DCM SHRIRAM
Growing with trust

DCM Shriram Ltd.

Q4 & FY17 - Results Presentation

Safe Harbour

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. DCM Shriram Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

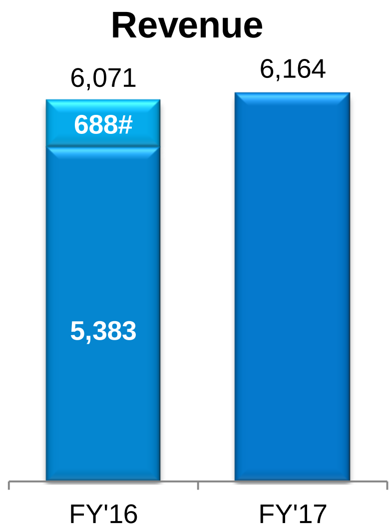
All figures are consolidated unless otherwise mentioned

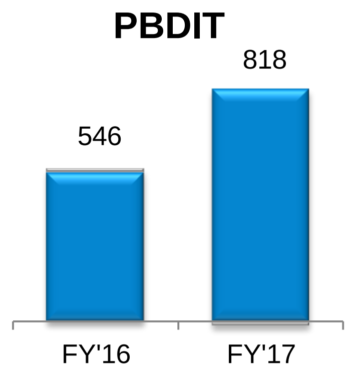
Table of Content

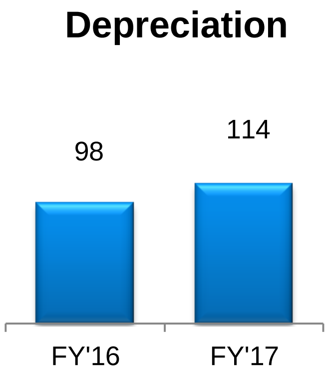
FY17 – Key Highlights

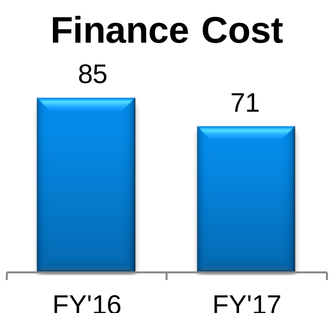
1. **Total Revenues** stood at Rs. 6164.0 cr vs Rs. 6070.9 cr last year. Revenues excluding DAP / MOP (suspended DAP/MOP trading in current year) grew by 14.6% YoY, led by:
    a. Sugar Business revenue was up 65% to Rs 1601 cr with higher volumes and realizations
    b. Chemicals business revenue grew by 22% to Rs 1011.5 cr driven by higher volumes from expanded capacity at the Bharuch (Gujarat) plant
2. **PBDIT** improved to Rs. 817.9 cr up 50%, driven by
    a. Sugar Business – Higher volumes of sugar & power and better margins
    b. Chemicals Business - Higher volumes
    c. Bioseed India, Fenesta, Cement and Fertilizer businesses also contributed to the higher earnings
    d. Overall PBDIT margins improved to ~13% from ~9% last year
3. **PAT** increased to Rs 551.7 cr, up 83% from Rs 301.8 cr in FY 16
4. **Completed capacity expansion projects** for Chlor-Alkali (incl. captive power) at Bharuch & Power Cogeneration at Sugar business – Total investments ~Rs. 700 cr
5. **Projects** for setting up 150 KLD distillery at Sugar unit, capacity expansion in Chemicals at Kota and Fabrication at Fenesta (Total investments of Rs 300 cr) progressing as per schedule. Commissioning in Q4 FY 18
6. **Net Debt** as on March 31, 2017 stood at Rs. 928 cr vis-à-vis Rs. 1057 cr as on March 31, 2016. Net Debt to equity stood at 0.37x as on March 31, 2017 vs 0.51x as on March 31, 2016.
7. **In the Standalone accounts** (no impact on Consolidated financials), the company has taken a write-down of Rs. 85.12 cr in the value of investments in Bioseed International business, keeping in view the longer gestation period and higher losses over last few years due to one time inventory write offs
8. **Dividend** – The board recommended a final dividend of 40% aggregating to Rs 15.64 cr. The total dividend in FY 17 is 290%, vs. 160% in FY 16

