DCM Shriram Ltd.

Q3 & 9M FY22 - Results Presentation

January 18, 2022

Safe Harbour

Certain statements in this document may be forward-looking. 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.

Note: All figures mentioned in the presentation are consolidated unless otherwise mentioned.

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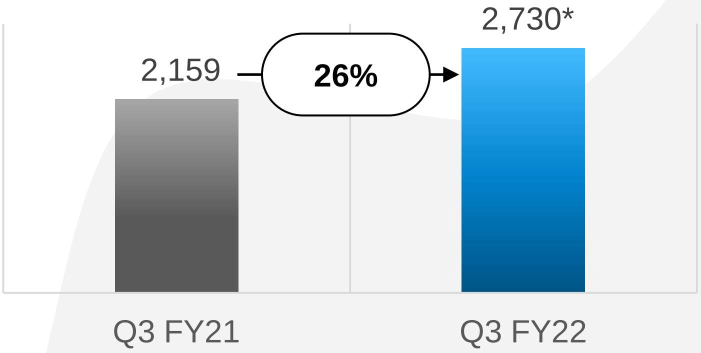
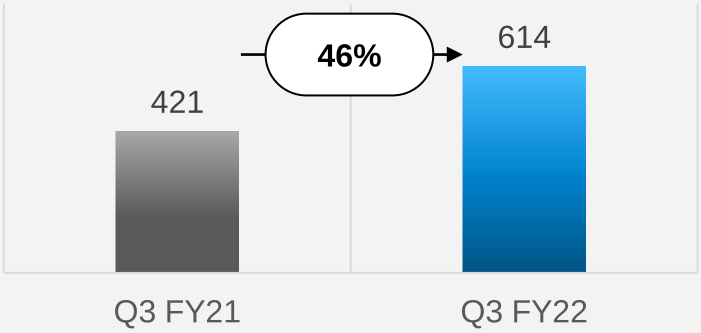
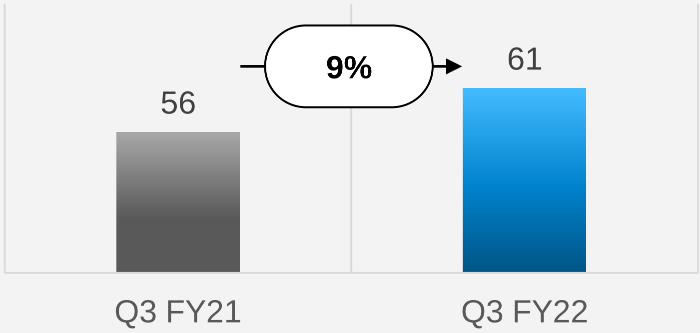
Revenue (Net)



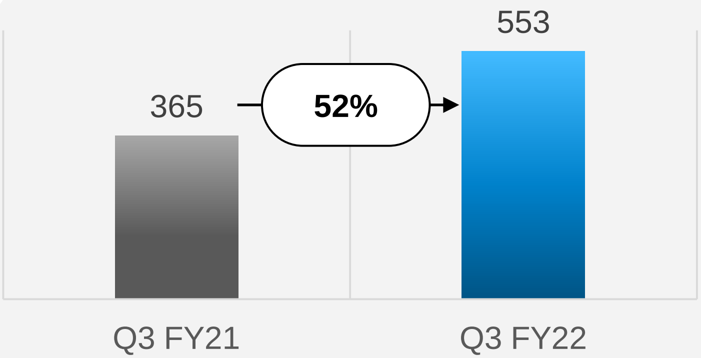
PBDIT



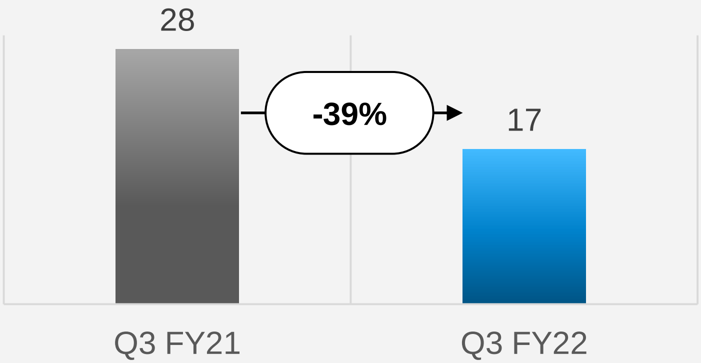
Depreciation



PBIT



Finance Cost**



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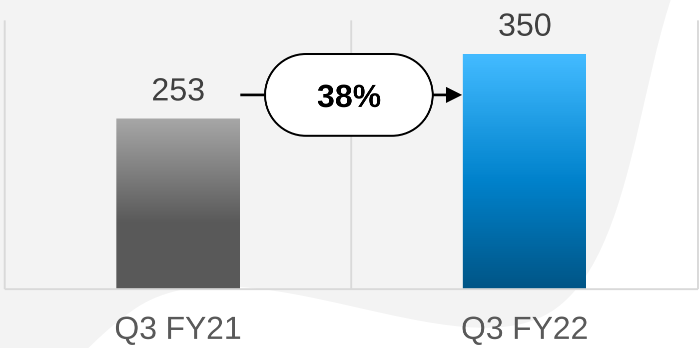

* Net of excise duty of Rs 61 crs on country liquor sales.
**Net Finance cost for Q3 FY22 at –ve Rs 4.5 crs, for Q3 FY21 at Rs 13.5 crs.

- **Surplus** cash net of debt as on 31st Dec, 2021 is Rs. 245 crs vs net debt of Rs 385 crs as on 31st Dec, 2020 and Rs. 180 crs on 31st March 2021.
  - Reduction in net debt is attributed to strong operating cash-flow over last 12 months.
  - There is seasonality in Capital employed which is high during Q4, due Inventory buildup in Sugar and Urea Subsidy.
- **ROCE** for the period came in at 27% vs 17% for Dec'20 and 23% for Sep'21
- **Second interim Dividend** declared by the Board at 260% amounting to Rs 81.1 crs.

Note: *All figures in Rs. Crs, Net revenue includes operating income*

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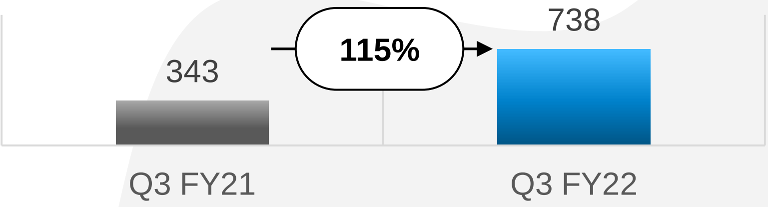
Revenue Drivers – Q3 FY22

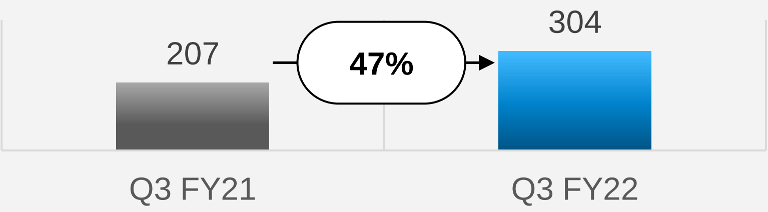
Positive Revenue Drivers

Chemicals



- Driven primarily by increase in product prices
- ECU prices up 126% YoY. Volumes up 8%.

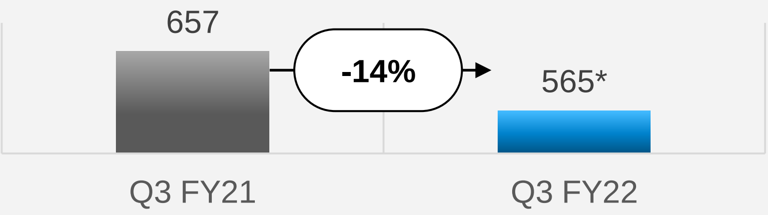
Vinyl



- Driven by higher prices.
- Carbide prices up 94% YoY. PVC prices up 36% YoY.

