DCM Shriram Ltd.

Q2 & H1 FY18 - Results Presentation

Nov 7, 2017

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

Q2 FY'18 – Key Highlights

1. **Net Revenues** at Rs 1,605 crore vs Rs 1,366 crore over same period last year:
   a. Chemicals – Volumes were up 24% led by capacity from the expansion at Bharuch, commissioned in phases during last year. Prices have also improved. The expanded capacity operating at 90%.
   b. Sugar – Volumes were up 35% led by higher capacity utilisation in the last season
   c. Shriram Farm Solutions and Hariyali (Fuel sales) witnessed decline in revenue

2. **PBDIT stood at** Rs 306 crores vs Rs.132 crore over same period last year:
   a. Chemicals - Higher volumes and better margins led by higher prices.
   b. Sugar – Led by higher volumes
   c. Other businesses also performed better

4. **PAT** up by 88% YoY to Rs 172 crores. EPS for the quarter at Rs 10.6 up from Rs 5.6 in Q2 FY'17

5. **Gross Debt** as on Sep 30, 2017 stood at Rs. 673 crores vs. Rs 737 crore as on Sep 30, 2016. **Cash and Cash equivalents** stood at Rs.717 crore vs Rs 30 crore for the same period.

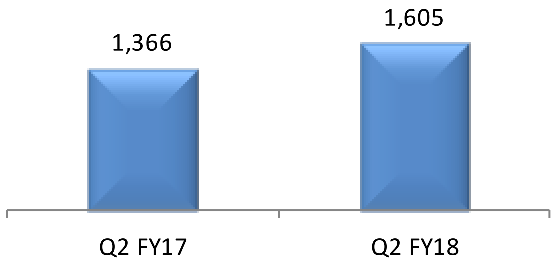
6. **Projects underway** at investment of ~Rs. 350 crore - Sugar(Distillery) to be completed by Jan'18 and Chemicals (Kota capacity expansion and Aluminum Chloride) to be completed by Q2 FY'19,

7. **New Projects** - The Board has approved following projects at a total investment of ~~Rs. 848 crore
   a. Expansion of **Sugar** Capacity (5000 TCD) incl Distillery (100 KLD) and Co-gen (34 MW) at an investment of ~Rs. 500 crs. Sugar and Co-gen to be completed by Q3' FY19 and Distillery by Q3' FY20
   b. New 66 MW **Power** plant at Kota in replacement of old 50 MW plants at an investment of ~Rs. 240 crs. Completion by Q3' FY'20
   c. Capacity expansion of **Chlor-Alkali** at Kota (84 TPD) and Bharuch (146 TPD) at an investment of ~Rs. 98 crs. Bharuch Expansion to be completed by Q1'FY '20 and Kota by Q2' FY'20

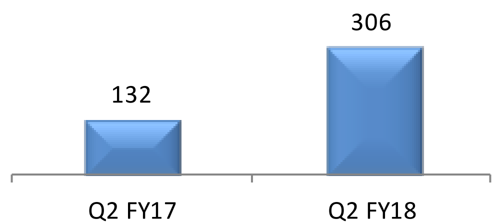
8. **Dividend** – The board has declared an interim dividend of 200% (LY: 110%) amounting to Rs 78.19 crores

Q2 FY18 – Financial Snapshot

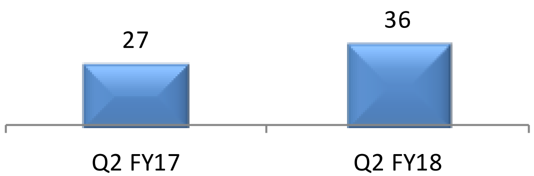
Revenue (Net)