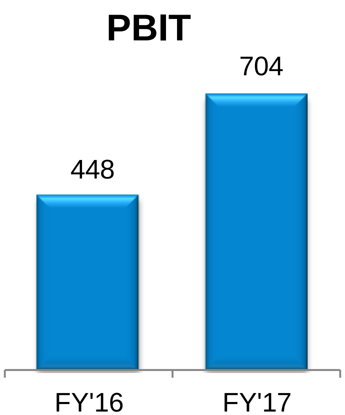
FY17 – Financial Snapshot

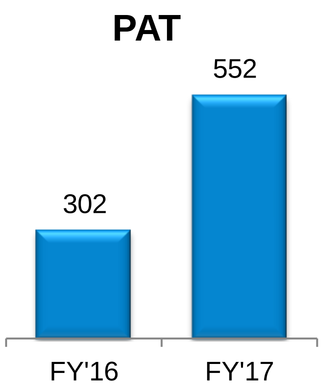












DAP//MOP

Note: All figures in Rs. cr

FY17 - Segment Performance

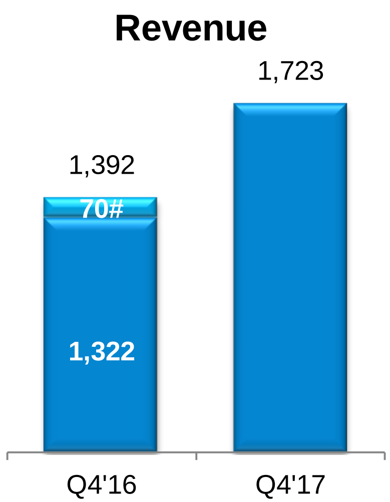
Rs. cr

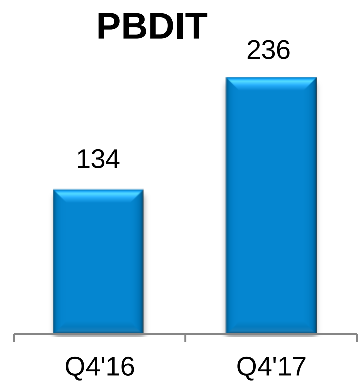
	Revenues			PBIT			PBIT Margins %	
Segments	**FY16**	**FY17**	**YoY % Change**	**FY16**	**FY17**	**YoY % Change**	**FY16**	**FY17**
Chloro Vinyl	**1,379.0**	**1,584.2**	***14.9***	**349.0**	**398.7**	***14.2***	***25.3***	***25.2***
Sugar	**968.2**	**1,601.0**	***65.4***	**87.8**	**315.4**	***259.1***	***0.2***	***19.7***
Agri Inputs	**3,087.3**	**2,232.3**	***(27.7)***	**112.0**	**98.4**	***(12.2)***	***3.6***	***4.4***
- SFS (DAP / MOP)	688.1	(3.2)	-	13.4	(12.3)	-	*1.9*	-
- SFS (Excl. DAP / MOP)	1,110.4	1,018.9	*(8.2)*	59.5	40.9	*(31.3)*	*5.4*	*4.0*
- Bioseed	488.4	469.8	*(3.8)*	8.1	14.7	*82.8*	*1.7*	*3.1*
- Fertiliser	800.4	746.8	*(6.7)*	31.0	55.0	*77.2*	*3.9*	*7.4*
Others	**780.1**	**849.5**	***8.9***	**1.0**	**13.3**	**-**	***0.1***	***1.6***
Total	**6,214.5**	**6,267.0**	***0.8***	**549.8**	**825.7**	***50.2***	***8.8***	***13.2***
Less: Intersegment Revenue	184.3	149.8	*(18.7)*					
Less: Unallocable expenditure (Net)				102.1	121.6	*19.1*		
Total	**6,030.2**	**6,117.2**	***1.4***	**447.7**	**704.1**	***57.3***	***7.4***	***11.5***