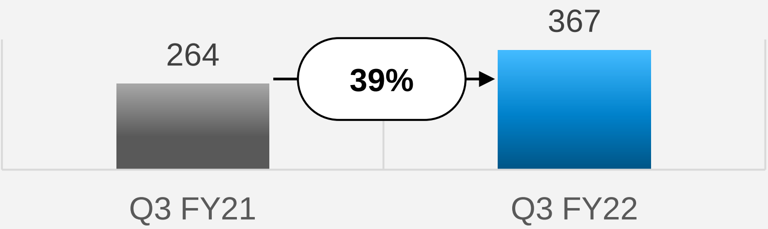
Negative Revenue Drivers

Sugar



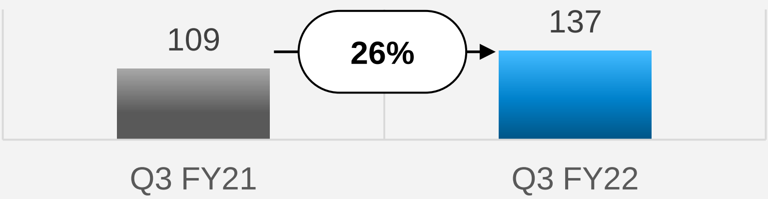
- Revenues impacted by volumes in Sugar and Distillery.
- Domestic sugar volumes down 29% YoY which are regulated by government through monthly releases.
- Domestic sugar realizations higher 12% YoY.
- Distillery volumes down 17% YoY due to lower availability of molasses and maintenance shut down. Distillery realizations higher for current Ethanol season.

Fertilizer



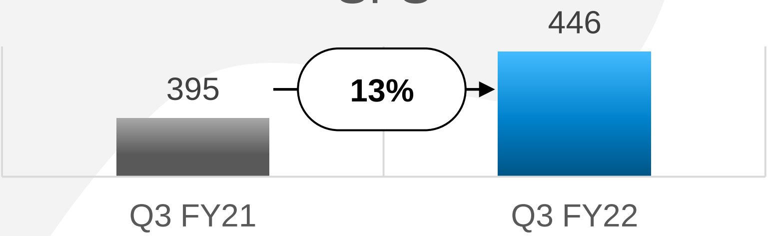
- Revenue growth led by higher gas prices which is a pass through.

Fenesta



- Revenues growth led by Prices as well as volumes
- Order Book is up 43% YoY

SFS



- Revenues growth led by Wheat Seed and Specialty Plant nutrition products

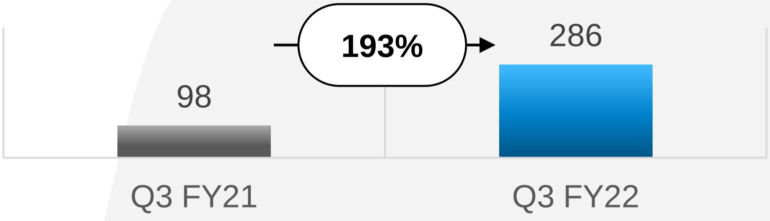
***Note:** All figures in Rs. crs*

* Net of excise duty of Rs 61 crs on country liquor sales.

PBDIT Drivers – Q3 FY22

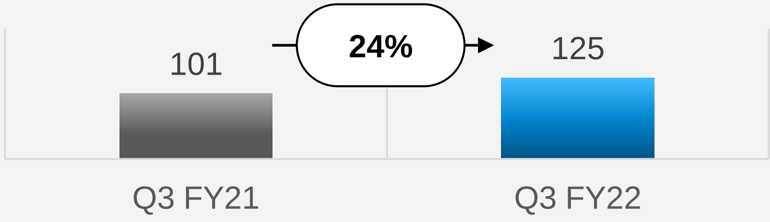
Positive PBDIT Drivers

Chemicals



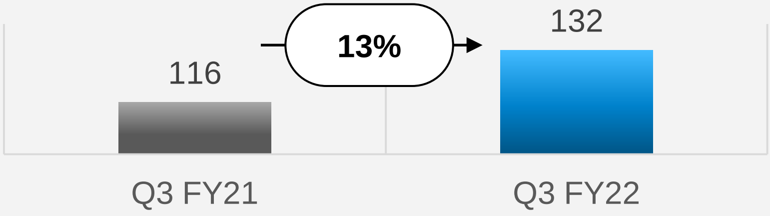
- Led by higher product prices and volumes.
- Input cost pressures were significant, esp. the energy costs, which were more than offset by better prices

Vinyl



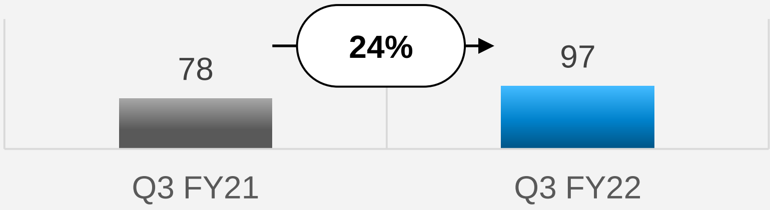
- Led by higher prices and carbide volumes. PVC volumes lower as carbide payback was higher
- Cost pressures were high driven by high coal and carbon material costs, which were offset by higher product prices

Sugar



- Higher domestic sugar realizations and Higher ethanol prices contributed to the earnings
- Lower volumes partially offset the gain from higher prices

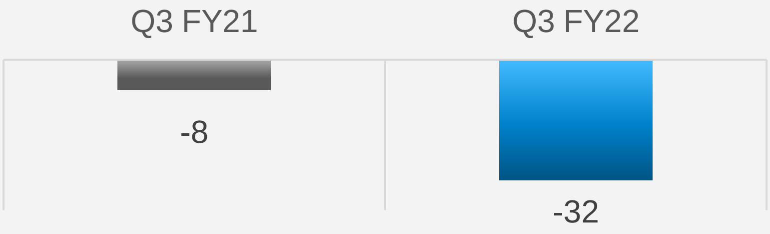
SFS



- Led by higher volumes of Seeds and Specialty nutrition products.

Negative PBDIT Drivers

Bioseed

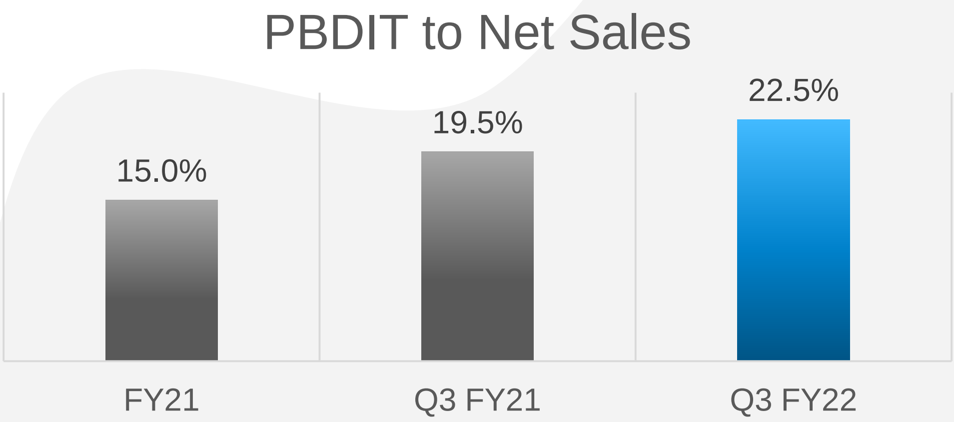


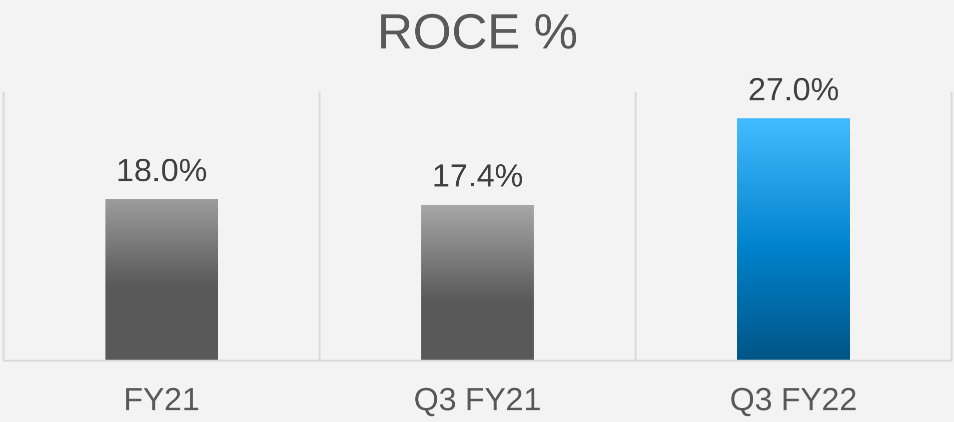
- India Operations were Impacted by lower volumes.
- Inventory provision / write off was higher during current period.

