



DCM Shriram Ltd.

Q3 & 9M FY21 - Results Presentation

January 19, 2021



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.

All figures are consolidated unless otherwise mentioned.

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1. Revenues for Q3 FY21 at Rs 2,159 crs down 2% vs Q3 FY20:

❑ The revenues were positively impacted by:

- Vinyl Business revenue stood at Rs 207 crs up 41% YoY, driven by PVC prices up 49% and volumes up 11%.
- Shriram farm solutions (SFS) Value added product business revenues were at Rs 395 crs up 28% YoY, driven by product categories across value added vertical, primarily Seeds.
- Fenesta Business has witnessed a 17% improvement in Q3 (at Rs 109 crs) vs Q2 FY21.

❑ The revenues were negatively impacted by:

- Overall sugar business revenues down 14% YoY at Rs 657 crs impacted by:
 - Lower exports ~Rs 233 crs due to late announcement of export policy. Exports will reflect in subsequent quarters. Domestic sugar volumes up 6% YoY.
 - Higher Distillery volumes by 148% YoY, added Rs. 100 crs. to revenue. Second Distillery of 200 KLD capacity commissioned Q3 FY20 led to higher volume YoY.
- Chemicals revenues down 13% YoY due to lower prices. ECU prices down 21% YoY. Lower prices had –ve impact of approx Rs 50 crs. Prices were down 7% in Q3 vs Q2 FY21.

2. PBDIT for Q3 FY21 at Rs 421 crs up 30% vs Q3 FY20.

- ❑ Overall sugar PBDIT up 16% YoY (excluding inventory valuation charge of Rs.18 crs) at Rs 135 crs. Earnings were driven by distillery.
- ❑ Plastics PBDIT at Rs 101 crs vs Rs 30 crs driven by higher PVC Prices and volumes.
- ❑ SFS profits up 24% at Rs 78 crs led by higher revenue in value added vertical, primarily Seeds.

- ❑ 66MW power plant commissioned in Feb'20 has significantly enhanced savings.
 - ❑ Chemicals PBDIT at Rs 98 crs down 21% YoY due to lower ECU prices.
 - ❑ Fertilizer PBDIT at Rs 39 crs vs Rs 17 crs during same period last year. Current quarter includes Rs 20 crs Govt arrears post price notification received in Q3' FY 21 for FY 18-19.
- 3. PAT for Q3 FY21 at Rs 253 crs up 44% vs Q3 FY20.**
- 4. Sugar Season Updates:**
- ❑ Mills started in first week of November' 2020.
 - ❑ Cane crushed till 31st December, 2020 (SY21) is 203.3 lac qtls vs 190.0 lac qtls in corresponding period.
 - ❑ Recoveries, on final molasses, till 31st December, 2020 (SY21) is 10.7% vs 11.2% till 31st December, 2019 (SY20).
 - ❑ Contracted exports of 12.5 lac qtls for SY21.
- 5. Net Debt** at 31st December, 2020 stood at Rs 385 crs vs Rs 971 crs at 31st December, 2019 vs Rs 242 crs at 30th September, 2020.
- 6. ROCE** came in at 17.1% for Q3 FY21 from 15.1% for Q2 FY21. ROCE improved in Q3 vs Q2 FY21, with better performance in Vinyl, Sugar and SFS businesses.
- 7. Interim Dividend** declared by Board at 275% amounting to Rs 85.8 crs.
- 8. Credit rating** was reaffirmed by Crisil at A1+. (Rating with ICRA is at 'AA' long term and 'A1+' Short term).

1. Under implementation :

- ❑ To optimize the cost structure at Bharuch, the company started work on 120 MW new power plant at Bharuch in Q2 FY20, It is progressing as per plan.
- ❑ The plan for implementation of 700 TPD Caustic Soda plant and 500 TPD flaker will be taken in due course.

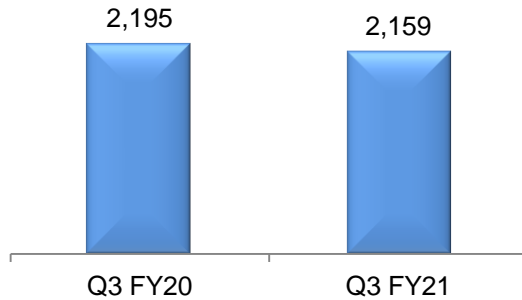
2. The Company has announced following new projects in Chemicals business at an investment of Rs. 1,000 crs, to be implemented over a period of next 24 months:

- ❑ Epichlorohydrine (ECH) with a capacity of 51000 TPA along with Glycerine purification facility
- ❑ Hydrogen peroxide (H₂O₂) at a capacity of 52500 TPA
- ❑ Expansion of Anhydrous Aluminum Chloride with a capacity of 32850 TPA
- ❑ Multipurpose Product Research & Development Center

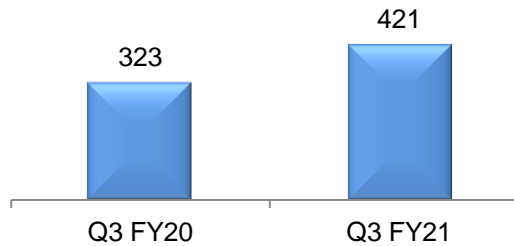
The objective of these projects is to enter into down stream Chemicals, linked to our Chlor-alkali business. The Multipurpose Product Research & Development Center is being set up to enable forward integration of existing products and new products i.e. ECH and H₂O₂. This will also as set up our base for other value added chemicals going forward.