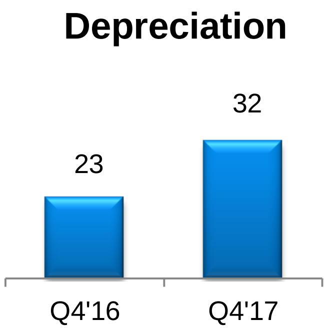
Q4 FY17 – Key Highlights

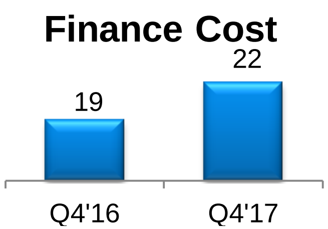
1. **Total Revenues** stood at Rs. 1723.0 cr vs Rs. 1392.4 cr last year. Revenues excluding DAP / MOP grew by 30% than same period last year, led by:
   a. Sugar Business revenue was up 67% to Rs 552 cr with higher volumes and realization
   b. Chemicals business revenue grew by 45% to Rs 293 cr driven by higher volumes from expanded capacity at the Bharuch (Gujarat) plant
2. **PBDIT** improved to Rs. 236.4 cr up 77%, driven by
   a. Sugar Business – Higher volumes of sugar & power and better margins
   b. Chemicals Business - Higher volumes
   c. Overall PBDIT margins stood at ~13.7% from ~9.6% last year
3. **Standalone profits** of the Company had an impact of Rs. 85.12 cr on account of write-down of investments in Bioseed International business .
4. **Finance costs** stood at Rs. 21.7 cr vs Rs. 19.1 cr in FY 16
5. **PAT** increased to Rs 156.4 cr, up 187% from Rs. 54.5 cr in FY 16

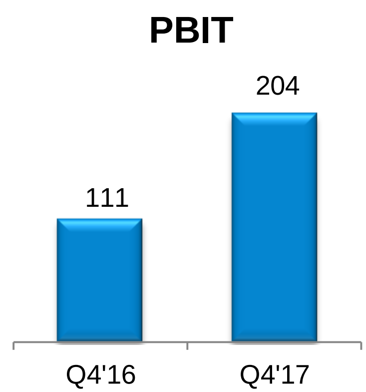
Q4 FY17 – Financial Snapshot

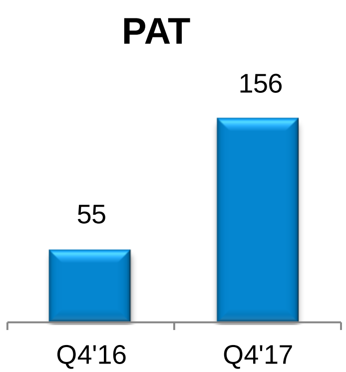












DAP//MOP

Note: All figures in Rs. cr

Q4 FY17 - Segment Performance

Rs. cr

	Revenues			PBIT			PBIT Margins %	
Segments	**Q4 FY16**	**Q4 FY17**	**YoY % Change**	**Q4 FY16**	**Q4 FY17**	**YoY % Change**	**Q4 FY16**	**Q4 FY17**
Chloro Vinyl	**330.4**	**455.5**	***37.9***	**96.7**	**114.7**	***18.7***	***29.3***	***25.2***
Sugar	**329.8**	**552.0**	***67.4***	**57.1**	**133.4**	***133.7***	***17.3***	***24.2***
Agri Inputs	**539.7**	**521.0**	***(3.5)***	**5.6**	**(4.6)**	**-**	***1.0***	**-**
- SFS (DAP / MOP)	69.6	(0.4)	-	3.3	(0.8)	-	*4.7*	-
- SFS (Excl. DAP / MOP)	252.8	239.0	*(5.5)*	13.8	2.4	*(82.9)*	*5.5*	*1.0*
- Bioseed	40.8	70.2	*71.9*	(17.7)	(24.9)	-	-	-
- Fertiliser	176.4	212.2	*20.3*	6.2	18.7	*202.1*	*3.5*	*8.8*
Others	**190.7**	**211.0**	***10.7***	**(1.7)**	**1.3**	**-**	**-**	***0.6***
Total	**1,390.6**	**1,739.6**	***25.1***	**157.6**	**244.8**	***55.3***	***11.3***	***14.1***
Less: Intersegment Revenue	7.1	30.6	*332.7*					
Less: Unallocable expenditure (Net)				46.7	40.5	*(13.3)*		
Total	**1,383.6**	**1,709.0**	***23.5***	**110.9**	**204.3**	***84.2***	***8.0***	***12.0***

Balance Sheet

(Rs. in Crores)