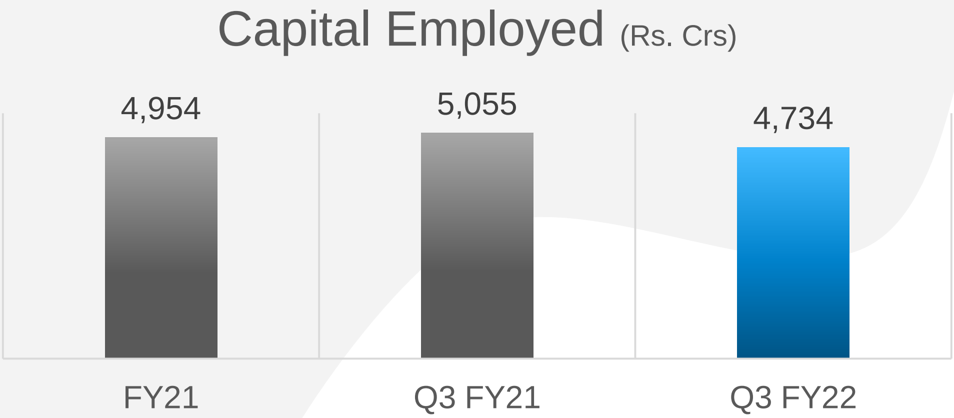
- **Fertiliser business had lower profits due to one time gain of ~ Rs. 19.8 crs in same period last yr.**
- **Cement Business incurred losses due to higher input costs.**

Note: *All figures in Rs. crs*

Returns & Leverage – Q3 FY22







Note: *ROCE and Net Debt/ EBITDA Calculated on TTM basis*

ROCE calculated on average of the capital employed at end of the quarters

Capital Employed excludes CWIP and Liquid Investments.

Q3FY22 Net Debt is negative

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Segment Performance – Q3 FY22

Rs crs	Revenues			PBIT			PBIT Margins %	
Segments	**Q3 FY22**	**Q3 FY21**	***YoY % Change***	**Q3 FY22**	**Q3 FY21**	***YoY % Change***	**Q3 FY22**	**Q3 FY21**
Chloro-Vinyl	**1042.2**	**549.7**	***89.6***	**385.2**	**177.2**	***117.4***	***37.0***	***32.2***
Sugar	**565.4***	**656.5**	***(13.9)***	**111.9**	**97.4**	***14.9***	***19.8***	***14.8***
SFS	**446.1**	**395.0**	***13.0***	**96.7**	**77.8**	***24.3***	***21.7***	***19.7***
Bioseed	**79.4**	**90.7**	***(12.5)***	**(33.6)**	**(9.3)**	***-***	***(42.3)***	***(10.3)***
Fertilizer	**367.2**	**263.7**	***39.2***	**15.5**	**36.7**	***(57.7)***	***4.2***	***13.9***
Others	**257.2**	**214.8**	***19.8***	**13.0**	**17.2**	***(24.2)***	***5.1***	***8.0***
-Fenesta	136.7	108.9	*25.5*	17.3	15.0	*15.9*	***12.7***	***13.7***
-Cement	40.0	48.4	*(17.5)*	(10.5)	3.3	-	***(26.4)***	***6.8***
-Others	80.5	57.4	*40.2*	6.2	(1.0)	-	*7.8*	*(1.8)*
Total	**2757.5**	**2170.4**	***27.1***	**588.8**	**397.1**	***48.3***	***21.4***	***18.3***
Less: Intersegment Revenue	27.7	11.6	*138.4*					
Less: Unallocable expenditure (Net)				35.5	31.9	*11.2*		
Total	**2729.8***	**2158.7**	***26.5***	**553.31**	**365.2**	***51.5***	***20.3***	***16.9***

** Net of excise duty of Rs 61 crs on country liquor sales.*

Note: Net revenue includes operating income

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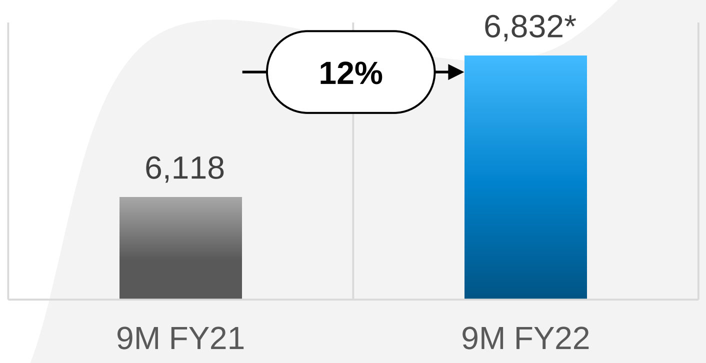
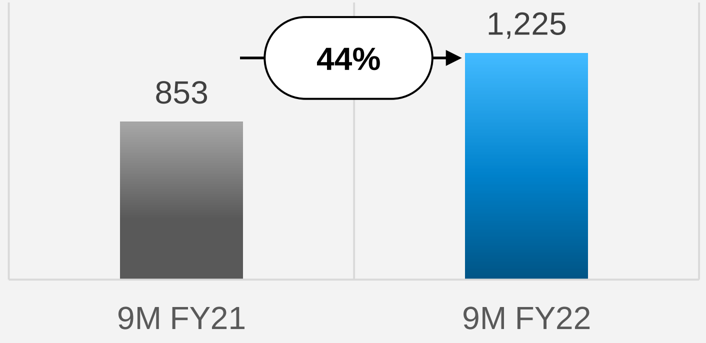
Financial Snapshot – 9M FY22

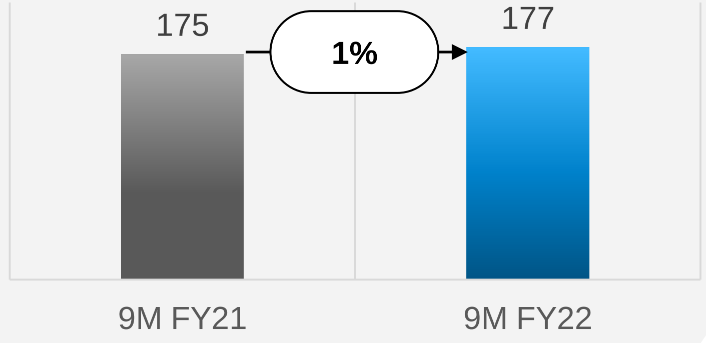
Revenue (Net)



PBDIT



Depreciation



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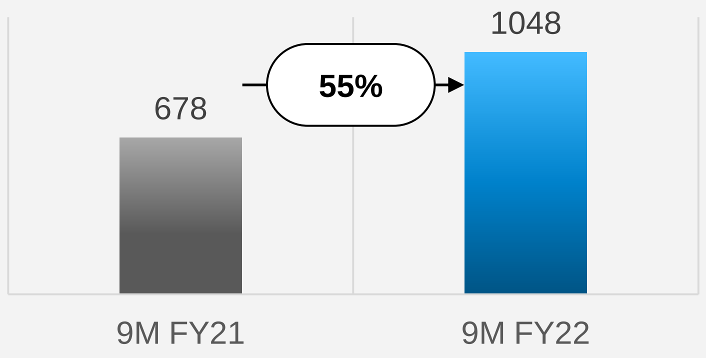
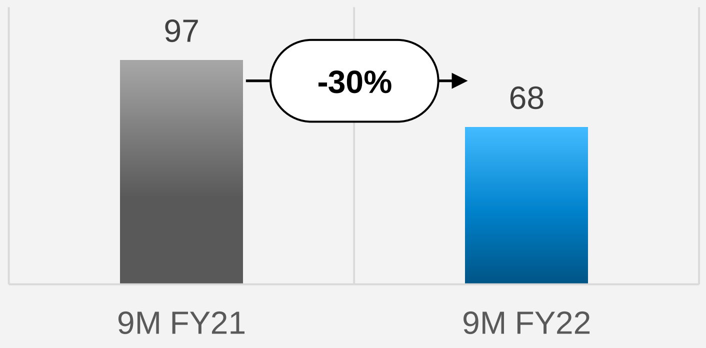