Q3 FY21 - Financial Snapshot

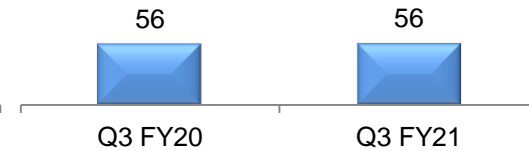
Revenue (Net)



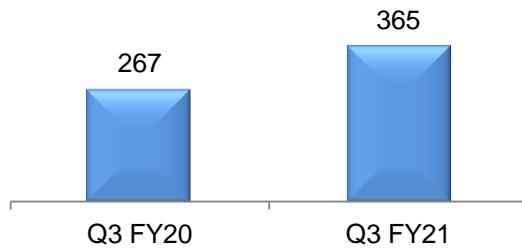
PBDIT



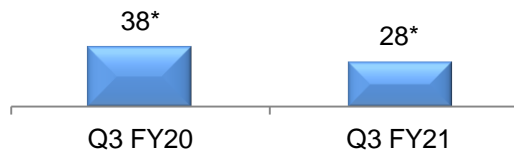
Depreciation



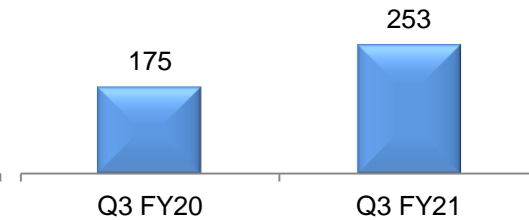
PBIT



Finance Cost



PAT



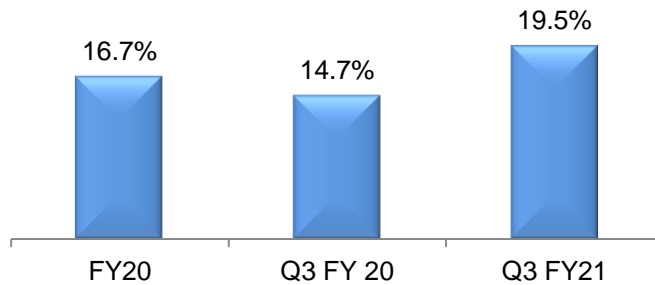
***Net Finance cost for Q3 FY21 at Rs 13.5 crs, for Q3 FY20 at Rs 8.6 crs.**

Note: All figures in Rs. crs

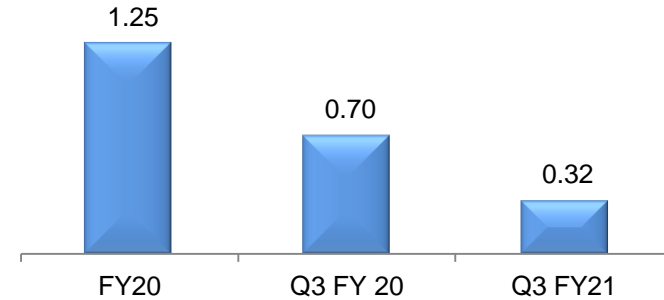
Net revenue includes operating income

Q3 FY21 - Returns & Leverage

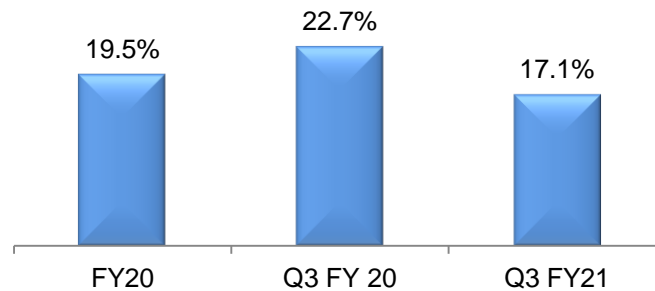
PBDIT to Net Sales



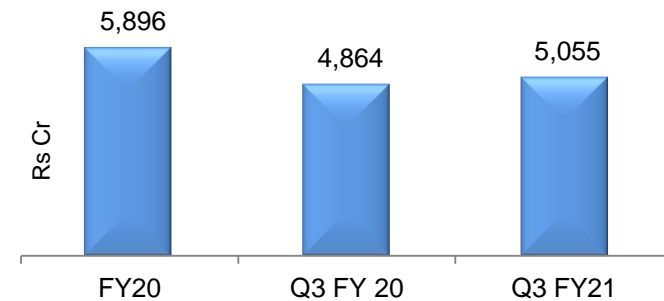
Net Debt/ EBITDA



ROCE



Capital Employed



Note :

ROCE and Net Debt/ EBITDA Calculated on TTM basis

ROCE calculated on average of quarter end capital employed for last 4 quarters.