PARTICULARS	As at 31.03.2017	As at 31.03.2016
	Audited	Audited
ASSETS		
Non-current assets		
(a) Property, Plant and equipment	1,915.57	1,328.79
(b) Capital work -in- progress	60.28	357.16
(c) Investment property	7.06	7.18
(d) Goodwill	70.55	71.93
(e) Intangible assets	28.60	27.55
(f) Intangible assets under development	4.25	0.03
(g) Financial assets	84.15	81.56
(h) Deferred tax assets (net)	80.11	14.47
(i) Other non-current assets	65.98	105.47
Total- Non-current assets	**2,316.55**	**1,994.14**
Current assets		
(a) Inventories	1,615.67	1,320.00
(b) Financial assets	1,246.04	1,381.60
(c) Current tax assets (net)	13.82	9.82
(d) Other current assets	258.97	183.27
Total Current assets	**3,134.50**	**2,894.69**
Assets held for sale	122.83	118.22
TOTAL- ASSETS	**5,573.88**	**5,007.05**
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	32.64	32.64
(b) Other Equity	2,495.09	2,058.27
Equity attributable to shareholders of the company	**2,527.73**	**2,090.91**
Non-controlling Interest	2.08	2.21
Total Equity	**2,529.81**	**2,093.12**
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities	476.22	263.81
(i) Borrowings		
(ii) Other financial liabilities		
(b) Provisions	183.65	164.74
(c) Other non-current liabilities	0.92	1.00
Total- Non-current liabilities	**660.79**	**429.55**
Current liabilities		
(a) Financial Liabilities	1,878.97	2,129.18
(b) Provisions	40.31	28.64
(c) Other current liabilities	453.91	317.72
(d) Current tax liabilities (net)	1.84	1.75
Total Current liabilities	**2,375.03**	**2,477.29**
Liabilities associated with assets classified as held for s	8.25	7.09
Total- Liabilities	**3,044.07**	**2,913.93**
TOTAL- EQUITY AND LIABILITIES	**5,573.88**	**5,007.05**

Net worth increased to Rs. 2524 cr. in FY 17, an increase of Rs. 432 cr over last year

Net Debt stood at Rs 928 cr. as on 31st March '17 vs Rs. 1057 cr. Last year

Net Debt to equity stood at 0.37x as on 31st March 2017 vs 0.51x last year

Q4 & FY17 - Performance Overview & Outlook

Chloro-Vinyl

- Segment revenue for FY'17 stood higher by 15% YoY and 38% YoY for Q4 supported by:
  - Chemicals volumes up 26% in FY'17 and 60% in Q4 consequent to capacity expansion at Bharuch unit. Capacity utilization at Bharuch unit is witnessing an upward trend post completion of expansion in Q3 FY'17.
  - Plastics business had stable volumes and higher price realization
- Selling prices of Chlor-Alkali were lower by 4% for FY'17 and 12% for Q4 (YoY), on account of lower Chlorine prices. PVC prices were up 10% for the year and 17% for Q4 vs same period last year
- Input costs of Power have risen, impacting the margins. Efficiencies have improved especially in Bharuch, post completion of expansion and modernization

Outlook

- Capacity utilization at Bharuch facility 77% for Q4 FY17 and will increase further, as chlorine market picks up
- Chlor Alkali ECU prices are soft due to rupee appreciation effect and soft Chlorine prices; PVC prices are stable.
- Rising prices of Coal and Carbon material is putting pressure on margins
- Expansion of Chemicals at Kota at an investment of Rs. 97.5 cr is progressing as per plan; to commission in Q4 FY'18

Sugar

- The sugar season'17 has witnessed ~ 45% growth in cane crushed; Crushing still on in one factory. Sugar recovery at ~11.1 %, same as last season.
- FY 17 Revenue stood higher by 65% YoY and Q4 revenues stood higher by 67% (YoY), due to higher sales volumes and better realizations; Higher sale of power from expanded capacity also contributed to increase in revenue
- Earnings improved led by better margins, volumes as well as increase in co-gen power sales

Outlook

- Sugar prices are stable
- Distillery project at Hariawan unit with an investment of Rs. 185 cr is progressing as per plan and will commission by Q4 FY'18

Q4 & FY17 - Performance Overview & Outlook

Shriram Farm Solutions	▪ FY 17 revenues were down 44% led by DAP/MOP which was suspended during the year. Revenue of 'Value added' inputs' vertical lower by 6% YoY ▪ 'Value Added inputs' performance for the year was impacted in Kharif '16 as well as Rabi season by lower demand and change in sowing patterns towards lower value inputs. This was a result of two consecutive year of poor and erratic monsoons leading to weak farmer economics ▪ Earnings adversely impacted due to lower margins in the bulk as well as Value added business ▪ Subsidy outstanding at Rs. 208 cr vs Rs. 307 cr last year **Outlook** ▪ With better monsoons and harvest in last Kharif season, and expectation of a normal monsoon this season by IMD, the volumes and margins for 'value added' vertical in the current season are expected to improve ▪ Company is focused on driving growth in the 'Value Added' vertical through marketing initiatives, product portfolio and geographic expansion initiatives
Bioseed	▪ FY'17 revenues in India were lower by about 6% due to decline in cotton acreages in key markets during Kharif'16. Cotton Seed Price Control Order that capped selling price of BT cotton seeds also impacted revenues. Other crops performed better. ▪ FY 17 international business revenues increased 18% led by Philippines and Indonesia ▪ Earnings in India business improved on account of better margins. However in international business, except for Philippines, the earnings were lower than last year. ▪ The company has taken write-down of Rs 85.12 cr in the value of investments in Bioseed International business in the Standalone accounts (no impact on Consolidated financials), keeping in view the longer gestation period and higher losses over last few years due to one time inventory write offs **Outlook** ▪ Business expected to witness improvement in the current Khariff season especially in BT cotton with expected increase in acreage. However normal monsoons will be the key. ▪ Augmenting product portfolio with focused R&D and marketing efforts to drive growth in operations