Finance Cost**



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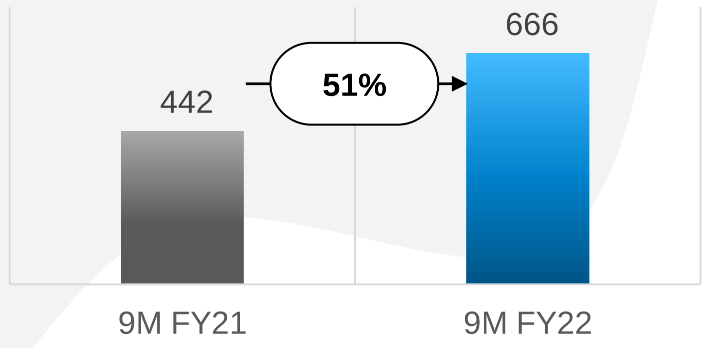


Note: *All figures in Rs.crs, Net revenue includes operating income*

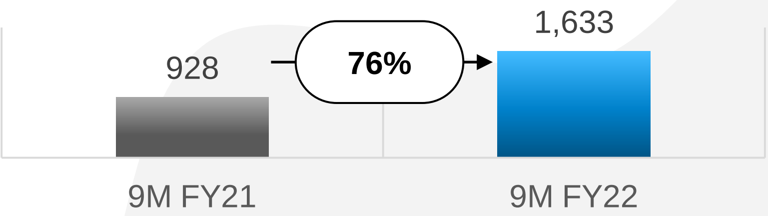
** Net of excise duty of Rs 145 crs on country liquor sales.*

***Net Finance cost for 9M FY22 at Rs 9.8 crs, for 9M FY21 at Rs 50.6 crs.*

Revenue Drivers – 9M FY22

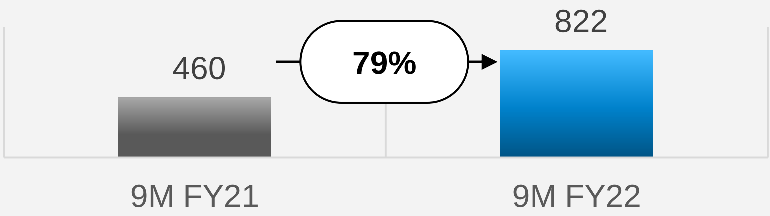
Positive Revenue Drivers

Chemical



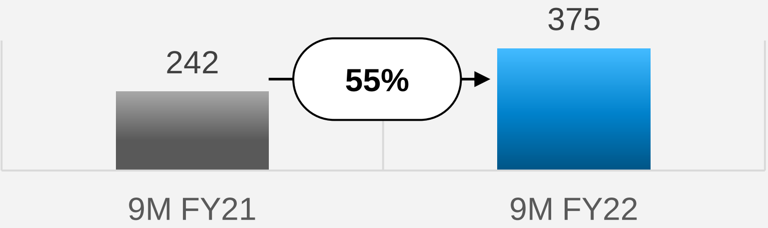
- Driven by both volumes and prices. ECU prices up 52% YoY and volumes up 24% YoY.

Vinyl



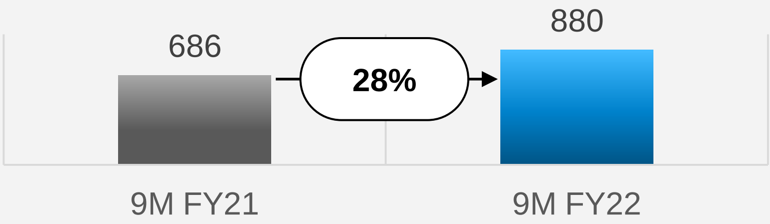
- Driven by product prices and volumes. PVC prices up 53% YoY. Carbide prices up 82% YoY. PVC and carbide volumes up 13% YoY and 19% YoY respectively.

Fenesta



- Revenues higher led by Volumes and Prices
- Order Book up 58% YoY led by both retail and projects.

Fertilizer

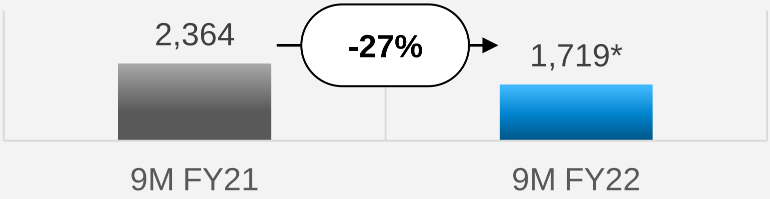


- Realizations up 44% due to higher gas prices, which is a pass through. Volumes down 10% YoY. Plant operated at lower capacity due to partial break down during Q1 FY22.

➢ **Chloro-Vinyl and Fenesta businesses in Q1 FY21 was impacted by pandemic and lockdown due to Covid-19, resulting in loss of production leading to lower sales. Demand recovered slowly last year post lock down.**

Negative Revenue Drivers

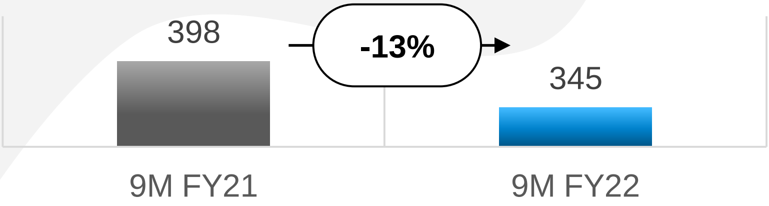
Sugar



- Down due to lower volumes. Sugar volumes down by 40% YoY. Domestic volumes lower due to lower monthly release, linked to lower inventory. Export volumes lower as SY20 had higher export quota vs SY21.
- Power volumes lower by 28% YoY primarily due to sugar season 2021 ended early vs sugar season 2020.
- Distillery volumes lower 8% YoY due to lower availability of molasses and maintenance shut down.

* Net of excise duty of Rs 145 crs on country liquor sales.

Bioseed



- India operations down 20% YoY impacted by lower volumes.

Note: *All figures in Rs. crs*

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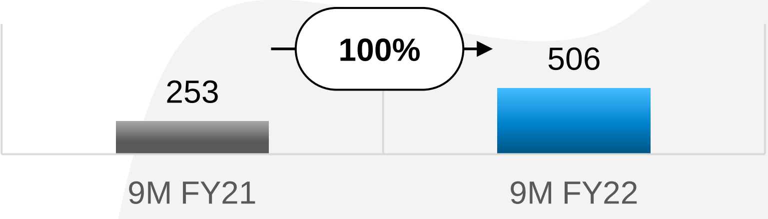
PBDIT Drivers – 9M FY22

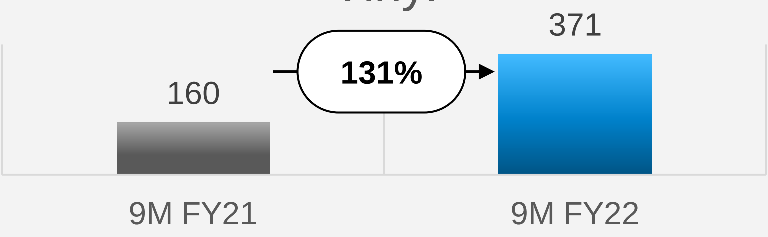
Positive PBDIT Drivers

Chemical



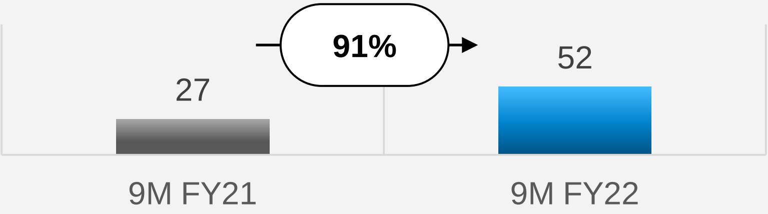
- Led by higher product prices and volumes.

Vinyl



- Primarily by higher prices. Higher volumes also positively impacted the earnings.

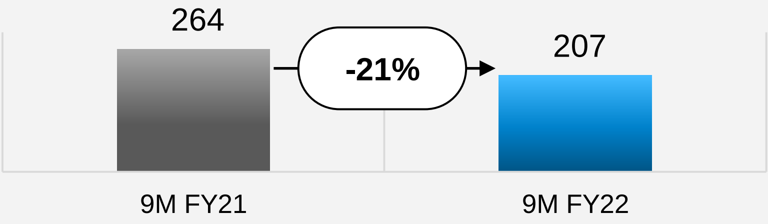
Fenesta



- Higher volumes and prices

Negative PBDIT Drivers

Sugar



- PBDIT impacted due to lower volumes.
- Sugar volumes were lower for both domestic and export.
- Higher rate of purchased molasses impacted the earnings.
- Higher sugar domestic prices and distillery prices had positive impact but was more than offset by lower volumes.