Capital Employed excludes CWIP and Liquid Investments.

Q3 FY21 - Segment Performance

Rs crs

Segments	Revenues			PBIT			PBIT Margins %	
	Q3 FY21	Q3 FY20	YoY % Change	Q3 FY21	Q3 FY20	YoY % Change	Q3 FY21	Q3 FY20
Chemicals	342.8	392.3	(12.6)	80.8	104.5	(22.7)	23.6	26.6
Plastics	206.9	146.6	41.1	96.4	27.1	255.4	46.6	18.5
Sugar	656.5	762.2	(13.9)	97.4	96.7	0.7	14.8	12.7
SFS	395.0	331.4	19.2	77.8	62.8	23.9	19.7	18.9
Bioseed	90.7	82.6	9.8	(9.3)	(9.4)	-	(10.3)	(11.3)
Fertiliser	263.7	274.4	(3.9)	36.7	13.8	166.4	13.9	5.0
Others	214.8	214.7	0.1	17.2	8.2	110.6	8.0	3.8
-Fenesta	108.9	107.3	1.5	15.0	13.5	10.9	13.7	12.6
-Cement	48.4	44.6	8.6	3.3	(5.3)	-	6.8	(11.9)
-Hariyali Kisaan Bazaar & others	57.4	62.8	(8.6)	(1.0)	(0.0)	-	(1.8)	(0.0)
Total	2,170.4	2,204.2	(1.5)	397.1	303.8	30.7	18.3	13.8
Less: Intersegment Revenue	11.6	9.7	20.5					
Less: Unallocable expenditure (Net)				31.9	36.4	(12.4)		
Total	2,158.7	2,194.6	(1.6)	365.2	267.4	36.6	16.9	12.2

Note: Net revenue includes operating income

1. Revenues for 9M FY21 at Rs 6,118 crs up 5% vs 9M FY20.

- ❑ Overall sugar business revenues up 40% YoY at Rs 2,364 crs driven by sugar and distillery volumes:
 - Sugar volumes up 25% YoY. Domestic volumes at 44.5 lac qtls up 25% and export volumes at 10.1 lac qtls up 24%. This is despite delay in announcement of export policy for the current season
 - Distillery volumes up 141% YoY at 940 lac ltrs. Ajbapur Distillery commissioned in Q3 FY20 added 524 lac ltrs.
- ❑ SFS revenues up 15% at Rs 793 crs driven by growth across the product categories in Value added segment.
- ❑ PVC revenues up 9% YoY at Rs 460 crs driven by prices. PVC prices up 22% YoY and volumes were lower by 1% YoY. Lower volumes of PVC were impacted by shut down in Q1 due to pandemic. Sequentially, the average capacity utilization has gone up from 44% in Q1 FY21 to 94% in Q2 to 96% in Q3 FY21.
- ❑ Chemicals revenues down 32% at Rs 928 crs due to lower prices and volumes. ECU prices lower 30% YoY. Volumes down 15% YoY impacted by Covid 19. Lower volumes and lower prices had an impact of Rs 200 crs and Rs 242 crs respectively. Sequentially, the average capacity utilization has gone up from 51% in Q1 FY21 to 78% in Q2 to 79% in Q3 FY21.
- ❑ Fenesta revenues down 28% YoY at Rs 242 crs impacted by pandemic due to nature of the business, majority of this impact came in Q1 this year. Business has seen recovery with increase in economic activity. Sequential average capacity utilization increased from 37% in Q1 to 81% in Q2 to 91% in Q3 FY21. Overall order booking up 16% YoY for Q3 FY21 (6% up vs Q2 FY21).

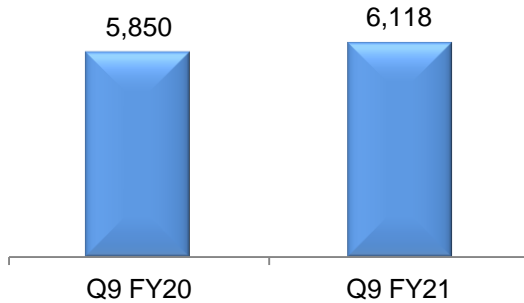
2. PBDIT for 9M FY21 at Rs 853 crs down 9% vs 9M FY20.