Q4 & FY17 - Performance Overview & Outlook

Fertilisers

- FY 17 revenue declined with marginally lower volumes down 1.4% and 9% decline in realizations, a result of lower gas prices which is a pass through
- Energy efficiency has improved during the year
- During the year business received arrears to the extent of Rs. 18.5 cr for earlier years, of this Rs. 9.4 cr was received during the quarter.
- Subsidy outstanding is lower at Rs. 347 cr vs. Rs. 451 cr last year

Outlook

- Company is evaluating measures to further improve energy efficiencies
- Profitability continues to be impacted by inadequate reimbursement of conversion costs
- Subsidy outstanding position has improved, but remains a concern due to inconsistency of release

Others

Fenesta Windows

- Fenesta business' revenue stood higher by 20% YoY, driven by robust increase in 'Retail' segment's revenue led by higher volumes and better realizations
- Order Booking witnessed strong growth for both 'Retail' and 'Project' segments

Cement

- FY'17 revenue as well as earnings were up on account of stable volumes and improved realizations YoY
- Input costs under pressure with increase in energy costs

Hariyali Kisaan Bazaar

- Revenues from fuel sales only
- Business focused on sale of existing properties, which is progressing slowly

Management's Message

Commenting on the performance for the quarter, in a joint statement, Mr. Ajay Shriram, Chairman & Senior Managing Director, and Mr. Vikram Shriram, Vice Chairman & Managing Director, said:

"The company recorded satisfactory operational as well as financial performance during the year. Healthy earnings growth during the year was a result of robust performance of the Sugar, Chemical and Plastic businesses. Other businesses also did well.

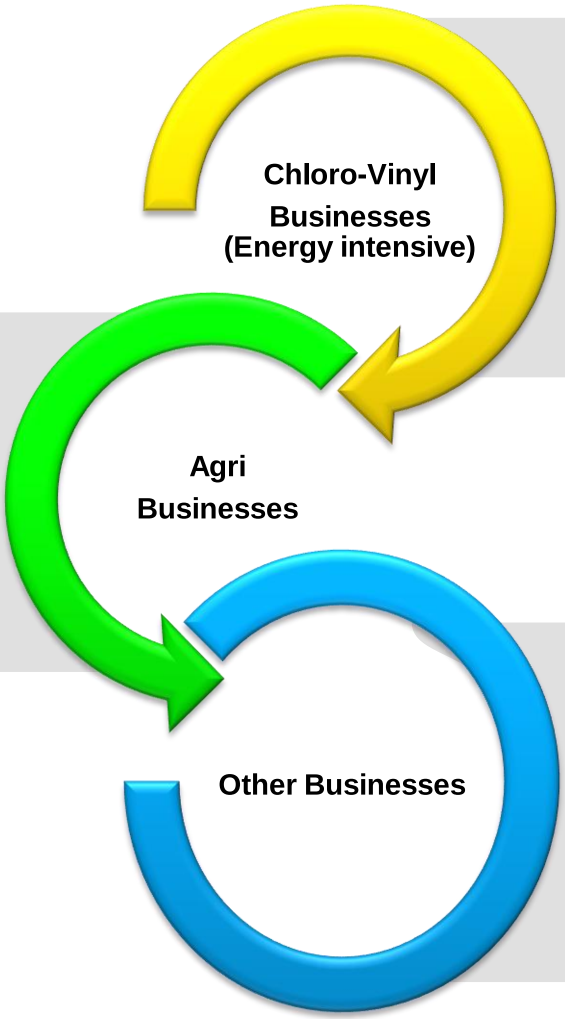
Sugar operations in SY 17 have improved with growth in sugar production by ~45% and power export by ~62%. Commissioning of distillery will provide further impetus to the business. We are strengthening our cane development efforts further to achieve higher volumes on sustained basis.

The expanded Chlor-Alkali plant at Bharuch has stabilised. Capacity utilisation is constrained due to low chlorine demand. We are working on expanding chlorine sales and the overall capacity utilisation.

