial year ending March 31, 2019.

Based on recommendation of Board, the Ordinary Resolution as set out at Item No.5 of the Notice is sought for the approval by the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

ITEM NO. 6

The Members in their AGM held on 12.8.2014 had approved the appointment of Mr. K.K. Kaul for a period of upto 5 years w.e.f. 2.7.2014. His existing term expires on 1.7.2019.

On the recommendation of Nomination, Remuneration and Compensation Committee, the Board of Directors in its meeting held on 1.5.2019 has approved his re-appointment for a further period of 2 years w.e.f. 2.7.2019, subject to the approval of Members.

Mr. K.K. Kaul is the Chairman of Board Risk Management Committee and a Member of Board Finance Committee of the Company. He joined the Company in 1980 as Asst. Plant Superintendent. He is a First class First (Honors) graduate in Chemical Engineering and has been awarded Doctorate Degree in Human Letters (Honoris Causa) by Vardhaman Mahavir Open University, Kota. He has done an Integrated Management Development course at Administrative Staff College, Hyderabad and the Executive Programme from Darden Graduate School of Business Administration, University of Virginia, USA. He has 45 years of experience.

Mr. Kaul has got a wide experience in the erection, commissioning, operation, maintenance and management of Power, Fertiliser, Cement, Chemical and Petrochemical Plants. He has made remarkable contributions in the energy efficiency improvement measures, as well as troubleshooting of process at plants. He has been continuously working to ensure sustainable development of the complex at Kota. The Kota integrated complex as well as the Bioseed business of the Company is substantially under supervision and control of Mr. Kaul. He has travelled extensively all over the world and has shared his experiences through interactions with technical experts in various conferences.

The other information, as required under the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, of Mr. K.K.Kaul is provided in the Notes.

Mr. K.K. Kaul is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. K.K. Kaul is interested in the Resolution set out at Item No. 6 of the Notice with regard to his re-appointment. Save and except the aforesaid, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

Based on recommendation of Nomination, Remuneration and Compensation Committee and the Board, the Special Resolution as set out at Item No.6 of the Notice is sought for the approval by the Members.

ITEM NO. 7

Mr. Pradeep Dinodia (DIN: 00027995) was appointed as an Independent Director by the Members at the 25th AGM of the Company held on 12th August, 2014 for a period of five consecutive years i.e. till the conclusion of the 30th AGM.

The NRC Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Pradeep Dinodia as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Pradeep Dinodia would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Pradeep Dinodia as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Pradeep Dinodia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declaration from Mr. Pradeep Dinodia that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Pradeep Dinodia fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations.

Mr. Pradeep Dinodia is the Chairman of Stakeholders Relationship Committee, Board Audit Committee and Nomination, Remuneration & Compensation Committee of the Company. He graduated in Economics with Honours from St. Stephens College, Delhi University and obtained his Law Degree from the same University. He is a Fellow Member of The Institute of Chartered Accountants of India and Chairman and Managing Partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is the Chairman of Shriram Pistons & Rings Limited and Non-Executive Director in Hero MotoCorp Limited and Hero FinCorp Limited. He is an Independent Director of DFM Foods Limited and JK Lakshmi Cement Limited. He has co-authored a book "Transfer Pricing Demystified". He is Chairman of Audit Committee of DFM Foods Limited. He is the Chairman of Risk Management Committee and CSR Committee of Shriram Pistons & Rings Limited. He is the Chairman of Stakeholders Relationship Committee and IT Strategic Committee of Hero Fincorp Limited. He is the Chairman of Stakeholders Relationship Committee and Risk Management Committee of Hero MotoCorp Limited.

The other information, as required under the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, of Mr. Pradeep Dinodia is provided in the Notes.

Mr. Pradeep Dinodia is Independent of the management. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act and other applicable provisions .

Copy of draft letter of appointment of Mr. Pradeep Dinodia setting out the terms and conditions of appointment is available for inspection by the Members at the registered office of the Company.

Mr. Pradeep Dinodia is interested in the Resolution set out at Item No. 7 of the Notice with regard to his re-appointment. Save and except the aforesaid, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations. Based on recommendation of Nomination, Remuneration and Compensation Committee and the Board, the Special Resolution as set out at Item No.7 of the Notice is sought for the approval by the Members.

ITEM NO.8

Mr. Vimal Bhandari (DIN: 00001318) was appointed as an Independent Director by the Members at the 25th AGM of the Company held on 12th August, 2014 for a period of five consecutive years i.e. till the conclusion of the 30th AGM.

The NRC Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Vimal Bhandari as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Vimal Bhandari would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Vimal Bhandari as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Vimal Bhandari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declaration from Mr. Vimal Bhandari that he meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Vimal Bhandari fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations.