- ❑ Chemicals PBDIT at Rs 253 crs down 54% YoY due to lower prices and volumes.
- ❑ Plastics PBDIT at Rs 160 crs up 87% YoY due to higher prices and lower power costs.
- ❑ Commissioning of new power plant of 66 MW to replace old plant led to energy savings.
- ❑ Overall sugar PBDIT up 9% YoY at Rs 264 crs driven by sugar and distillery volumes. But for the onetime items such as Provision of ~Rs. 27 crs. in Q2 FY'21 against government dues under SIPP 2013 policy and inventory valuation charge of Rs 18 crs in Q3 FY'21 the profit would have been Rs. 310 crs.
- ❑ SFS PBDIT at Rs 117 crs up 53% YoY. Growth across product categories in value added segment. Focus on value added segment is yielding sustained results.
- ❑ Fertilizer PBDIT at Rs 66 crs vs Rs 15 crs during same period last year due to shut down impact (April'19) leading to lower volumes and shut down costs and onetime impact due to price notification related to FY18-19 in Q3 FY'21.
- ❑ Fenesta PBDIT at Rs 27 crs down 54% YoY impacted by pandemic. The business is witnessing reasonable recovery on YoY basis.

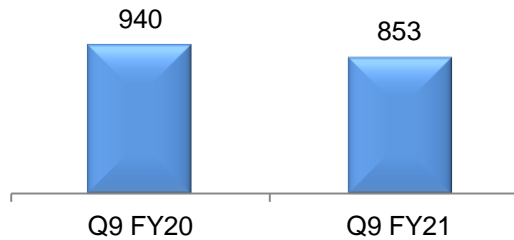
3. PAT for 9M FY21 at Rs 442 crs vs Rs 515 crs during 9M FY20.

9M FY21 - Financial Snapshot

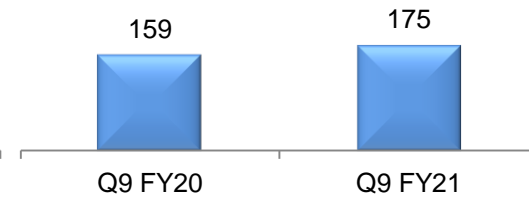
Revenue (Net)



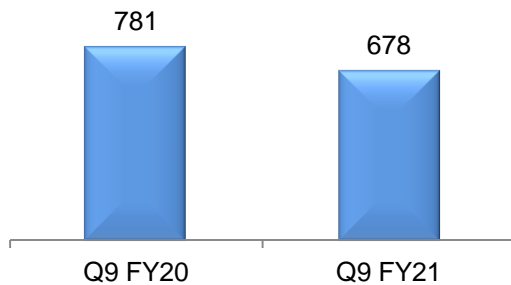
PBDIT



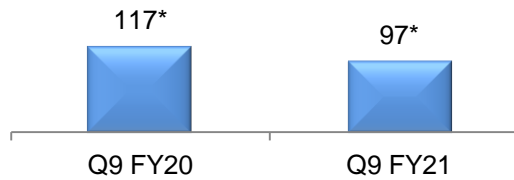
Depreciation



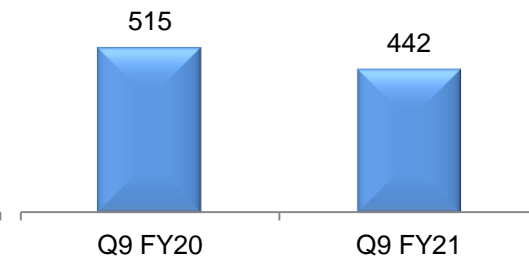
PBIT



Finance Cost



PAT



***Net Finance cost for 9M FY21 at Rs 50.6 crs, for 9M FY20 at Rs 43.4 crs.**

Note: All figures in Rs. crs

Net revenue includes operating income

9M FY21 - Segment Performance

Rs crs

Segments	Revenues			PBIT			PBIT Margins %	
	Q9 FY21	Q9 FY20	YoY % Change	Q9 FY21	Q9 FY20	YoY % Change	Q9 FY21	Q9 FY20
Chemicals	928.3	1,370.8	(32.3)	194.7	494.2	(60.6)	21.0	36.0
Plastics	459.9	423.1	8.7	147.6	76.8	92.3	32.1	18.1
Sugar	2,363.9	1,683.2	40.4	208.3	196.1	6.2	8.8	11.7
SFS	793.4	687.8	15.4	116.7	75.7	54.2	14.7	11.0
Bioseed	398.4	370.5	7.5	44.1	25.7	71.8	11.1	6.9
Fertiliser	685.8	716.2	(4.2)	57.7	6.4	804.7	8.4	0.9
Others	529.3	648.6	(18.4)	24.8	51.9	(52.2)	4.7	8.0
-Fenesta	242.4	334.3	(27.5)	16.8	49.6	(66.2)	6.9	14.8
-Cement	126.8	132.3	(4.1)	9.0	1.9	386.0	7.1	1.4
-Hariyali Kisaan Bazaar & others	160.1	182.0	(12.0)	(1.0)	0.5	-	(0.6)	0.3
Total	6,159.0	5,900.3	4.4	794.0	926.7	(14.3)	12.9	15.7
Less: Intersegment Revenue	41.4	50.4	(18.0)					
Less: Unallocable expenditure (Net)				116.1	145.6	(20.3)		
Total	6,117.6	5,849.9	4.6	678.0	781.2	(13.2)	11.1	13.4