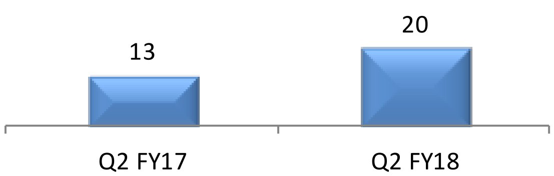
PBDIT



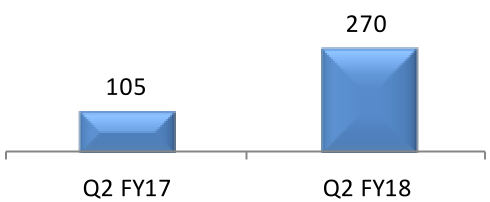
Depreciation



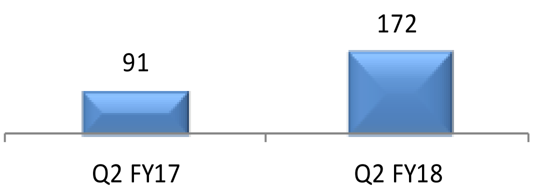
Finance Cost



PBIT



PAT



Note: All figures in Rs. Crores

Net revenue includes operating income

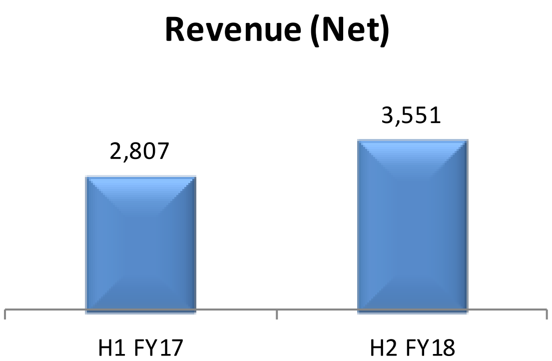
Q2 FY18 - Segment Performance

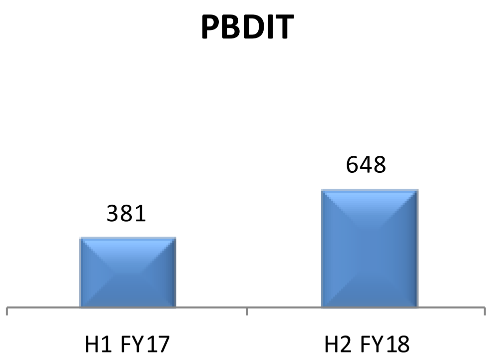
Rs. crore

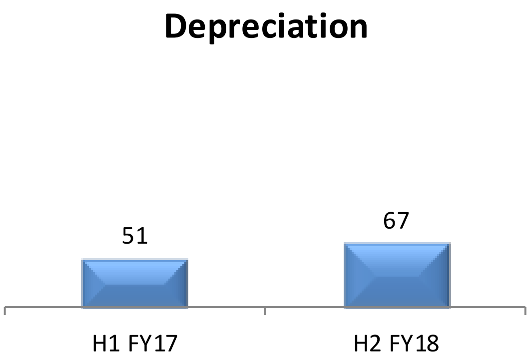
	Revenues (Net)			PBIT			PBIT Margins %	
Segments	**Q2 FY 17**	**Q2 FY 18**	***YoY % Change***	**Q2 FY 17**	**Q2 FY 18**	***YoY % Change***	**Q2 FY 17**	**Q2 FY 18**
Chloro Vinyl	**329.6**	**484.7**	***47.1***	**71.9**	**178.7**	***148.4***	***21.8***	***36.9***
Sugar	**372.7**	**516.5**	***38.6***	**62.5**	**74.1**	***18.5***	***16.8***	***14.3***
Agri Inputs	**481.8**	**428.1**	***(11.1)***	**(5.7)**	**37.8**	**-**	***(1.2)***	***8.8***
- SFS (DAP / MOP)	-9.9	0.0	-	(8.5)	(0.0)	-	*86.1*	-
- SFS (Excl. DAP / MOP)	251.8	151.7	*(39.8)*	5.4	6.8	*25.1*	*2.2*	*4.5*
- Bioseed	66.2	80.0	*20.9*	(8.1)	(2.2)	-	*(12.3)*	*(2.7)*
- Fertiliser	173.7	196.4	*13.1*	5.6	33.2	*495.7*	*3.2*	*16.9*
Others	**187.8**	**188.6**	***0.4***	**3.1**	**11.3**	**268.1**	***1.6***	***6.0***
Total	**1,371.9**	**1,618.0**	***17.9***	**131.9**	**301.9**	**128.9**	***9.6***	***18.7***
Less: Intersegment Revenue	6.1	13.3	-					
Less: Unallocable expenditure (Net)				27.2	31.7	*16.5*		
Total	**1,365.8**	**1,604.7**	***17.5***	**104.7**	**270.2**	***158.2***	***7.7***	***16.8***