Bioseed

- Impacted by earnings from India operations due to lower volumes and inventory provisioning / write-off.

- **Last year pandemic related lockdowns and demand disruption had significant impact on earnings for Chloro-Vinyl and Fenesta business.**
- **Key input material and power & fuel costs gone up significantly YoY as well as sequentially. Higher product prices have more than mitigated the impact**

Note: *All figures in Rs. crs*

Segment Performance – 9M FY22

Rs crs	Revenues			PBIT			PBIT Margins %	
Segments	**9M FY22**	**9M FY21**	***YoY % Change***	**9M FY22**	**9M FY21**	***YoY % Change***	**9M FY22**	**9M FY21**
Chloro-Vinyl	**2454.8**	**1388.2**	***76.8***	**801.2**	**342.4**	***134.0***	***32.6***	***24.7***
Sugar	**1718.8 ***	**2363.9**	***(27.3)***	**149.5**	**208.3**	***(28.2)***	***8.7***	***8.8***
SFS	**836.8**	**793.4**	***5.5***	**133.6**	**116.7**	***14.4***	***16.0***	***14.7***
Bioseed	**345.3**	**398.4**	***(13.3)***	**(24.6)**	**44.1**	***-***	***(7.1)***	***11.1***
Fertilizer	**880.3**	**685.8**	***28.4***	**59.5**	**57.7**	***3.1***	***6.8***	***8.4***
Others	**670.2**	**529.3**	***26.6***	**29.9**	**24.8**	***20.4***	***4.5***	***4.7***
-Fenesta	375.3	242.4	*54.9*	40.8	16.8	*143.2*	***10.9***	***6.9***
-Cement	131.5	126.8	*3.6*	(15.5)	9.0	-	***(11.8)***	***7.1***
-Others	163.5	160.1	*2.1*	4.7	(1.0)	-	*2.8*	*(0.6)*
Total	**6906.3**	**6159.0**	***12.1***	**1149.1**	**794.0**	***44.7***	***16.6***	***12.9***
Less: Intersegment Revenue	74.6	41.4	*80.5*					
Less: Unallocable expenditure (Net)				100.9	116.1	*(13.1)*		
Total	**6831.6***	**6117.6**	***11.7***	**1048.2**	**678.0**	***54.6***	***15.3***	***11.1***

** Net of excise duty of Rs 145 crs on country liquor sales.*

Note: Net revenue includes operating income

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Management's Message

Commenting on the performance for the quarter and period ending December 2021, in a joint statement, Mr. Ajay Shriram, Chairman & Senior Managing Director, and Mr. Vikram Shriram, Vice Chairman & Managing Director, said:

This quarter was very challenging for our businesses. High and volatile commodity prices along with supply constraints made the operating environment very dynamic for Chloro-vinyl and Fenesta businesses. Erratic rains made supply chain management difficult for our Agri input businesses. We are glad that overall our businesses did well despite these challenges.

Chloro-Vinyl business witnessed almost unidirectional increase in input costs especially energy prices. This was led by global factors such as increase in energy demand, supply constraints due to geo-political factors and adverse weather conditions. Freight costs are also adding to the cost push. However, global product prices have responded well to the increase in Input costs. Operating environment continues to be dynamic. Chemical expansion and downstream projects are facing headwinds from commodity price increase as well as marginal delays due to 2nd and 3rd wave of Covid-19 and extensive rains.

Sugar season has started well with Cane Crush levels (till date) higher than last season. During the quarter Board has approved investments in Sugar business to the extent of Rs. 358 crs towards Sugar capacity expansion, Sugar refinery and additional Grain attachment. The 120 KLD distillery as well as the above projects are progressing as per plan. This will augur well for strengthening the business. It is important that the policy framework for the industry remains stable, for sustainability of the operating environment.

Fenesta and Shriram farm Solution are growing well. Bioseed India is facing operational pressures, we expect the business to perform well over medium term.

Our cash-flows are healthy which continue to strengthen our balance Sheet.

For the next quarter we are bracing ourselves for another challenge in terms of third wave of Covid-19 pandemic.

Segments

- Shriram Fertilizers & Chemicals, Kota - Rajasthan
- Fenesta Building Systems Bhiwadi, Chennai & Hyderabad
- Shriram Alkali & Chemicals, Bharuch-Gujarat
- Bioseed Hyderabad & Philippines
- Sugar Production units (Central UP) – Ajbapur, Rupapur, Hariawan & Loni

Distillery Units (Central UP) – Ajbapur & Hariawan

Chloro-Vinyl Businesses	Agri Businesses	Other Businesses
Caustic Soda (1,845 TPD)	Sugar (38,000 TCD)	Fenesta Building Systems (8,400 TPA)
Aluminum Chloride (60 TPD)	Co-Gen (155 MW)	Cement (400,000 TPA)
PVC Resins (220 TPD)	Distillery (350 KLD)	Polymer Compounds
Calcium carbide (112,000 TPA)	Shriram Farm Solutions	Hariyali Kisaan Bazaar
	Bioseeds	
	Fertilizers (379,500 TPA)	

The business is supported by 263 MW coal based power plant and 155 MW Co-Gen (Co-Gen included above).

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Chloro Vinyl Business

Particulars	Revenues (Rs Crs)	PBIT (Rs Crs)	Cap. Employed (Rs Crs)
Q3 FY22	**1,042.2**	**385.2**	**1,778.6**
Q3 FY21	*549.7*	*177.2*	*1,487.1*
% Shift	*89.6*	*117.4*	*19.6*
9M FY22	**2,454.8**	**801.2**	**1,778.6**
9M FY21	*1,388.2*	*342.4*	*1,487.1*
% Shift	*76.8*	*134.0*	*19.6*

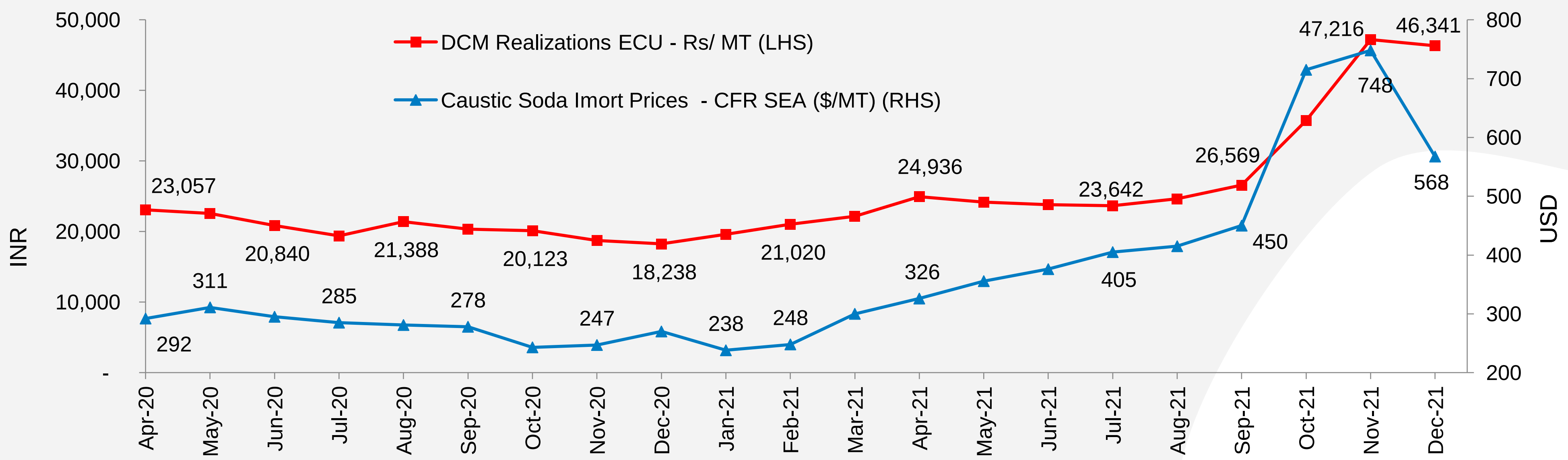
The Chloro-Vinyl business of the Company has highly integrated operations with multiple revenue streams and 225 MW captive power generation facilities. Chemicals operations are at two locations (Kota – Rajasthan and Bharuch – Gujarat), while Vinyl is at Kota only. Products includes Caustic (liquid and flakes), Chlorine, Hydrogen, Aluminum Chloride, PVC, Carbide, Stable Bleaching Powder.