Note: Net revenue includes operating income

Commenting on the performance for the quarter and 9M ending December 2020, in a joint statement, Mr. Ajay Shriram, Chairman & Senior Managing Director, and Mr. Vikram Shriram, Vice Chairman & Managing Director, said:

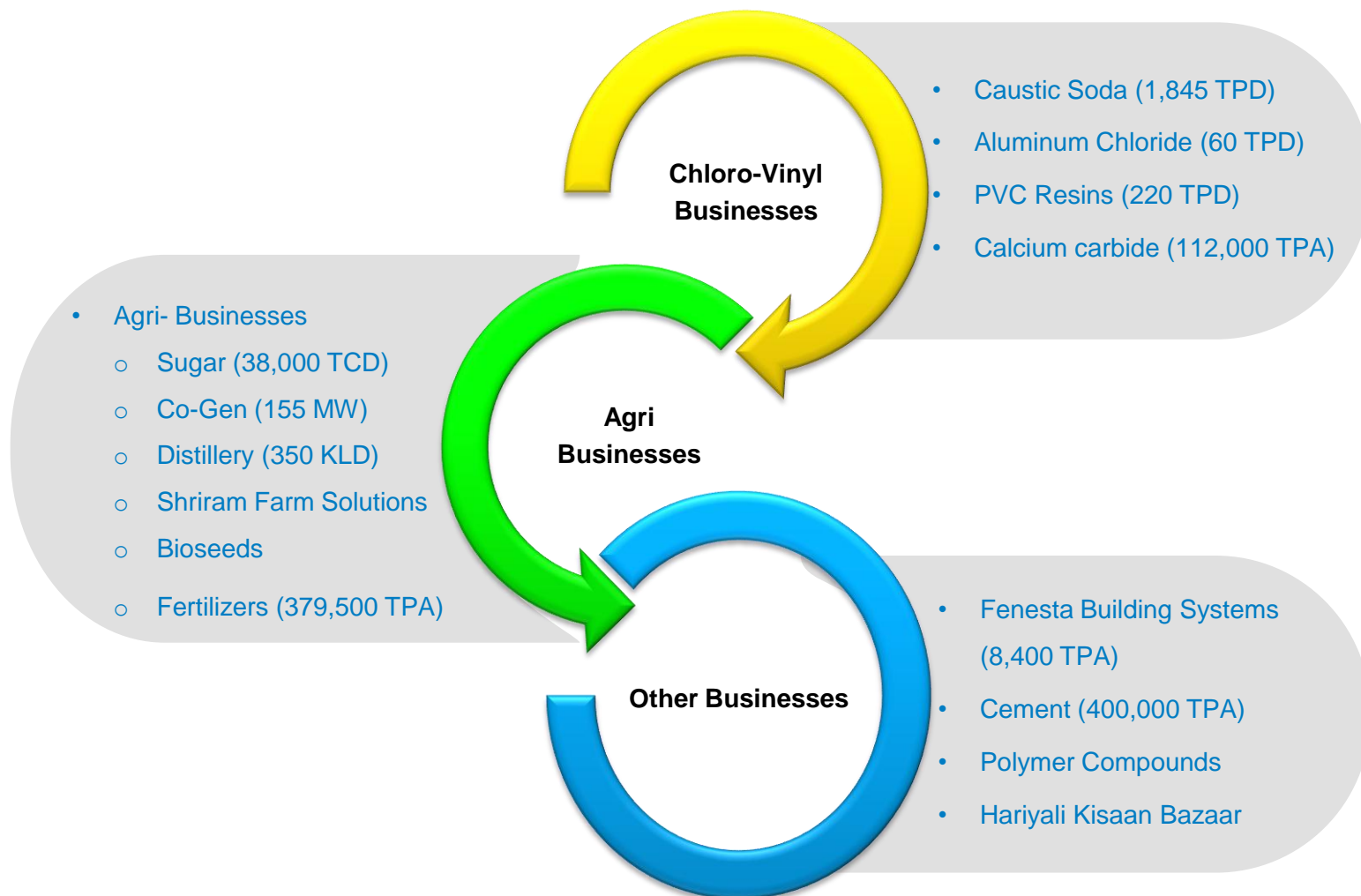
“ The Company has witnessed a sequential improvement in its quarterly performance as the challenges posed by Covid-19 reduced. This quarter has been particularly robust wherein almost all are businesses operated at normal levels.