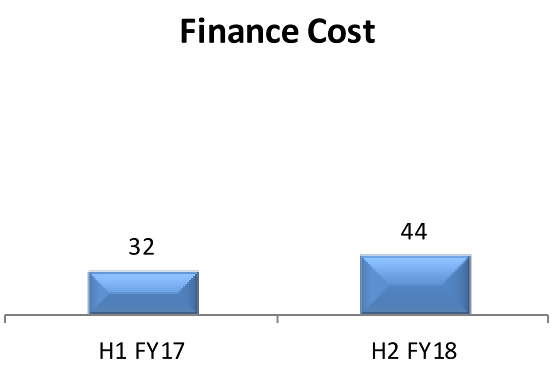
Note: Net revenue includes operating income

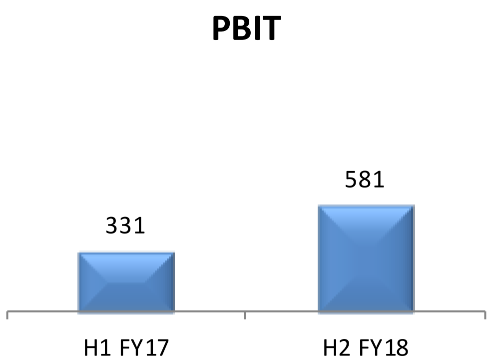
H1 FY18 – Financial Snapshot

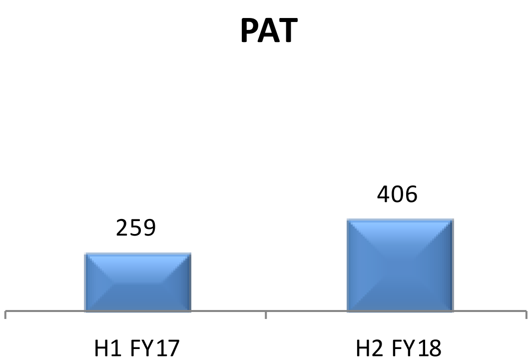












Note: All figures in Rs. Crores

Net revenue includes operating income

H1 FY18 - Segment Performance

Rs. crore

	Revenues (Net)			PBIT			PBIT Margins %	
Segments	**H1 FY'17**	**H1 FY'18**	***YoY % Change***	**H1 FY'17**	**H1 FY'18**	***YoY % Change***	**H1 FY'17**	**H1 FY'18**
Chloro Vinyl	**659.0**	**930.0**	***41.1***	**193.1**	**321.7**	***66.6***	***29.3***	***34.6***
Sugar	**632.9**	**1,142.2**	***80.5***	**94.1**	**182.2**	***93.6***	***14.9***	***16.0***
Agri Inputs	**1,219.1**	**1,179.2**	***(3.3)***	**82.9**	**128.8**	***55.3***	***6.8***	***10.9***
- SFS (DAP / MOP)	-2.5	0.0	-	(10.6)	0.0	-	-	-
- SFS (Excl. DAP / MOP)	531.2	428.4	*(19.4)*	18.5	17.4	*(5.9)*	*3.5*	*4.1*
- Bioseed	346.9	386.5	*11.4*	52.6	77.1	*46.7*	*15.1*	*20.0*
- Fertiliser	343.5	364.3	*6.0*	22.5	34.3	*52.6*	*6.5*	*9.4*
Others	**407.1**	**410.5**	***0.8***	**13.2**	**21.4**	***62.2***	***3.2***	***5.2***
Total	**2,918.2**	**3,661.9**	***25.5***	**383.3**	**654.2**	***70.7***	***13.1***	***17.9***
Less: Intersegment Revenue	110.9	111.2	*0.3*					
Less: Unallocable expenditure (Net)				52.8	73.1	*38.6*		
Total	**2,807.3**	**3,550.7**	***26.5***	**330.6**	**581.1**	***75.8***	***11.8***	***16.4***