Better monsoons last year along with expectation of a normal monsoon this year should augur well for our Agri input businesses in India. We are taking steps to turn-around Bioseed International business.

The cash generation is robust, balance sheet is strong and business model has strengthened. We look forward to further strengthen our businesses and invest in growth of the Company over the medium term."

Segmental Overview



- Chlor – Alkali
- PVC Resins
- Calcium carbide

- Agri- Inputs
  - Bioseed
  - Shriram Farm Solutions
  - Fertilisers (Urea)
- Sugar

- Fenesta Building Systems
- Cement
- Polymer Compounds
- Hariyali Kisaan Bazaar

Chloro Vinyl Business

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY17	**455.5**	**114.7**	**1,047.7**
Q4 FY16	330.4	96.7	759.7
% Shift	*37.9*	*18.7*	*37.9*
FY17	**1,584.2**	**398.7**	**1,047.7**
FY16	1,379.0	349.0	759.7
% Shift	*14.9*	*14.2*	*37.9*

The Chloro-Vinyl business of the Company has highly integrated operations with multiple revenue streams and captive power generation facilities. Chlor-Alkali operations are at two locations (Kota – Rajasthan and Bharuch – Gujarat). The multiple revenue streams enable the Company to optimize operations in a manner to maximize the contribution per unit of power .

Chemicals

	Operational		Financial	
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**
Q4 FY17	**93,731**	**23,387**	**292.5**	**82.5**
Q4 FY16	58,604	26,632	202.1	65.4
% Shift	*59.9*	*(12.2)*	*44.7*	*26.0*
FY17	***331,361***	***23,882***	***1,011.5***	***288.9***
FY16	*263,638*	*24,906*	*827.4*	*244.6*
% Shift	*25.7*	*(4.1)*	*22.3*	*18.1*

Performance Overview

- Chemicals business' volumes were higher primarily due to higher volumes from the Bharuch unit, which was a result of higher production post completion of capacity expansion project in Oct 2016
- Realizations have been lower YoY. Sequentially lower by 4%, resulting from weak chlorine prices.
- PBIT stood higher due to higher volumes, however lower realisations impacted the potential earnings.
- Energy costs are on an increasing trend. However power efficiency at Bharuch unit has improved significantly post expansion and up-gradation project.
- Capital employed stood higher vis-à-vis last year on account of the expansion project that were completed in Q3 FY 17

Outlook

- Capacity utilization at Bharuch facility at 77% for Q4 FY17 and will increase further, as chlorine market picks up
- Chlor Alkali ECU prices are soft due to rupee appreciation effect and soft Chlorine prices
- Expansion of Chemicals at Kota at an investment of Rs. 97.5 cr is progressing as per plan; to commission in Q4 FY'18

Plastics

	Operational				Financial	
Particulars	PVC Sales (MT)	PVC XWR Realisations (Rs./MT)	Carbide Sales (MT)	Carbide XWR Realisations (Rs./MT)	Revenues (Rs. cr.)	PBIT (Rs. cr.)
Q4 FY17	**15,556**	**74,020**	**6,077**	**43,934**	**163.1**	**32.2**
Q4 FY16	13,187	63,500	6,013	43,293	128.3	31.2
% Shift	*18.0*	*16.6*	*1.1*	*1.5*	*27.1*	*3.2*
FY17	***55,892***	***71,151***	***23,591***	***43,336***	***572.7***	***109.8***
FY16	*58,244*	*64,941*	*22,701*	*43,180*	*551.6*	*104.5*
% Shift	*(4.0)*	*9.6*	*3.9*	*0.4*	*3.8*	*5.1*

Performance Overview

- PVC volumes have been lower during the year compensated partially by higher volumes of Carbide.
- Realisations have been on a firm trend for PVC, carbide has been stable. Prices are stable sequentially as well
- Prices of key raw material - Coal and carbon material - are rising
- Earnings of the business are stable

Outlook

- Input costs, especially carbon, are on an uptrend resulting in pressure on costs
- Global prices are firm. Domestic prices linked with global price trends. Sustained Rupee appreciation to impact domestic prices
- Business focused on improving cost structures to sustain margins in the business

Sugar

	Operational		Financial		
Particulars	**Sales (Lac Qtls)**	**Realisations (Rs./Qtl)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q4 FY17	**11.0**	**3,658**	**552.0**	**133.4**	**1,018.5**
Q4 FY16	7.4	3,031	329.8	57.1	1,036.6
% Shift	*49.3*	*20.7*	*67.4*	*133.7*	*(1.8)*
FY17	***36.6***	***3,527***	***1,601.0***	***315.4***	***1,018.5***
FY16	*28.2*	*2,638*	*968.2*	*87.8*	*1,036.6*
% Shift	*29.7*	*33.7*	*65.4*	*259.1*	*(1.8)*