Given our resilient performance in last nine months, our balance sheet strength, stable free cash-flows and the improvement in economic environment, the board has approved investment in Chemical downstream products of Epichlorohydrine, Hydrogen Peroxide and expansion of Aluminum Chloride. Further, it has also approved setting up a research and development center for Chemicals business to enable forward integration of current & pipeline products as well as to develop other value added chemical products. These steps augur well for growth and strengthening of our Chemicals business.

Chlor-alkali business continues to face headwinds of supply being in excess of demand leading to subdued prices. Our efforts on cost optimization in the past and going forward will ensure reasonable margins and competitiveness. 120 MW Coal based Power plant at Bharuch is under implementation and 66 MW plant at Kota was implemented last year, these are significant steps in this direction. Going forward chlorine utilization (partly) in ECH will further strengthen the business.

Sugar business will utilize Ajbapur distillery for full current season, which along with better ethanol prices will help in partly offsetting the impact of lower sugar cane recovery.

Shriram farm solutions, Bioseed and Fenesta are focusing on expanding the product portfolio and market development activities which will enable them to enhance their growth momentum.”



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

Chloro Vinyl Business

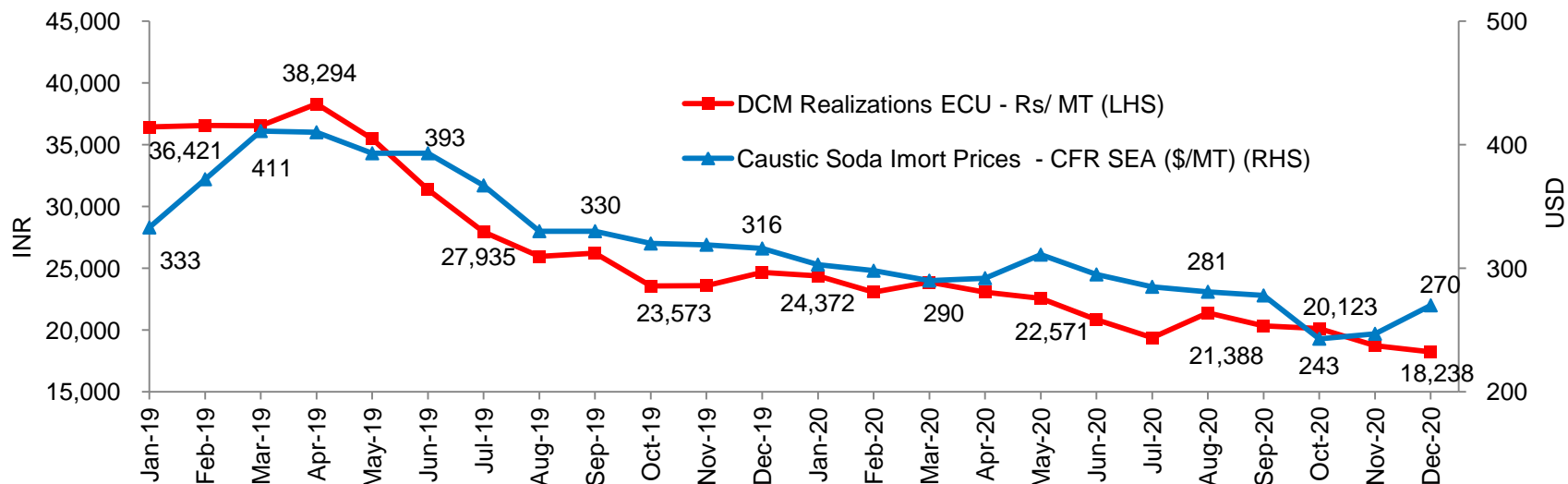
Particulars	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	Cap. Employed (Rs. Cr.)
Q3 FY21	549.7	177.2	1,487.1
Q3 FY20	539.0	131.6	1,520.4
% Shift	2.0	34.6	(2.2)
Q9 FY21	1,388.2	342.4	1,487.1
Q9 FY20	1,793.9	570.9	1,520.4
% Shift	(22.6)	(40.0)	(2.2)

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 92 crs at 31st December, 2020 vs Rs 245 crs at 31st December, 2019.