Note: Net revenue includes operating income

Q2 FY18 - Performance Overview & Outlook

Chloro-Vinyl

- Net revenue was up 47% and earnings up 148%
- Volumes at Bharuch Chemicals complex were up by 37%, a result of the capacity expansion project that was part commissioned in Q2 FY17 (full in Q3 FY17). Plant is now operating at 90% capacity utilisation. Chemical volumes at Kota are stable.
- Chlor-Alkali prices have improved significantly over same period last year as well as sequentially
- Vinyl (PVC) is stable
- Input prices of Coal and Carbon material have risen over last year but are stable sequentially. Better efficiencies and economies of scale post completion of the expansion projects have mitigated part of the cost increases emanating from increase in Coal prices.

Outlook

- We expect to sustain / improve on ~90% capacity utilization achieved by end of Q2 FY'18, at Bharuch.
- With global energy prices rising, the Coal and Carbon material costs may start rising again.
- Projects underway - Expansion at Kota and Aluminum Chloride at Bharuch, are progressing as per plan.
- New projects: 146 TPD capacity at Bharuch to come on-stream by Q1 FY 20 and 84 TPD capacity at Kota to come onstream by Q3 FY'20.

Sugar

- Net revenue was up 39% and earnings up 18%
- Volumes during the quarter were up 35%, a result of higher capacity utilisation in Sugar season 2016-17 at 46.4 lac quintals vs 31.3 lac quintals for previous season.

Outlook

- Current season has started and all our mills have started crushing
- The 150 KLD Distillery project at Hariawan underway unit is progressing as per schedule and will be commissioned by Jan'18
- To take advantage of improving Cane availability and Industry fundamentals, Board has approved expansion at Hariawan unit, with an investment of ~Rs. 500 crs.
  - Sugar Capacity (5000 TCD) and Co-gen (34 MW) - to be completed by 3rd Quarter FY'19
  - Distillery (100 KLD) – to be completed by 3rd Quarter FY'20

Q2 FY18 - Performance Overview & Outlook

Shriram Farm Solutions

- Net revenue was lower by 37%, earnings were positive vs loss last year
- Net revenue were lower in Value added business by about 24% and in SSP 54% . Earnings were marginally better.
- Last year there was a loss in the same period due to discount passed on Channel inventory of MOP in line with price reduction announced by the government.

Outlook

- The growth in this business is expected to remain muted in the near term

Bioseed

- Net revenue was up 21% and losses lower during the quarter
- India - Q2 is an off-season for this business in India. Net revenues were up 33% at Rs. 58 crs. lead by cotton and corn, leading to lower losses
- International - Net revenue stable at Rs. 22 crore. Losses declined with improving margins

Outlook

- International business expected to further improve performance
- Company working towards research led expansion of its crop portfolio and product offerings, to provide stability and growth over medium term

Q2 FY18 - Performance Overview & Outlook

Fertilisers (Urea)

- Net revenue was up 13% and earnings up at Rs. 33 .2crs vs 5.6 crs. in the same period last year
- Sales volumes were up by 14% YoY led by higher production. Last year there was a shutdown of about 11 days
- Margins improved with better efficiencies
- There was a one time +ve impact of Rs. 14 crore on account of arrears related to freight subsidy

Outlook

- Company evaluating measures to further improve energy efficiency
- Inadequate reimbursement of conversion costs continues to adversely impact business profitability
- Position of Subsidy outstanding has improved, but tends to build up in the second half of the year