Mr. Vimal Bhandari is a Member of Nomination, Remuneration & Compensation Committee of the Company. He graduated in Commerce from Sydenham College, University of Mumbai and is a Member of The Institute of Chartered Accountants of India. He has a rich experience of 35 Years.

The other information, as required under the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, of Mr. Vimal Bhandari is provided in the Notes.

Mr. Vimal Bhandari is independent of the management. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act and other applicable provisions.

Copy of draft letter of appointment of Mr. Vimal Bhandari setting out the terms and conditions of appointment is available for inspection by the Members at the registered office of the Company.

Mr. Vimal Bhandari is interested in the Resolution set out at Item No.8 of the Notice with regard to his re-appointment. Save and except the aforesaid, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations. Based on recommendation of Nomination, Remuneration and Compensation Committee and the Board, the Special Resolution as set out at Item No.8 of the Notice is sought for the approval by the Members.

ITEM NO.9

Mr. Sunil Kant Munjal (DIN: 00003902) was appointed as an Independent Director by the Members at the 25th AGM of the Company held on 12th August, 2014 for a period of five consecutive years i.e. till the conclusion of the 30th AGM.

The NRC Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Sunil Kant Munjal as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Sunil Kant Munjal would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Sunil Kant Munjal as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Sunil Kant Munjal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declaration from Mr. Sunil Kant Munjal that he meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Sunil Kant Munjal fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations.

Mr. Sunil Kant Munjal is the Member of Board Audit Committee, Corporate Social Responsibility Committee and the Nomination, Remuneration & Compensation Committee of the Company. He is the Chairman of Hero Enterprise with diversified business interests and Founding Trustee of the Serendipity Arts Foundation. He has been the President of Confederation of Indian Industry (CII) and President of All India Management Association (AIMA). He has also been on the Prime Minister's Council for Trade & Industry, the Narasimham Committee on Banking Reforms, the Skills and Labour Reform Committee and the Vijay Kelkar Committee on Indirect Taxes. He is deeply involved with education and skills and sits on the Boards of ISB, IIM Ahmedabad and SRCC. He Chairs the Doon School, BCM Schools and the Dayanand Medical College & Hospital. He is a Member of the Presidents Council at Univeristy of Tokyo. He is also the Chancellor of BML Munjal University. In 1999, India Today identified him as one of the Faces of the Millennium for business. He has got numerous awards and recognitions like the Jehangir Ghandy Medal for Social and Industrial Peace from XLRI Jamshedpur, the Udyog Ratna from Punjab for his contribution to industry. The Royal Society for Medicine, London has inscribed his name on the Wall of Honour for his contribution to affordable healthcare. He has a rich experience of 40 Years.

The other information, as required under the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, of Mr. Sunil Kant Munjal is provided in the Notes.

Mr. Sunil Kant Munjal is independent of the management. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act and other applicable provisions.

Copy of draft letter of appointment of Mr. Sunil Kant Munjal setting out the terms and conditions of appointment is available for inspection by the Members at the registered office of the Company.

Mr. Sunil Kant Munjal is interested in the Resolution set out at Item No.9 of the Notice with regard to his re-appointment. Save and except the aforesaid, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations. Based on recommendation of Nomination, Remuneration and Compensation Committee and the Board, the Special Resolution as set out at Item No.9 of the Notice is sought for the approval by the Members.

ITEM NO.10

The Members of the Company in their meeting held on 12.8.2014 had authorized the Board of Directors/Committee/other delegate thereof by way of Special Resolution under Section 180 of the Companies Act, 2013 and other applicable provisions and laws to raise debt from FIs/Investment Institutions/ Banks/Bodies Corporate including by issue of debenture/bonds/instruments/debt securities etc. from time to time subject to the aggregate borrowings at any time not exceeding Rs.2500 Crore (apart from temporary loan obtained from the Company's bankers in the ordinary course of business).

Keeping in view the Company's existing and future financial requirements to support its business operations, it is proposed to enhance the said ceiling of borrowing to Rs. 5000 Crore. From time to time circulars and regulations have also been issued by SEBI regarding borrowings/debt raising which have to be complied with.