Particulars	Operational		Financial		
	Caustic Sales (MT)	ECU Realisations (Rs./MT)	Revenues (Rs Cr.)	PBIT (Rs. Cr.)	PBIT Margin %
Q3 FY21	132,784	19,040	342.8	80.8	23.6
Q3 FY20	134,020	23,954	392.3	104.5	26.6
% Shift	(0.9)	(20.5)	(12.6)	(22.7)	(11.5)
Q9 FY21	344,932	20,225	928.3	194.7	21.0
Q9 FY20	405,687	28,689	1,370.8	494.2	36.0
% Shift	(15.0)	(29.5)	(32.3)	(60.6)	(41.8)

Import Caustic and DCM ECU Prices



Industry Overview

- During Q3 2020-21, caustic soda (flakes+lye) imports were 0.75 lac MT compared to 1.07 of CPLY.
- During Q3 2020-21, caustic soda (flakes+lye) exports from India were 0.65 lac MT compared to 0.82 lac MT in CPLY.
- Average industry utilization was ~80% in west zone and ~70% in north zone.
- Caustic soda demand from key consuming sectors such as pulp and paper has improved up to ~80% levels. While demand for printing and writing paper has improved, it is still weak considering schools and colleges remained closed. For textiles, it has recovered almost fully.

Performance Overview

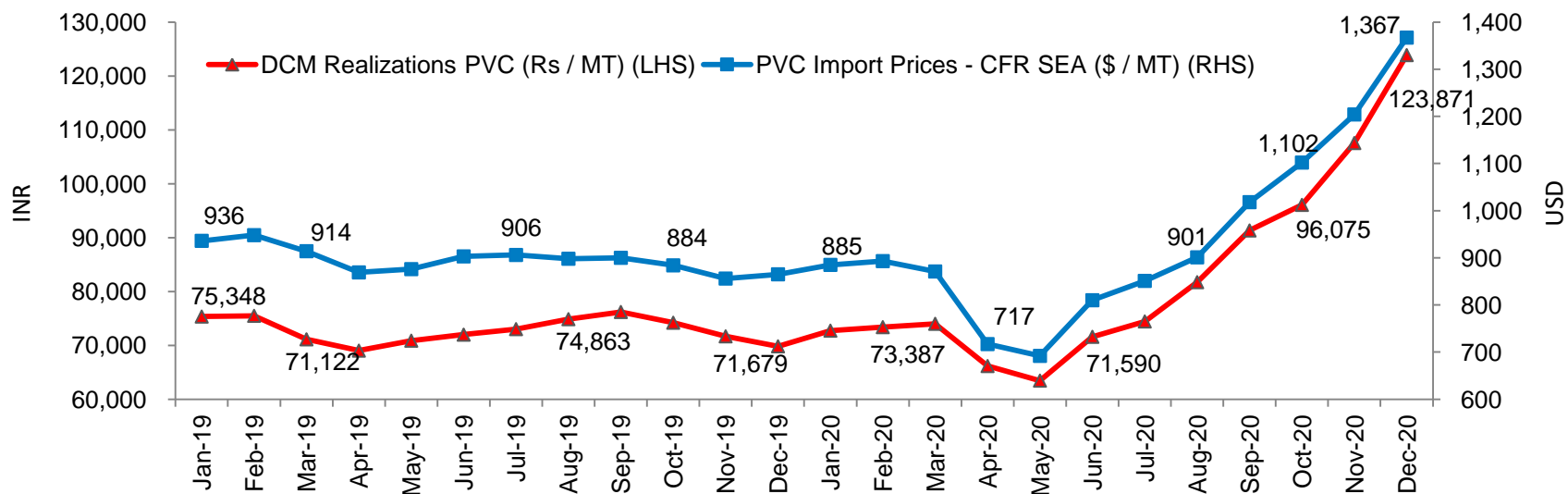
- Revenues for Q3 FY21 at Rs 343 crs down 13% YoY due to lower ECU prices down 21% YoY. ECU prices down 7% QoQ. Caustic soda flakes also saw decline in prices. Lower prices had -ve impact of approx Rs. 50 crs.
- Volumes for the quarter remained at similar levels YoY (down 1% YoY), however, saw marginal improvement of 2% QoQ. Utilization levels reached ~82% in Dec'20. For the quarter utilization levels were 79% (vs 78% for Q2 FY21).
- PBIT for Q3 FY21 at Rs 81 crs down 23% YoY. Power costs came in lower, however, impact was negated by lower margins due to lower ECU and flakes prices.
- Revenues for 9M FY21 at Rs 928 crs down 32% YoY on account of lower ECU and caustic soda flakes prices and lower volumes. ECU prices lower 30% YoY. Volumes down 15% YoY impacted by Covid 19 in Q1 which had adverse impact on operations and demand from consuming sectors. Lower volumes and lower prices had an impact of Rs 200 crs and Rs 242 crs respectively.
- PBIT for 9MFY21 at Rs 195 crs lower 61% YoY impacted by lower prices and lower volumes.