Others

Fenesta Windows

- Q2 FY 18 Net revenue increased by 35% YoY
  - Volumes in 'Retail' and 'Projects' segment up by 7.1 % and 59.1 %, respectively, vs. last year
  - Retail segment's contribution to net sales stood at 68% vs. 76% in Q2 last year
- Overall order booking down by 29.1 % YoY driven by slowdown in 'Project' segment's order booking
- Business' earnings improved due to higher revenue and margins as compared with Q2 last year

Cement

- Net revenue was lower by 4%.
- Lower revenue was a result of significantly lower volumes of traded Cement.
- Earnings improved led by higher sales of own cement that has better margins

Hariyali Kisaan Bazaar

- Revenues are from fuel sales only.
- Sale of existing land parcels proceeding slowly. Expected to take about 2-3 years

Balance Sheet Abstract (Rs. cr.)

PARTICULARS	As at 30.09.2017 Unaudited	As at 31.03.2017 Audited
ASSETS		
Non-current assets		
(a) Property, Plant and equipment	1,900.04	1,922.63
(b) Capital work -in- progress	131.42	60.28
(c) Goodwill	70.99	70.55
(d) Other Intangible assets	32.21	32.85
(e) Financial assets	77.42	84.15
(f) Deferred tax assets (net)	63.96	80.11
(g) Other non-current assets	92.09	65.98
Total- Non-current assets	**2,368.13**	**2,316.55**
Current assets		
(a) Inventories	772.73	1,615.67
(b) Financial assets		
(i) Trade receivables	942.78	1,004.46
(ii) Cash and cash equivalents	749.56	203.71
(v) Other financial assets	50.89	37.87
(c) Other current assets	240.95	272.79
Total Current assets	**2,756.91**	**3,134.50**
Assets classified as held for sale	113.43	122.83
TOTAL- ASSETS	**5,238.47**	**5,573.88**
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	32.64	32.64
(b) Other Equity	2,881.97	2,495.09
Equity attributable to shareholders of the company	**2,914.61**	**2,527.73**
Non-controlling Interest	2.25	2.08
Total Equity	**2,916.86**	**2,529.81**
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	442.46	472.20
(ii) Other financial liabilities	2.59	4.02
(b) Provisions	198.18	183.65
(c) Other non-current liabilities	0.88	0.92
Total- Non-current liabilities	**644.11**	**660.79**
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	140.97	508.29
(ii) Trade payables	919.72	1,146.45
(iii) Other financial liabilities	198.57	224.23
(b) Other current liabilities	409.41	496.06
Total Current liabilities	**1,668.67**	**2,375.03**
Liabilities associated with assets classified as held for sale	8.83	8.25
Total- Liabilities	**2,321.61**	**3,044.07**
TOTAL- EQUITY AND LIABILITIES	**5,238.47**	**5,573.88**

Net Worth increased to Rs. 2,915 crores as on Sep 30, 2017 up from Rs. 2,528 crore as on March 31, 2017

Gross Debt at Rs.673 crore vs. Rs 1074 crore as on Mar 31, 2017

Gross Debt to Equity at 0.23x as on Sep 30, 2017 vs. 0.42x as on March 31, 2017

Management's Message

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

"We are happy to report a satisfactory performance for the quarter. All our business reported better operating performance. The investments undertaken over last few years for expansion of capacity and cost optimisation also contributed to better performance.