Performance Overview

- Key factors leading to robust performance in FY 17 as well as in Q4:
  - Higher sale volumes at better margins
  - Higher production and recovery has led to lower costs in the current season. Although the cost of production has been higher than last year due to increase in Cane cost
  - Additional revenue and earnings from higher sale of power due to higher crush as well as expanded power co-gen capacity.
- Season performance:
  - Total crush during the season higher by ~45% over last season, leading to higher production
  - Recovery at 11.11% in line with last season and higher than expectations
- Closing stock of Sugar stood at 26.9 lac qtls vs. 23 lac qtls last year

Outlook

- Sugar prices are stable
- Distillery project at Hariawan unit with an investment of Rs. 185 cr is progressing as per plan and will commission by Q4 FY'18

Agri- Input Businesses

The Company continues to focus on these businesses given the huge opportunity in this area where the Company can capitalize on its long standing understanding of varied Agri businesses and the rural consumer; its established infrastructure; services & product portfolio; and a deep rural presence. The Agri Input Business includes:

- Shriram Farm Solutions
- Bioseed
- Fertiliser (Urea)

Shriram Farm Solutions

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY17	**238.6**	**1.6**	**399.0**
Q4 FY16	322.5	17.1	216.0
% Shift	*(26.0)*	*(90.7)*	*84.7*
FY17	**1,015.7**	**28.6**	**399.0**
FY16	1,798.5	72.9	216.0
% Shift	*(43.5)*	*(60.7)*	*84.7*

The portfolio comprises Value-added products such as Seeds, Pesticides, Soluble Fertiliser, Micro-nutrients etc. along with Bulk Fertiliser (SSP). This business is seasonal in nature and the results in the quarter are not representative of annual performance

Performance Overview

- FY 17 revenues were down 44% led by DAP/MOP which was suspended during the year. Revenue of 'Value added' inputs' vertical lower by 6% YoY
- 'Value Added inputs' performance for the year was impacted in Kharif '16 as well as Rabi season by lower demand and change in sowing patterns towards lower value inputs. This was a result of two consecutive year of poor and erratic monsoons leading to weak farmer economics
- Earnings adversely impacted due to lower margins in the bulk as well as Value added business
- Subsidy outstanding at Rs. 208 cr vs Rs. 307 cr last year

Outlook

- With better monsoons and harvest in last Kharif season, and expectation of a normal monsoon this season by IMD, the volumes and margins for 'value added' vertical in the current season are expected to improve
- Company is focused on driving growth in the 'Value Added' vertical through marketing initiatives, product portfolio and geographic expansion initiatives

Bioseed

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY17	**70.2**	**(24.9)**	**359.2**
Q4 FY16	40.8	(17.7)	342.4
% Shift	*71.9*	-	*4.9*
FY17	**469.8**	**14.7**	**359.2**
FY16	488.4	8.1	342.4
% Shift	*(3.8)*	*82.8*	*4.9*

Bioseed business is intensely research based and is diversified across key crops (Cotton, Corn, Paddy and Vegetables). India is the key market with presence across all above crops. International presence is in Vietnam , Philippines and Indonesia wherein the key crop is Corn. The performance of the business has seasonality, with Kharif being the major season in India.

Performance Overview

- FY'17 revenues in India were lower by about 6% due to decline in cotton acreages in key markets during Kharif'16. Cotton Seed Price Control Order that capped selling price of BT cotton seeds also impacted revenues. Other seed varieties performed better.
- FY 17 international business revenues increased 18% led by Philippines and Indonesia
- Earnings in India business improved on account of better margins. However in international business, except for Philippines, the earnings were lower than last year.
- The company has taken write-down of Rs 85.12 cr in the value of investments in Bioseed International business in the Standalone accounts (no impact on Consolidated financials), keeping in view the longer gestation period and higher losses over last few years due to one time inventory write offs

Outlook

- Business expected to witness improvement in the current Kharif season especially in BT cotton with expected increase in acreage. However normal monsoons will be the key.
- Augmenting product portfolio with focused R&D and marketing efforts to drive growth in operations

Fertilisers (Urea)