Capital employed includes CWIP of Rs 417 crs at 31st Dec, 2021 vs Rs 92 crs at 31st Dec, 2020.

Chemicals

	Operational		Financial		
Particulars	**Caustic Sales (MT)**	**ECU Realizations (Rs./MT)**	**Revenues (Rs Crs)**	**PBIT (Rs Crs)**	**PBIT Margin %**
Q3 FY22	**1,43,395**	**43,011**	**738.3**	**264.6**	**35.8**
Q3 FY21	*1,32,783*	*19,040*	*342.8*	*80.8*	*23.6*
% Shift	*8.0*	*125.9*	*115.3*	*227.6*	*52.1*
9M FY22	**4,26,987**	**30,772**	**1,633.2**	**442.8**	**27.1**
9M FY21	*3,44,931*	*20,225*	*928.3*	*194.7*	*21.0*
% Shift	*23.8*	*52.1*	*75.9*	*127.4*	*29.2*

Import Caustic and DCM ECU Prices



Chemicals

Industry Overview

- Demand in India from key consuming sectors remained stable, however, Chlorine witnessed demand pressures in Q3, which are easing now
- For Q3 FY22, imports in India were 0.55 lac MT compared to 0.75 lac MT in Q3 FY21.
- For Q3 FY22, exports in India were 1.07 lac MT compared to 0.65 lac MT in Q3 FY21.

Performance Overview

- Revenues for Q3 FY22 up 115% at Rs 738 crs.
  - ECU prices up 126% YoY. Flakes prices were also up YoY. Higher prices had an impact of Rs 358 crs. During the quarter ECU prices witnessed unprecedented increase driven by global prices. Prices were up QoQ as well, higher by 73%. However, Dec’21 witnessed marginal softening of prices, avg price for the month at Rs 46,341/ MT, from high in Nov’21, where monthly avg prices were Rs 47,216/ MT.
  - Caustic volumes were up 8% YoY. Sales volumes of Hydrogen and Aluminum Chloride were also up.
- PBIT for Q3 FY22 at Rs 265 crs vs Rs 81 crs during same period last year. Earnings driven by product higher prices. Higher volumes also had positive impact on earnings. Input costs of Power witnessed significantly higher levels driven by high coal prices. Salt prices came in higher. Input cost increases were more than offset by higher product prices, leading to higher margins YoY and QoQ. Aluminum Chloride continues to face input pressures.
- Revenues for 9M FY22 up 76% YoY at Rs 1,633 crs. ECU prices up 52% YoY and volumes up 24% YoY. Q1 FY21 was impacted by lockdown due to Covid-19, resulting in loss of production leading to lower sales. Q2 & Q3 FY21 saw gradual pick up of demand.
- PBIT for 9M FY22 at Rs 443 crs vs Rs 195 crs during 9M FY21 led by higher product prices and higher volumes. Input prices and Fixed overheads came in higher, however, cost pressures were absorbed due to better prices.

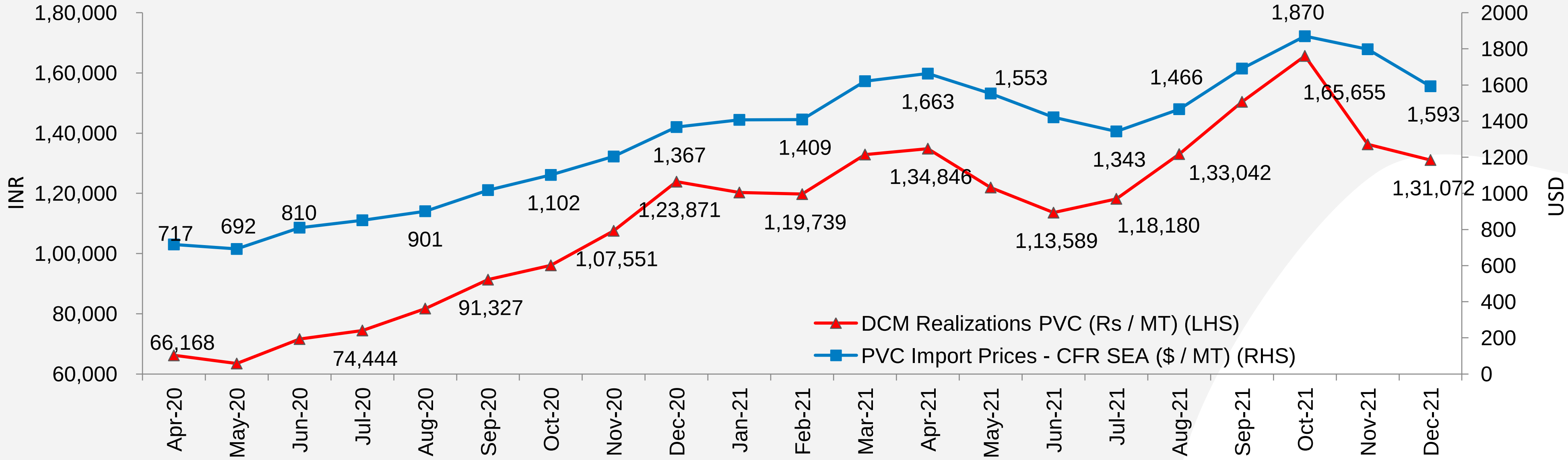
Outlook

- The various projects announced are under execution. Project costs are getting impacted given the significant rise in commodity prices. Execution may see delays of about 2-3 months, impacted by 2^{nd} and 3^{rd} wave of Covid-19 and excessive / untimely rains.
- Return on projects continues to be healthy.

Vinyl

	Operational				Financial		
Particulars	**PVC Sales (MT)**	**PVC XWR Realizations (Rs./MT)**	**Carbide Sales (MT)**	**Carbide XWR Realizations (Rs./MT)**	**Revenues (Rs Crs)**	**PBIT (Rs Crs)**	**PBIT Margin %**
Q3 FY22	**16,460**	**1,44,805**	**4,896**	**1,16,841**	**303.9**	**120.5**	**39.7**
Q3 FY21	*17,090*	*1,06,782*	*2,841*	*60,144*	*206.9*	*96.4*	*46.6*
% Shift	*(3.7)*	*35.6*	*72.3*	*94.3*	*46.9*	*25.0*	*(14.9)*
9M FY22	**50,191**	**1,34,346**	**11,739**	**1,03,386**	**821.7**	**358.5**	**43.6**
9M FY21	*44,295*	*87,697*	*9,859*	*56,831*	*459.9*	*147.6*	*32.1*
% Shift	*13.3*	*53.2*	*19.1*	*81.9*	*78.7*	*142.8*	*35.9*

Import PVC and DCM PVC Prices



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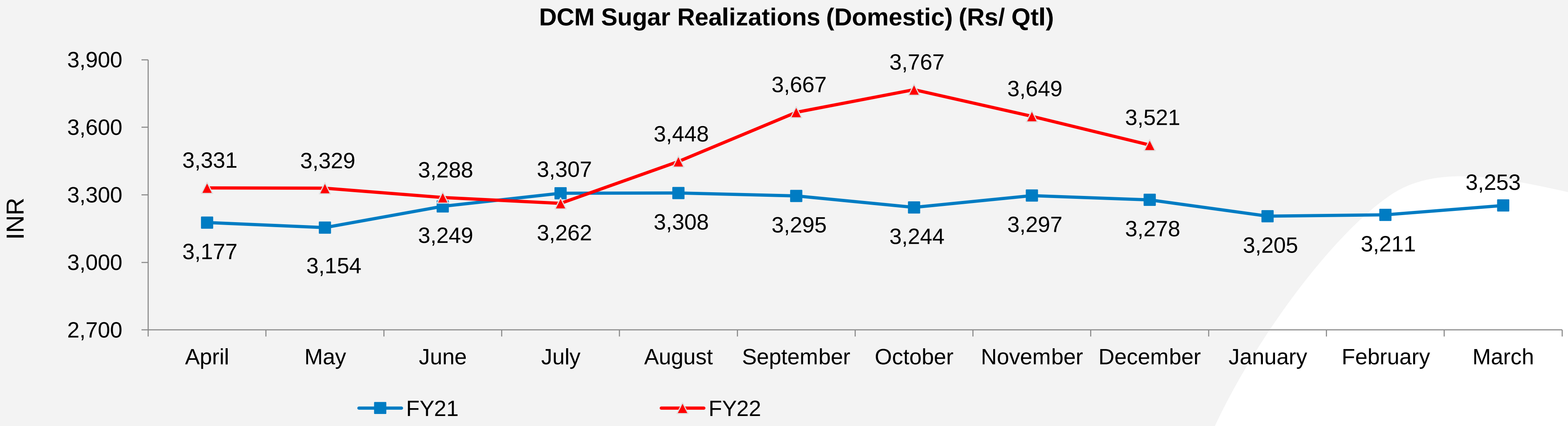
Vinyl