The Board of Directors recommend, the Special Resolution as set out at Item No.10 of the Notice for the approval by the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

ITEM NO. 11

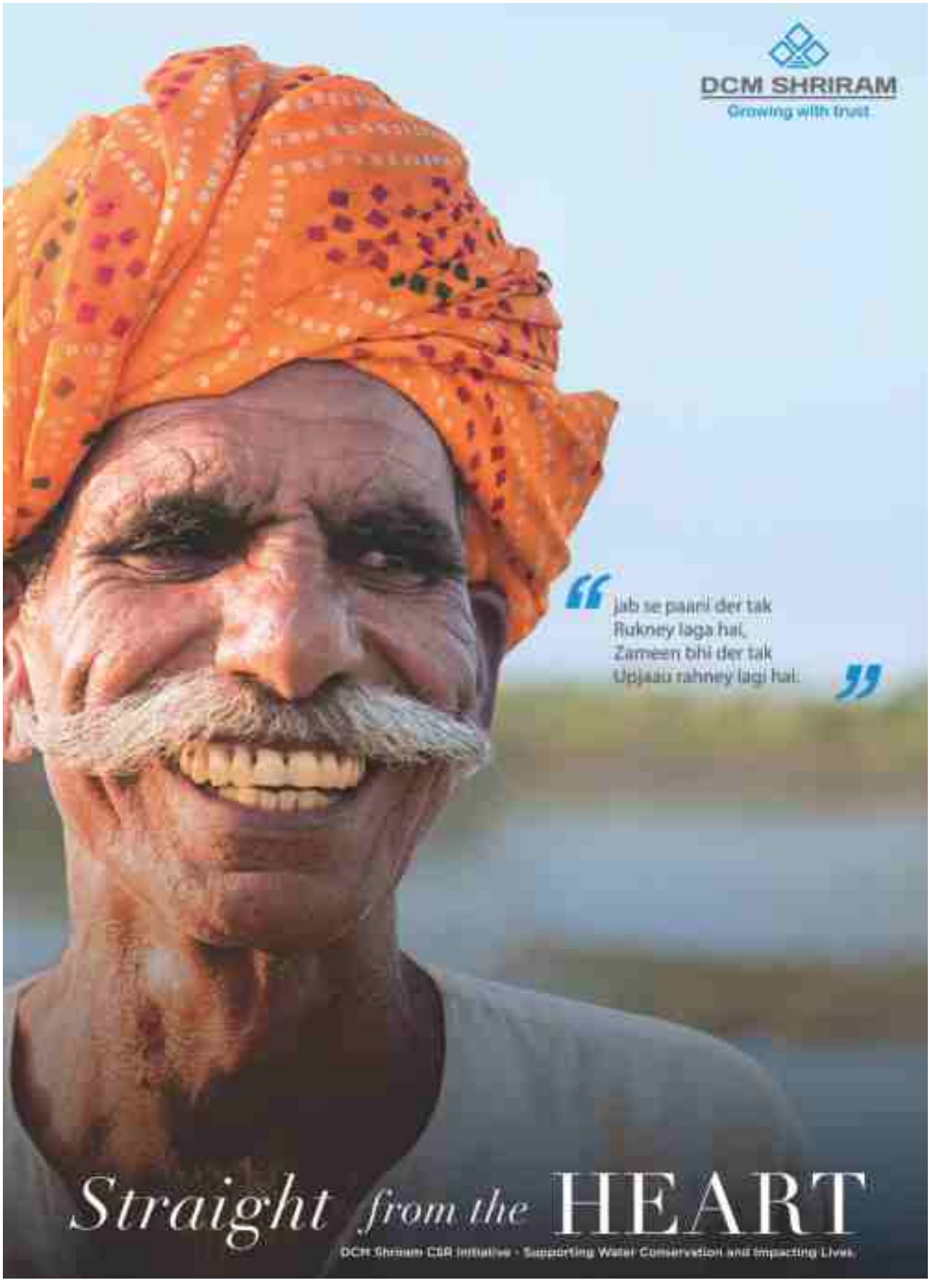
The Members of the Company in their meeting held on 12.8.2014 had authorized the Board of Directors/Committee/other delegate thereof by way of Special Resolution under Section 180 of the Companies Act, 2013 and other applicable provisions and laws to create charges, mortgages and hypothecation on moveable and immoveable properties in favour of Banks/Financial Institutions/Lenders/Trustees and the holders of debentures/bonds/other instruments/ securities etc. to secure rupee/foreign currency loan and/or issue of Debentures etc. for purposes of an aggregate borrowing upto an amount not exceeding Rs. 2500 Crore at any time. This ceiling is proposed to be enhanced to Rs. 5000 Crore and the authority to create charges, mortgages and hypothecation etc. is also proposed to be enhanced accordingly. Further, the documents to be executed between the lending Institution/Trustees/other Lenders for the securities as mentioned in the Resolution may contain the powers to take over the management and concern of the Company in the event of defaults.

The Board of Directors recommend, the Special Resolution as set out at Item No.11 of the Notice for the approval by the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

AGM VENUE KAMANI AUDITORIUM ROAD MAP

*** NEAREST LANDMARK : MANDI HOUSE METRO STATION**


DCM SHRIRAM
Growing with trust
"Jab se paani der tak
Rukney laga hai,
Zameen bhi der tak
Upjaau rahney lagi hai."
Straight from the HEART
DCM Shriram CSR Initiative - Supporting Water Conservation and Impacting Lives