	Operational		Financial		
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q4 FY17	**100,713**	**20,026**	**212.2**	**18.7**	**394.4**
Q4 FY16	102,549	17,085	176.4	6.2	519.3
% Shift	*(1.8)*	*17.2*	*20.3*	*202.1*	*(24.0)*
FY17	***394,307***	***18,221***	***746.8***	***55.0***	***394.4***
FY16	*399,834*	*19,979*	*800.4*	*31.0*	*519.3*
% Shift	*(1.4)*	*(8.8)*	*(6.7)*	*77.2*	*(24.0)*

Performance Overview

- FY 17 revenue declined with marginally lower volumes down 1.4% and 9% decline in realizations, a result of lower gas prices which is a pass through
- Energy efficiency has improved during the year
- During the year business received arrears to the extent of Rs. 18.5 cr for earlier years, of this Rs. 9.4 cr was received during the quarter.
- Subsidy outstanding is lower at Rs. 347 cr vs. Rs. 451 cr last year

Outlook

- Company is evaluating measures to further improve energy efficiencies
- Profitability continues to be impacted by inadequate reimbursement of conversion costs
- Subsidy outstanding position has improved, but remains a concern due to inconsistency of release

Other Businesses

DCM Shriram's other operations, reported as 'Others' in the financial results, include its businesses of Cement, Fenesta Building Systems and Hariyali Kisaan Bazar.

Revenues under 'Others' stood at Rs. 850 cr during FY'17 compared to Rs. 780 cr in FY'16. PBIT stood at Rs. 13.3 cr for FY'17 compared to Rs 1.0 cr for FY'16.

For the quarter Q4 FY'17, the revenues were Rs 211.0 cr, up 10.7% from Rs 190.7 cr last year whereas PBIT stood at +ve Rs. 1.3 cr vis-à-vis PBIT of -ve Rs. 1.7 cr last year

Fenesta Building Systems

	Operational	Financial
Particulars	Order Book (Rs cr.)	Revenues (Rs. cr.)
Q4 FY17	**127.7**	**75.5**
Q4 FY16	77.8	63.5
% Shift	*64.1*	*18.9*
FY17	***428.6***	***283.8***
FY16	*290.4*	*236.1*
% Shift	*47.6*	*20.2*

Fenesta a pan India brand has become synonymous with UPVC windows. Includes Retail and Project Segment

Performance Overview

- Fenesta business' FY 17 revenue registered a growth of 20% YoY due to robust increase in 'Retail' as well as project segment's revenues
- Order Booking witnessed strong growth for both 'Retail' and 'Project' segments in Q4 FY 17
  - 'Retail' and 'Project' segments' order booking stood up by 22% YoY and 102% YoY, respectively during the quarter
- Business operations continue to be positive at PBT level

Outlook

- Company focused on expanding the 'Retail' segment along with scaling up 'Project' segment to provide profitable volume growth
- Improvement in the overall economic scenario and uptick in the real estate sector will enable higher penetration of our UPVC window offerings

Cement

	Operational		Financial	
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**
Q4 FY17	**121,596**	***2,966***	**55.2**	**2.2**
Q4 FY16	110,853	2,566	43.4	3.0
% Shift	*9.7*	*15.6*	*27.1*	*(27.2)*
FY17	***412,524***	***2,967***	***210.9***	***5.1***
FY16	*426,665*	*2,667*	*166.5*	*(0.0)*
% Shift	*(3.3)*	*11.2*	*26.7*	-

The Cement business is small. since its capacity is driven by the waste generated from carbide plant. The Company markets its cement under the 'Shriram' brand. The operational data is excl. the trading activities.

Performance Overview

- FY '17 revenue stood higher by 27% YoY on account of better realizations
- Increase in input costs of coal and power putting pressure on costs. Efficiencies have improved

Outlook

- Central Govt's efforts to provide impetus to infrastructure and housing sectors is likely to augur well for the cement industry in the medium term

About Us & Investor Contacts

DCM Shriram Ltd. is an integrated business entity, with extensive and growing presence across the entire Agri value chain and energy intensive Chloro-Vinyl industry. The Company has added innovative value- added businesses in these domains primarily Bioseed and Fenesta. Access to captive power at all key manufacturing units enables the businesses to optimise competitive edge.

For more information on the Company, its products and services please log on to **www.dcmshriram.com** or contact:

Amit Agarwal
DCM Shriram Ltd.
Tel: +91 11 4210 0200
Fax: +91 11 2372 0325
Email: amitagarwal@dcmshriram.com

Siddharth Rangnekar / Urvashi Butani
CDR India
Tel: +91 22 6645 1209/19
Fax: 91 22 6645 1213
Email: siddharth@cdr-india.com / urvashi@cdr-india.com