

DCM SHRIRAM LIMITED

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**STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. in Crores)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited*	Unaudited	Audited*	Audited	Audited
Revenue from operations					
Sale of products	1,862.99	2,188.24	1,880.17	7,689.33	7,743.34
Other operating revenue	54.24	6.31	7.75	77.80	27.80
Total revenue from operations	1,917.23	2,194.55	1,887.92	7,767.13	7,771.14
Other Income	11.54	34.94	40.72	102.42	87.64
Total Income	1,928.77	2,229.49	1,928.64	7,869.55	7,858.78
Expenses					
(a) Cost of materials consumed	1,335.29	955.23	1,262.89	3,307.14	3,228.05
(b) Purchases and related cost of stock-in-trade	81.33	261.74	96.63	730.32	771.19
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(525.35)	(30.27)	(606.62)	(222.27)	(308.01)
(d) Employee benefits expense	180.79	190.86	173.71	735.69	663.73
(e) Finance costs	46.63	38.24	23.69	163.84	118.94
(f) Depreciation and amortisation expense	60.02	55.59	43.62	219.02	157.15
(g) Power and fuel	248.72	272.76	262.64	1,056.45	1,047.26
(h) Other expenses	253.29	256.20	300.49	967.35	1,000.23
Total expenses	1,680.72	2,000.35	1,557.05	6,957.54	6,678.54
Profit before exceptional item and tax	248.05	229.14	371.59	912.01	1,180.24
Exceptional Item (Refer note 2)					
Loss/Provision for loss on sale of foreign subsidiaries	0.14	14.62	-	14.76	-
Profit before tax	247.91	214.52	371.59	897.25	1,180.24
Tax expense					
- Current tax	23.82	35.00	87.36	116.92	245.57
- Deferred tax	16.22	14.49	(7.91)	69.74	26.71
Tax adjustment related to earlier year :					
- Current tax	-	(11.32)	-	(11.32)	5.12
- Deferred tax	0.49	2.00	-	2.49	0.23
Profit after tax	207.38	174.35	292.14	719.42	902.61
Share of profit of joint venture	0.18	0.86	0.24	2.78	1.77
Non-controlling interest	(6.29)	0.22	0.43	(5.49)	1.12
Net profit after share of profit/(loss) of joint venture and non-controlling interest	201.27	175.43	292.81	716.71	905.50
Other Comprehensive income (including joint venture)					
A (i) items that will not be reclassified to profit or loss	(4.74)	(3.59)	0.95	(17.97)	(3.21)
(ii) income tax relating to items that will not be reclassified to profit or loss	1.82	1.36	0.09	5.42	0.88
B (i) items that may be reclassified to profit or loss	(5.35)	2.54	(0.98)	(0.91)	0.63
(ii) income tax relating to items that may be reclassified to profit or loss	1.55	(0.46)	0.45	1.48	1.67
Total Comprehensive income (after tax)	194.55	175.28	293.32	704.73	905.47
Profit before interest, depreciation, tax and exceptional item (EBIDTA)	354.70	322.97	438.90	1,294.87	1,456.33
Basic/Diluted - EPS (Rs. per equity share)					
- Before exceptional item	12.92	12.19	18.67	46.91	57.09
- After exceptional item	12.91	11.25	18.67	45.96	57.09
Net worth				4,010.13	3,482.11
Debt Equity ratio				0.40	0.35
Debt service coverage ratio				4.92	8.21
Interest service coverage ratio				10.56	18.10