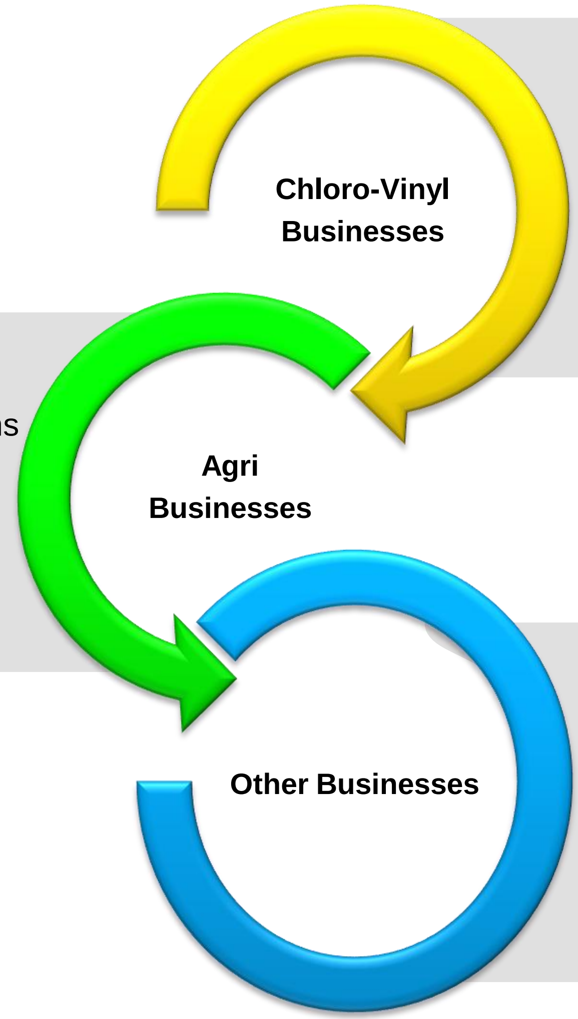
We are implementing projects involving investments of Rs. 350 crores for setting up 150 KLD Distillery, expansion of Chlor-alkali and setting up Aluminum chloride business. These will be commissioned by Q2 FY'19.

We are undertaking additional investments of ~Rs. 850 crore for capacity expansion as well as cost optimisation in our Chemicals and Sugar business including upgradation and expansion of captive Power plant at Kota. These projects will be commissioned during November'18 to September'19.

We are also taking steps to achieve sustained growth of Bioseed, Fenesta and Farm Solutions business over the medium term.

With our strong Balance Sheet and healthy cash accruals, we are confident of delivering healthy growth over medium term.

Segmental Overview



- Chemicals
- PVC Resins
- Calcium carbide
- Power

- Agri- Inputs
  - Shriram Farm Solutions
  - Bioseeds
  - Fertilisers
- Sugar

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

Chloro Vinyl Business

Particulars	Revenues (Net) (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q2 FY18	**484.7**	**178.7**	**1,038.7**
Q2 FY17	329.6	71.9	947.8
% Shift	*47.1*	*148.4*	*9.6*
H1 FY18	**930.0**	**321.7**	**1,038.7**
H1 FY17	659.0	193.1	947.8
% Shift	*41.1*	*66.6*	*9.6*

The Chloro-Vinyl business of the Company has highly integrated operations with multiple revenue streams and 143 MW captive power generation facilities. Chemicals operations are at two locations (Kota – Rajasthan and Bharuch – Gujarat), while Vinyl is at Kota only. 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 (Net) (Rs. cr.)**	**PBIT (Rs. cr.)**
Q2 FY18	**103,444**	**28,343**	**338.3**	**146.7**
Q2 FY17	83,267	22,092	204.4	51.5
% Shift	*24.2*	*28.3*	*65.5*	*185.1*
H1 FY18	***202,836***	***26,286***	***633.1***	***256.6***
H1 FY17	*153,215*	*24,043*	*403.4*	*134.3*
% Shift	*32.4*	*9.3*	*56.9*	*91.1*

Performance Overview

- Volumes at Bharuch Chemicals complex were up by 37%, a result of the capacity expansion project that was part commissioned in Q2 FY17 (full in Q3 FY17). Plant is now operating at 90% capacity utilisation. Chemical volumes at Kota are stable.
- Prices have improved significantly over same period last year as well as sequentially
- Input prices of Power have risen over last year as a result of rise in coal prices, but are stable sequentially. Better efficiencies and economies of scale post completion of the expansion projects have mitigated part of the cost increases emanating from increase in Coal prices.

Outlook

- We expect to sustain / improve on ~90% capacity utilization achieved by end of Q2 FY'18, at Bharuch.
- With global energy prices rising, the Coal costs may start rising again.
- Projects underway - Expansion at Kota and Aluminum Chloride at Bharuch, are progressing as per plan.
- New projects: 146 TPD capacity at Bharuch to come onstream by Q1 FY 20 and 84 TPD capacity at Kota to come on-stream by Q3 FY'20.