Performance Overview	▪ Revenue for Q3 FY22 up 47% YoY at Rs 304 crs driven by prices. o PVC prices up 36% YoY and carbide prices up 94% YoY. Domestic PVC prices reached over Rs 165,000/MT during Oct'21 and have witness some softening during Nov and Dec'21. Higher prices had an impact of Rs 91 crs. o Carbide sales volumes up 72% YoY. PVC volumes down 4% YoY for lower production of PVC due to higher payback from carbide. ▪ PBIT for Q3 FY22 up 25% YoY at Rs 121 crs driven by higher prices and carbide volumes. Input costs and power costs came in higher and had negative impact on the margins, however, were offset by higher product prices. ▪ Revenues for 9M FY22 at Rs 822 crs up 79% YoY crs driven by product prices and volumes. PVC prices up 53% YoY. Carbide prices up 82% YoY. Prices had positive impact of Rs 290 crs on revenues for the period. PVC and carbide volumes up 13% YoY and 19% YoY respectively. Volumes were impacted due to shut down induced by Covid 19 during Q1 FY21. Second wave of Covid 19 had relatively less impact on volumes during Q1 FY22. ▪ PBIT for 9M FY22 at Rs 358 crs vs Rs 148 crs during same period last year led by higher prices and volumes. PBIT was impacted due to higher input costs YoY. Sharp increase in product prices absorbed pressures due to higher input costs and led to better margins.
Outlook	▪ Higher carbon and coal prices may put pressures on margins. ▪ Domestic PVC prices continues to move with international prices.

Sugar

Particulars	Revenues (Rs Crs)	PBIT (Rs Crs)	PBIT Margin %	Cap. Employed (Rs Crs)
Q3 FY22	**565.4***	**111.9**	**19.8**	**2,215.7**
Q3 FY21	*656.5*	*97.4*	*14.8*	*2,046.1*
% Shift	*(13.9)*	*14.9*	*33.4*	*8.3*
9M FY22	**1,718.8***	**149.5**	**8.7**	**2,215.7**
9M FY21	*2,363.9*	*208.3*	*8.8*	*2,046.1*
% Shift	*(27.3)*	*(28.2)*	*(1.3)*	*8.3*

Capital employed includes CWIP of Rs 64 crs at 31st Dec, 2021 vs Rs 29 crs at 31st Dec, 2020.



* Net of excise duty on country liquor sales amounting to Rs 61 crs and Rs 145 crs for Q3 FY22 and 9M FY22 respectively..

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Sugar

Particulars	Sugar Production (Lac Qtls)	Sugar Sales (Domestic) (Lac Qtls)	Sugar (Domestic) XWR (Rs/Qtl)	Power Sales (Lac Units)	Power XWR (Rs/ unit) (Lac Units)	Distillery Sales (Lac Ltrs)	Distillery XWR - Cane Juice (Rs/ Ltrs)	Distillery XWR - B Heavy (Rs/ Ltrs)	Distillery XWR - C Heavy (Rs/ Ltrs)
Q3 FY22	**17.4**	**9.5**	**3,663**	**973**	**3.6**	**266.8**	**62.0**	**57.6**	**44.5**
Q3 FY21	*19.2*	*13.4*	*3,271*	*1,067*	*3.4*	*320.6*	-	*54.7*	*42.3*
% Shift	*(9.0)*	*(29.1)*	*12.0*	*(8.9)*	*5.1*	*(16.8)*	-	*5.3*	*5.3*
9M FY22	**21.8**	**32.1**	**3,470**	**1,281**	**3.5**	**861.3**	**62.0**	**56.5**	**44.4**
9M FY21	*31.5*	*44.5*	*3,253*	*1,790*	*3.5*	*940.2*	-	*53.1*	*42.3*
% Shift	*(30.9)*	*(27.8)*	*6.6*	*(28.4)*	*2.4*	*(8.4)*	-	*6.3*	*4.9*

*Distillery sales from cane juice and B-heavy molasses at 107 lac ltrs and 70 lac ltrs respectively for Q3 FY 22. Corresponding period last year sales were Nil and 158 lac ltrs respectively.

Industry Overview

- Total exports for SY21 stand at 7.1 Mn Tonnes. Exports contracted till date in the current season at ~4 Mn Tonnes.
- Ethanol Supply

S. No.	Particulars	UOM	SY 19-20	SY 20-21	SY 21-22
1	Total Requirement by OMCs	Cr. Ltrs.	511	458	459
2	Total Qty Contracted	"	195	354	285*
3	Total Lifting	"	182	296	36*

*till 9th January, 2022

- Average blending reached ~8.1% for SY 21. After accounting for the reduction in sugar production due to diversion of cane juice and B-molasses to ethanol, it is estimated that sugar production in the 2021-22 season will be at around 30.5 Mn Tonnes.

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Sugar

Performance Overview

- **Season update till 31st Dec'2021 :**
  - Mills started at end of Oct'21/ early Nov'21.
  - Company started to produce ethanol based on cane juice during the current season.
  - Cane crushed for SY22 is 212 lac qtls vs 203 lac qtls for SY21.
  - Recoveries on final molasses for the season stood at 10.6% (SY22) vs 10.7% (SY21).
  - Sugar diverted to cane juice and B-Heavy molasses at 4.3 lac qtls.
- Overall revenues for Q3 FY22 down 14% YoY at Rs 565 crs (net of excise duty of Rs 61 crs on country liquor sales) impacted by lower volumes.
  - Domestic sugar volumes down 29% YoY at 9.5 lac qtls, impacted revenues by Rs 131 crs. Domestic volumes are regulated by government through monthly releases which were lower YoY. Domestic sugar realizations higher 12% YoY.
  - Distillery volumes down 17% YoY at 267 lac ltrs due to maintenance shut down and lower availability of molasses. Distillery prices higher for current ethanol season. Ethanol volumes from cane juice at 107 lac ltr
- Overall PBIT for Q3 FY22 up 15% YoY at Rs 112 crs.
  - Higher domestic sugar realizations had positive impact on PBIT vis a vis last year. Higher ethanol prices also contributed to the earnings of the segment. Higher prices contributed Rs 54 crs to the earnings of the quarter.
  - Lower volumes and input costs partially neutralized the upside in the earnings.
- Revenues for 9M FY22 down 27% at Rs 1,719 crs.
  - Primarily impacted due to lower sugar volumes (by 40% YoY) having impact of Rs 719 crs. Domestic volumes lower due to lower monthly release linked to lower inventory. Export volumes lower as SY20 had higher export quota vs SY21.
  - Power volumes lower by 28% YoY primarily due to sugar season 2021 ended early vs sugar season 2020.
  - Distillery volumes lower 8% YoY due to lower availability of molasses and extended maintenance shut down.
  - Higher sugar domestic realizations and higher distillery realizations contributed to the revenues.
- PBIT for 9M FY22 lower 28% YoY at Rs 149 crs. Higher domestic sugar prices and distillery prices had positive impact, but gains were offset due to impact of lower volumes as explained above. Higher prices of purchased molasses also impacted the earnings during the present period. Previous period had a one time provision of –ve Rs 27 crs taken against state government dues under Sugar Industry, Co-Generation and Distillery Promotion Policy, 2013.
- Sugar inventory as on 31st Dec, 2021 at 20.3 lac qtls vs 20.4 lac qtls at 31st Dec, 2020.

Outlook

- Announced projects moving as per plan.
- Globally Sugar is expected to be in deficit, this should keep the prices firm.