* Refer note 11

Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crores)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited#	Unaudited	Audited#	Audited	Audited
A. Segment Revenue					
Chloro-Vinyl	484.26	538.95	676.08	2,278.20	2,502.74
Sugar	838.31	762.21	637.43	2,521.55	2,352.99
Shriram Farm Solutions	74.12	331.36	72.54	761.96	716.63
Bioseed	45.32	82.64	44.37	415.85	472.31
Fertiliser	300.42	274.38	267.25	1,016.60	1,040.96
Others	183.33	214.66	199.94	831.91	814.58
Total	1,925.76	2,204.20	1,897.61	7,826.07	7,900.21
Less: Inter segment revenue	8.53	9.65	9.69	58.94	129.07
Total Revenue from operations	1,917.23	2,194.55	1,887.92	7,767.13	7,771.14
B. Segment Results					
Profit/(loss) (before unallocated expenditure, finance cost, exceptional item and tax)					
Chloro-Vinyl	81.03	131.64	270.97	651.95	993.53
Sugar	194.56	96.74	227.43	390.70	354.58
Shriram Farm Solutions	(8.16)	62.79	(14.51)	67.55	40.65
Bioseed	(15.52)	(9.36)	(26.16)	10.14	3.21
Fertiliser	73.29	13.79	(32.48)	79.67	17.74
Others	(6.70)	8.17	8.43	45.21	38.23
Total	318.50	303.77	433.68	1,245.22	1,447.94
Less:					
i) Finance costs	46.63	38.24	23.69	163.84	118.94
ii) Other unallocable expenditure net off unallocated income	23.82	36.39	38.40	169.37	148.76
iii) Exceptional item: Loss/Provision for loss on sale of foreign subsidiaries	0.14	14.62	-	14.76	-
Profit before tax	247.91	214.52	371.59	897.25	1,180.24
C. Segment Assets					
Chloro-Vinyl	1,862.69	1,826.53	1,647.43	1,862.69	1,647.43
Sugar	3,393.50	2,818.92	2,892.12	3,393.50	2,892.12
Shriram Farm Solutions	210.10	268.74	292.42	210.10	292.42
Bioseed	594.15	644.06	651.76	594.15	651.76
Fertiliser	903.68	621.97	734.05	903.68	734.05
Others	308.76	331.89	310.69	308.76	310.69
Unallocated	862.52	1,048.13	607.93	862.52	607.93
Total	8,135.40	7,560.24	7,136.40	8,135.40	7,136.40
D. Segment Liabilities					
Chloro-Vinyl	370.10	306.14	346.08	370.10	346.08
Sugar	688.92	743.38	853.12	688.92	853.12
Shriram Farm Solutions	88.88	108.92	86.34	88.88	86.34
Bioseed	168.75	147.93	218.78	168.75	218.78
Fertiliser	135.48	132.25	128.25	135.48	128.25
Others	249.21	233.74	225.25	249.21	225.25
Unallocated	2,378.18	1,956.33	1,752.25	2,378.18	1,752.25
Total	4,079.52	3,628.69	3,610.07	4,079.52	3,610.07

Refer note 11

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crores)

PARTICULARS	As at	As at
	31.03.2020	31.03.2019
	Audited	Audited
ASSETS		
Non-current assets		
(a) Property, Plant and equipment	3,392.40	2,585.86
(b) Capital work -in- progress	51.06	329.95
(c) Investment property	6.74	6.85
(d) Goodwill	81.13	74.78
(e) Other Intangible assets	18.73	22.17
(f) Intangible assets under development	8.06	2.36
(g) Financial assets		
(i) Investments		
- Investment in joint venture	24.53	21.72
- Other investments	4.25	9.04
(ii) Loans	10.26	11.97
(iii) Other financial assets	43.13	32.43
(h) Deferred tax assets (net)	56.45	67.45
(i) Other non-current assets	26.88	118.90
Total- Non-current assets	3,723.62	3,283.48
Current assets		
(a) Inventories	2,177.37	1,925.12
(b) Financial assets		
(i) Trade receivables	1,078.72	1,039.17
(ii) Cash and cash equivalents	543.07	382.04
(iii) Bank balances other than cash and cash equivalents	17.38	33.87
(iv) Loans	12.50	2.66
(v) Other financial assets	230.81	119.65
(c) Current tax assets (net)	38.88	37.79
(d) Other current assets	227.95	217.63
Total Current assets	4,326.68	3,757.93
Assets classified as held for sale	85.10	94.99
TOTAL- ASSETS	8,135.40	7,136.40
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	31.35	31.35
(b) Other Equity	4,018.39	3,494.33
Equity attributable to shareholders of the company	4,049.74	3,525.68
Non-controlling Interest	6.14	0.65
Total Equity	4,055.88	3,526.33
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	974.92	936.83
(ii) Other financial liabilities	98.75	1.03
(b) Provisions	242.49	221.52
(c) Other non-current liabilities	17.94	26.93
Total- Non-current liabilities	1,334.10	1,186.31
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,071.35	537.89
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	13.14	16.41
- total outstanding dues of creditors other than micro enterprises and small enterprises	913.91	1,127.95
(iii) Other financial liabilities	305.66	311.76
(b) Other current liabilities	375.34	374.58
(c) Provisions	51.55	44.95
(d) Current tax liabilities (net)	0.15	0.10
Total Current liabilities	2,731.10	2,413.64
Liabilities associated with assets classified as held for sale	14.32	10.12
Total- Liabilities	4,079.52	3,610.07
TOTAL- EQUITY AND LIABILITIES	8,135.40	7,136.40