Plastics

	Operational				Financial	
Particulars	**PVC Sales (MT)**	**PVC XWR Realisations (Rs./MT)**	**Carbide Sales (MT)**	**Carbide XWR Realisations (Rs./MT)**	**Revenues (Net) (Rs. cr.)**	**PBIT (Rs. cr.)**
Q2 FY18	**15,744**	**69,795**	**8,032**	**43,787**	**146.4**	**32.0**
Q2 FY17	14,260	69,636	5,705	41,257	125.2	20.5
% Shift	*10.4*	*0.2*	*40.8*	*6.1*	*16.9*	*56.3*
H1 FY18	***31,627***	***71,469***	***14,805***	***44,216***	***296.8***	***65.1***
H1 FY17	*29,709*	*68,811*	*10,742*	*43,037*	*255.6*	*58.8*
% Shift	*6.5*	*3.9*	*37.8*	*2.7*	*16.1*	*10.8*

Performance Overview

- Volumes were higher led by higher production
- Realisations are stable
- Costs of Carbon material has been rising. Coal costs have risen YoY, however are stable QoQ

Outlook

- Domestic Prices will follow global price trends
- Coal and Carbon material prices may further rise in line with rising energy prices led by crude
- Company continues to work on improving cost efficiencies to mitigate the impact of rising input costs and maintain reasonable margins on a sustained basis

Sugar

	Operational		Financial		
Particulars	**Sales (Lac Qtls)**	**Realisations (Rs./Qtl)**	**Revenues (Net) (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q2 FY18	**13.2**	**3,724**	**516.5**	**74.1**	**476.9**
Q2 FY17	9.8	3,510	372.7	62.5	715.5
% Shift	*34.5*	*6.1*	*38.6*	*18.5*	*(33.3)*
H1 FY18	***28.9***	***3,675***	***1,142.2***	***182.2***	***476.9***
H1 FY17	*17.1*	*3,436*	*632.9*	*94.1*	*715.5*
% Shift	*69.3*	*7.0*	*80.5*	*93.6*	*(33.3)*

Performance Overview

- Net revenue was up 39% and earnings up 18%
- Volumes during the quarter were up 35%, a result of higher capacity utilisation in Sugar season 2016-17 at 46.4 lac quintals vs 31.3 lac quintals for previous season.

Outlook

- Current season has started and all our mills have started crushing
- The 150 KLD Distillery project at Hariawan underway unit is progressing as per schedule and will be commissioned by Jan'18
- To take advantage of improving Cane availability and Industry fundamentals, Board has approved expansion at Hariawan unit, with an investment of ~Rs. 500 crs.
    - Sugar Capacity (5000 TCD) and Co-gen (34 MW) - to be completed by 3rd Quarter FY'19
    - Distillery (100 KLD) – to be completed by 3rd Quarter FY'20

Agri- Input Businesses

The Agri input businesses contributed to 27% of the Company's revenues during Q2 FY 18. 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 (Net) (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q2 FY18	**151.7**	**6.8**	**347.5**
Q2 FY17	241.9	-3.1	456.5
% Shift	*(37.3)*	-	*(23.9)*
H1 FY18	**428.4**	**17.4**	**347.5**
H1 FY17	528.6	7.9	456.5
% Shift	*(19.0)*	*120.2*	*(23.9)*

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

Performance Overview

- Net revenue was lower by 37%, earnings were positive vs loss last year
- Net revenue were lower in Value added business by about 24% and in SSP 54% . Earnings were marginally better.
- Last year there was a loss in the same period due to discount passed on Channel inventory of MOP in line with price reduction announced by the government.