Shriram Farm Solutions

Particulars	Revenues (Rs Crs)	PBIT (Rs Crs)	PBIT Margin %	Cap. Employed (Rs Crs)
Q3 FY22	**446.1**	**96.7**	**21.7**	**40.2**
Q3 FY21	*395.0*	*77.8*	*19.7*	*65.6*
% Shift	*13.0*	*24.3*	*10.0*	*(38.8)*
9M FY22	**836.8**	**133.6**	**16.0**	**40.2**
9M FY21	*793.4*	*116.7*	*14.7*	*65.6*
% Shift	*5.5*	*14.4*	*8.5*	*(38.8)*

The products includes Seeds, Pesticides, Soluble Fertilizer, Micro-nutrients etc. This business is seasonal in nature and the results in the quarter are not representative of annual performance

Performance Overview

- Q3 FY22 revenues up 13% YoY at Rs 446 crs primarily led by volume growth in Wheat seed and Specialty nutrition products. But for late rains, the performance could have been better.
- PBIT for Q3 FY22 up 24% YoY at Rs 97 crs led by volumes and lower provision against old inventory. Overall product margins remained stable.
- Revenues for 9M FY22 up 5% YoY at Rs 837 crs. PBIT for 9M FY22 up 14% YoY at Rs 134 crs. Earnings were driven by wheat seed and lower provisions for old inventory. Products saw stable growth across categories.

Outlook

- Expect good growth in value added inputs with enhanced focus on research based product portfolio.

Bioseed

Particulars	Revenues (Rs Crs)			PBIT (Rs Crs)	PBIT Margin %	Cap. Employed (Rs Crs)
	India	International	Total			
Q3 FY22	**52.5**	**26.9**	**79.4**	**(33.6)**	**(42.3)**	**462.2**
Q3 FY21	*64.3*	*26.5*	*90.7*	*(9.3)*	*(10.3)*	*493.9*
% Shift	*(18.3)*	*1.5*	*(12.5)*	*-*	*-*	*(6.4)*
9M FY22	**243.6**	**101.7**	**345.3**	**(24.6)**	**(7.1)**	**462.2**
9M FY21	*305.4*	*93.0*	*398.4*	*44.1*	*11.1*	*493.9*
% Shift	*(20.2)*	*9.4*	*(13.3)*	*-*	*-*	*(6.4)*

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

Performance Overview

- Q3 is a short season for India operations.
- Q3 FY22 revenues lower 13% YoY on account of India operations. International operations are stable.
    - Revenue from India operations down 18% YoY due to lower volumes.
    - Revenue from international operations marginally up 2% YoY, sales volumes stable across categories.
- Q3 FY22 PBIT impacted due to lower volumes and higher fixed expenses in India operations. Higher Inventory provisioning / write-off also affected the margins.
- 9M FY22 revenues lower 13% YoY at Rs 345 crs impacted by lower volumes in India operations. International revenues were higher 9% YoY with Paddy showing good traction. PBIT for the current period –ve, impacted by lower volumes and higher overheads in India operations. Lower margins also impacted the earnings.

Outlook

- Strong pipeline across portfolio including cotton will lead to good growth in medium term.

Fertilizers (Urea)

	Operational		Financial			
Particulars	**Sales (MT)**	**Realizations (Rs./MT)**	**Revenues (Rs Crs)**	**PBIT (Rs Crs)**	**PBIT Margin %**	**Cap. Employed (Rs Crs)**
Q3 FY22	**1,03,613**	**34,250**	**367.2**	**15.5**	**4.2**	**479.1**
Q3 FY21	*1,08,903*	*21,028*	*263.7*	*36.7*	*13.9*	*693.6*
% Shift	*(4.9)*	*62.9*	*39.2*	*(57.7)*	*(69.6)*	*(30.9)*
9M FY22	**2,81,550**	**28,824**	**880.3**	**59.5**	**6.8**	**479.1**
9M FY21	*3,12,942*	*20,031*	*685.8*	*57.7*	*8.4*	*693.6*
% Shift	*(10.0)*	*43.9*	*28.4*	*3.1*	*(19.7)*	*(30.9)*

Performance Overview

- Q3 FY22 revenues up 39% YoY at Rs 367 crs driven by higher prices. Prices up 63% YoY, due to higher energy prices, a pass through. Volumes lower 5% YoY,
- Q3 FY22 PBIT lower as Q3 FY21 revenues included Rs 19.8 crs arrears recognized for past period.
- 9M FY22 revenues higher 28% YoY at Rs 880 crs. Realizations up 44% due to higher gas prices, which is a pass through, and had an impact of Rs 249 crs on revenues. Volumes down 10% YoY. Plant operated at lower capacity due to partial break down during Q1 FY22. One time item in current period includes amount of Rs 33 crs received in Q1 FY22 for price revisions relating to previous years and last year revenues include Rs 19.8 crs as explained above.
- 9M FY22 PBIT up 3% YoY at Rs 60 crs. PBIT higher on account of net additional income of Rs 13 crs (Rs 33 crs – Rs 20 crs) due to arrears, as elaborated above. Lower volumes during the period dragged down the earnings. Subsidy outstanding as at 31st Dec, 2021 is Rs 450 crs vs Rs 624 crs as at 31st Dec, 2020.

Outlook

- Business continues to work towards improving levels of energy consumption.

Other Businesses

- The ‘Others’ Segment in the financial results, includes Cement, Fenesta Building Systems, Vinyl compounding business and Hariyali Kisaan Bazaar.

- Revenues under ‘Others’ stood at Rs 257 crs in Q3 FY22 from Rs. 215 crs in Q3 FY21. PBIT for the quarter stood at Rs. 13 crs vis-à-vis Rs. 17 crs in Q3 FY21.

Fenesta Building Systems

	Operational			Financial		
Particulars	Order Book (Rs Crs) Retail	Projects	Total	Revenues (Rs Crs)	PBIT (Rs Crs)	PBIT Margin %
Q3 FY22	**101.9**	**77.7**	**179.6**	**136.7**	**17.3**	**12.7**
Q3 FY21	*84.9*	*40.7*	*125.6*	*108.9*	*15.0*	*13.7*
% Shift	*20.0*	*91.1*	*43.0*	*25.5*	*15.9*	*(7.7)*
9M FY22	***257.1***	***202.7***	**459.7**	***375.3***	***40.8***	***10.9***
9M FY21	*191.7*	*99.2*	*290.9*	*242.4*	*16.8*	*6.9*
% Shift	*34.1*	*104.3*	*58.0*	*54.9*	*143.2*	*57.0*

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

Performance Overview

- Q3 FY22 revenues up 26% at Rs 137 crs driven by both retail as well as project segments. Revenues up 5% QoQ.
- Business have stabilized from the previous impacts of Covid, however, impact of ongoing third wave to be seen.
- Order booking up 43% YoY for Q3 FY22 driven by both retail and projects. Retail order book up 20% YoY and projects up 91% YoY.
- PBIT earnings for Q3 FY22 up 16% at Rs 17 crs.
- 9M FY22 revenues higher 55% YoY due to higher Covid 19 impact during 9M FY21. PBIT higher resulting from higher executions, however, was dragged by higher fixed costs.

Outlook

- Fenesta has been continuously focusing on improving geographical presence and also improving product offerings in both uPVC and System Aluminum segment and enhancing customer service.

Cement

	Operational		Financial		
Particulars	**Sales (MT)**	**Realizations (Rs./MT)**	**Revenues (Rs Crs)**	**PBIT (Rs Crs)**	**PBIT Margin %**
Q3 FY22	**87,336**	***3,818***	**40.0**	**(10.5)**	**(26.4)**
Q3 FY21	*1,09,569*	*3,638*	*48.4*	*3.3*	*6.8*
% Shift	*(20.3)*	*4.9*	*(17.5)*	*-*	*-*
9M FY22	**2,96,150**	***3,686***	**131.5**	**(15.5)**	**(11.8)**
9M FY21	*2,88,445*	*3,640*	*126.8*	*9.0*	*7.1*
% Shift	*2.7*	*1.3*	*3.6*	*-*	*-*

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

Performance Overview

- Q3 FY22 revenues down 18% YoY at Rs 40 crs due to lower volumes. Volumes lower 20% YoY. Lower volumes produced due to higher power & fuel prices. Prices were up 5% YoY.
- PBIT for Q3 FY22 lower due to higher fuel rate during present quarter vs Q3 FY21.
- 9M FY22 revenues up 4% YoY at Rs 131 crs. Realizations were marginally up 1% YoY. Volumes higher 3% YoY. Earnings for 9M FY22 were under pressure due to higher fuel rate during the current period.

Outlook

- Business working on enhancing efficiencies further and optimizing costs.

About Us & Investor Contacts

DCM Shriram Ltd. is an integrated business entity, with extensive and growing presence across the entire Agri value chain and 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 optimize competitive edge.

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

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