STATEMENT OF CASH FLOW

(Rs. in Crores)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
	Rs.Crores	Rs.Crores
	Audited	Audited
A. Cash flow from operating activities		
Net profit after tax	719.42	902.61
Adjustments for :		
Income tax expense recognized in profit or loss	177.83	277.63
Exceptional item: Loss/Provison for loss on sale of foreign subsidiaries	14.76	-
Depreciation and amortization expense	219.02	157.15
Net gain on financial assets and short term investments	(29.36)	(28.14)
(Profit) / Loss on sale of property, plant and equipment (including assets held for sale)	15.16	3.68
Provision/(write back) for credit impaired receivables (net)	(21.98)	56.33
Provision for credit impaired loans and advances	3.85	8.59
Provision for impairment in value of assets (including assets held for sale)	18.82	1.97
Finance cost	163.84	118.94
Dividend and Interest income	(14.14)	(15.38)
Operating profit before working capital changes	1,267.22	1,483.38
Changes in operating assets and liabilities:		
Trade receivables	(19.23)	(193.32)
Inventories	(275.24)	(273.58)
Trade Payables	(209.15)	26.11
Other financial assets	(123.37)	(89.58)
Other current/non-current assets	12.29	(28.21)
Provisions	26.18	10.46
Other financial liabilities	(4.09)	53.15
Other current/non-current liabilities	(14.76)	46.07
Cash generated from operations	659.85	1,034.48
Income taxes paid (net of refunds)	(163.56)	(259.60)
Net cash from operating activities	496.29	774.88
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(593.46)	(850.87)
Purchase of other intangible assets	(11.75)	(2.17)
Fixed deposits and current account balances with banks (Earmarked)	8.96	(12.42)
Sale of property, plant and equipment	7.29	4.93
Proceeds from asset held for sale	21.65	13.24
Proceeds from sale of subsidiaries	4.31	-
Interest received	13.51	15.70
Profit on sale of investments	31.33	28.17
Net cash used in investing activities	(518.16)	(803.42)
C. Cash flow from financing activities		
Buy-back of equity shares	-	(252.44)
Proceeds/(Repayment) from/of long term borrowings	(6.48)	407.30
Proceeds from short term borrowings	708.41	229.23
Changes in loans repayable on demand from banks	(174.93)	174.61
Dividends paid	(152.83)	(140.73)
Corporate dividend tax paid	(31.41)	(28.92)
Principal payment of lease liabilities	(15.11)	-
Interest paid on lease liabilities	(9.49)	-
Finance cost paid	(135.26)	(112.20)
Net cash from financing activities	182.90	276.85
Net increase in cash and cash equivalents	161.03	248.31
Cash and cash equivalents at the beginning of the year	382.04	133.73
Cash and cash equivalents at the end of the year	543.07	382.04

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

NOTES TO CONSOLIDATED RESULTS:

- During the quarter, the Company commissioned 66 MW power plant for captive consumption at its complex at Kota (Rajasthan) and discontinued 50.3 MW of older power plants.
- The Company sold and transferred its step down subsidiaries namely PT Shriram Seed Indonesia, PT Shriram Genetics Indonesia w.e.f. February 27, 2020 and has entered into an agreement for sale and transfer of the step down subsidiary, Bioseed Vietnam Limited on receipt of necessary permissions. Accordingly, it accounted for consequential loss/provision for loss amounting to Rs 14.76 crores (including Rs 14.62 crores provided in QE Dec 19). The results of these subsidiaries for the period upto the date of sale/March 31, 2020, included in the consolidated results of the company are as follows:

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Sale of products	2.93	4.95	9.50	13.91
Profit after tax	(4.52)	(5.85)	(3.06)	(20.17)	(15.57)
Net assets	5.19	13.59	38.78	5.19	38.78

(Rs. in crores)

- The Company sold the entire equity shares held and transferred the management control in its subsidiary Shri Ganpati Fertilisers Limited with effect from May 19, 2020.
- During the year, the Company paid two interim dividend of Rs 8.20/- per equity share aggregating to Rs 154.16 crores (including dividend distribution tax). During previous year ended March 31, 2019, the Company paid/recommended total dividend of Rs 9.80/- per equity share aggregating to Rs 184.24 crores (including dividend distribution tax).
- Effective April 1, 2019, the Group adopted Ind AS 116 'Leases'. The standard has been applied retrospectively with the cumulative effect of initially applying this Standard accounted as an adjustment to the opening balance of retained earnings. The impact of Ind AS 116 on these results is as under:

(a) Transitional impact as at April 1, 2019

(Rs. in crores)

- Opening balance of retained earnings	-
- Recognition of lease liability (included in 'Other financial liabilities')	115.23
- Recognition of right-of-use asset (included in 'Property, plant and equipment' and includes Rs 22.68 crores reclassified from prepaid lease payments)	137.91

(b) Statement of profit and loss for the quarter and year ended March 31, 2020

(Rs. in crores)

	Quarter ended	Year ended
	31.03.2020	31.03.2020
- Decrease in rent expense (included in 'Other expenses')	6.46	24.60
- Increase in finance cost	2.33	9.49
- Increase in depreciation and amortisation expense	5.85	21.71
Net decrease in profit before tax	1.72	6.60

- The standalone results are available on the Company's website www.dcmshriram.com. The particulars in respect of standalone results are as under:

(Rs. in crores)

Particulars (Standalone)	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Total income	1,916.53	2,200.79	1,912.78	7,772.97
Profit before tax	256.60	231.43	368.75	923.30	1,180.30
Profit after tax	212.71	191.44	288.48	743.67	906.83
Total Comprehensive Income	208.85	189.78	287.33	733.25	901.94
Profit before interest, depreciation and tax (EBIDTA)	358.55	324.29	436.52	1,298.29	1,453.27

- The announcement of lockdown restrictions by the Government of India with effect from March 24, 2020 led to shutting down of operations at some of the businesses of the Company. Sugar and Bioseed businesses continued without any significant disruptions, being classified as essential products and services. Fertiliser, Chloro-vinyl, Cement, Shriram farm solutions and Fenesta businesses had to shut down the operations w.e.f. March 24, 2020. The operations in these businesses have restarted in a phased manner starting from April 8, 2020 to May 12, 2020. The capacity utilization is going up continuously in accordance with the demand and government regulations. The Company has considered the possible impact of internal and external factors known to the management upto the date of approval of these accounts, to assess and finalise the carrying amount of its assets and liabilities. Accordingly as on date, no material impact is anticipated in these consolidated financial statements.
- The Company has outstanding Commercial paper amounting to Rs 250 crores listed on the debt segment of National Stock Exchange as on March 31, 2020. It has been rated by CRISIL and ICRA with CRISIL A1+ rating and ICRA A1+ rating.
- Formulae used for computation of ratios are:
 Debt Equity : Net debt / Equity
 Interest service coverage : EBIDTA (-) interest and dividend income (-) net gain/(loss) on sale of current investments / Net finance charges ¹
 Debt service coverage : EBIDTA (-) interest and dividend income (-) net gain/(loss) on sale of current investments / Net finance charges ¹ (+) repayment of long term borrowings (excluding prepayments) during the period
 1. Net finance charges = Finance cost (-) interest and dividend income (-) net gain/(loss) on sale of current investments

10. Some of the business segments are of seasonal nature and accordingly impact the results in the respective quarters.
11. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the financial year.
12. The above results were reviewed by Audit Committee and then approved by the Board of Directors in their meeting held on June 3, 2020.

For and on behalf of the Board

Place: New Delhi
Date: June 3, 2020

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