Outlook

- The growth in this business is expected to remain muted in the near term

Bioseed

Particulars	Revenues (Net) (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q2 FY18	**80.0**	**(2.2)**	**491.0**
Q2 FY17	66.2	(8.1)	441.7
% Shift	*20.9*	-	*11.2*
H1 FY18	**386.5**	**77.1**	**491.0**
H1 FY17	346.9	52.6	441.7
% Shift	*11.4*	*46.7*	*11.2*

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 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

- Net revenue was up 21% and losses lower during the quarter
- India - Q2 is an off-season for this business in India. Net revenues were up 33% at Rs. 58 crs. lead by cotton and corn, leading to lower losses
- International - Net revenue stable at Rs. 22 crore. Losses declined with improving margins

Outlook

- International business expected to further improve performance
- Company working towards research led expansion of its crop portfolio and product offerings, to provide stability and growth over medium term

Fertilisers (Urea)

	Operational		Financial		
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Net) (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q2 FY18	**106,340**	**18,117**	**196.4**	**33.2**	**340.9**
Q2 FY17	93,169	17,746	173.7	5.6	209.4
% Shift	*14.1*	*2.1*	*13.1*	*495.7*	*62.8*
H1 FY18	***195,113***	***18,285***	***364.3***	***34.3***	***340.9***
H1 FY17	*189,790*	*16,964*	*343.5*	*22.5*	*209.4*
% Shift	*2.8*	*7.8*	*6.0*	*52.6*	*62.8*

Performance Overview

- Net revenue was up 13% and earnings up at Rs. 33 .2crs vs 5.6 crs. in the same period last year
- Sales volumes were up by 14% YoY led by higher production. Last year there was a shutdown of about 11 days
- Margins improved with better efficiencies
- There was a one time +ve impact of Rs. 14 crore on account of arrears related to freight subsidy

Outlook

- FertCompany evaluating measures to further improve energy efficiency
- Inadequate reimbursement of conversion costs continues to adversely impact business profitability
- Position of Subsidy outstanding has improved, but tends to build up in the second half of the year

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 189 crores in the quarter under review compared to Rs. 188 crores in Q2 FY 17. PBIT for the quarter stood at Rs. 11.3 crores vis-à-vis Rs. 3.1 crores in Q2 FY 17.

Fenesta Building Systems

Particulars	Operational Order Book (Rs cr.)	Financial Revenues (Net) (Rs. cr.)
Q2 FY18	**94.0**	**85.1**
Q2 FY17	132.1	62.9
% Shift	*(28.8)*	*35.3*
H1 FY18	***170.4***	***162.3***
H1 FY17	*213.7*	*123.2*
% Shift	*(20.3)*	*31.7*

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

Performance Overview

- Q2 FY 18 Net revenue increased by 35% YoY
  - Volumes in 'Retail' and 'Projects' segment up by 7.1 % and 59.1 %, respectively, vs. last year
  - Retail segment's contribution to net sales stood at 68% vs. 76% in Q2 last year
- Overall order booking down by 29.1 % YoY driven by slowdown in 'Project' segment's order booking
- Business' earnings improved due to higher revenue and margins as compared with Q2 last year

Outlook

- In 'Retail', our strategic focus area is to provide exceptional customer experience along with enhancing sales volumes and offering comprehensive product portfolio
- In 'Projects' our focus is on establishing relationship with key accounts and continue to achieve profitable 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.)**
Q2 FY18	**111,058**	***3,017***	**44.6**	**3.4**
Q2 FY17	115,489	3,345	46.3	0.5
% Shift	*(3.8)*	*-9.8*	*-3.8*	-
H1 FY18	***238,555***	***3,153***	***94.1***	***8.5***
H1 FY17	*263,964*	*3,297*	*102.4*	*8.0*
% Shift	*(9.6)*	*-4.4*	*-8.1*	*6.6*

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

- Net revenue was lower by 4 %.
- Lower revenue was a result of significantly lower volumes of traded Cement.
- Earnings improved led by higher sales of own cement that has better margins

Outlook

- Demand is expected to pick-up on increase in Govt. spending towards building up rural infrastructure (mainly Roads/Highways and Urban Infra) and expectation of normal monsoons this year
- The business is focused on further improving its efficiencies and optimizing its cost structure along product mix for generating higher returns

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 optimise 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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