Outlook

- Demand is expected to pick up further as economy activity increase gradually
- The current project of 120 MW power plant with the objective of 120 MW power plant is underway.
- Company announced its foray into down stream Chemicals

Particulars	Operational				Financial		
	PVC Sales (MT)	PVC XWR Realisations (Rs./MT)	Carbide Sales (MT)	Carbide XWR Realisations (Rs./MT)	Revenues (Rs Cr.)	PBIT (Rs. Cr.)	PBIT Margin %
Q3 FY21	17,090	106,782	2,841	60,143	206.9	96.4	46.6
Q3 FY20	15,396	71,800	5,657	52,804	146.6	27.1	18.5
% Shift	11.0	48.7	(49.8)	13.9	41.1	255.4	151.9
Q9 FY21	44,295	87,777	9,859	56,831	459.9	147.6	32.1
Q9 FY20	44,654	72,190	15,767	54,949	423.1	76.8	18.1
% Shift	(0.8)	21.6	(37.5)	3.4	8.7	92.3	76.9

Import PVC and DCM PVC Prices



Performance Overview

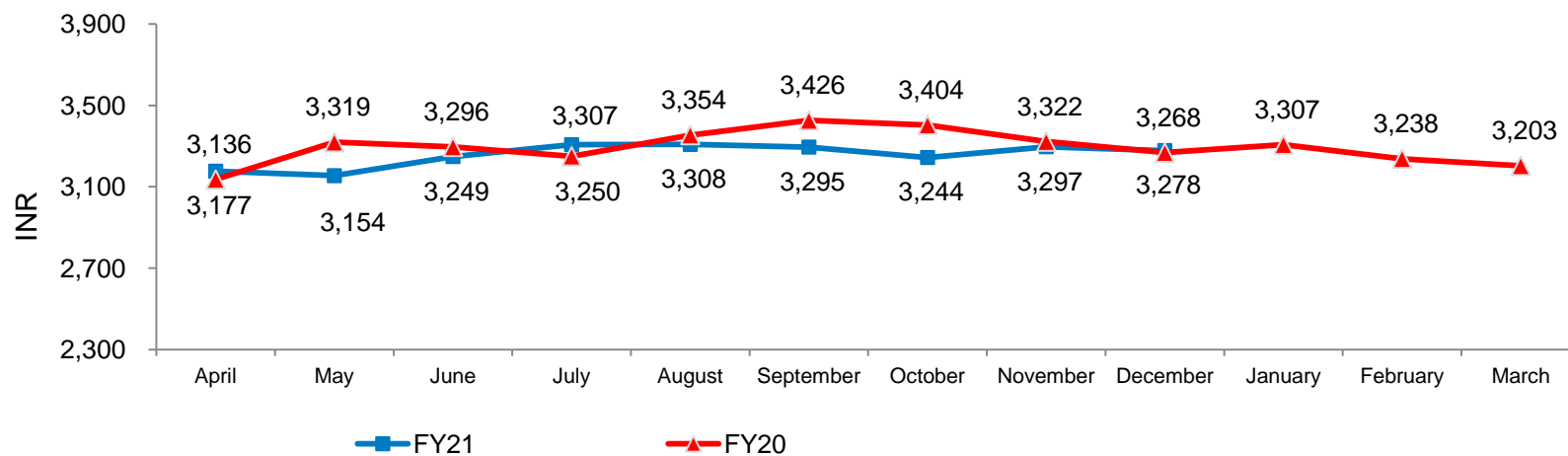
- Revenue for Q3 FY21 at Rs 207 crs up 41% YoY.
- PVC volumes up 11% YoY and carbide volumes down 50% YoY. Carbide volumes lower primarily on account of higher production of PVC due to better prices. PVC prices up 49% YoY. Carbide prices up 14% YoY. PVC prices continue with a positive trend in line with international prices. Plant continues to operate at normal levels.
- PBIT for Q3 FY21 at Rs 96 crs vs Rs 27 crs during same period last year due to higher PVC volumes and higher prices. Lower power costs (supplemented by efficient new 66 MW power plant commissioned in Q4 FY20) also supported the PBIT margins for the quarter.
- Revenues for 9M FY21 up 9% YoY at Rs 460 crs driven by prices. PVC prices up 22% YoY. Carbide prices up 3% YoY. PVC volumes lower 1% YoY and carbide volumes lower 37% YoY.
- Plant was impacted by shutdown in Q1 and started operations in Mid May'20 resulting in lower volumes. Sequentially, the average capacity utilization has gone up from 44% in Q1 FY21 to 94% in Q2 to 96% in Q3.
- PBIT for 9M FY21 at Rs 148 crs up 92% YoY driven by higher product prices and lower power costs.
- International prices continues to be firm and demand is picking up as the economic activity recovers.
- More efficient 66 MW power plant commissioned at Kota (replaced old 50 MW) in Q4 FY20 continues to contribute towards saving in power costs.

Outlook

Particulars	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	PBIT Margin %	Cap. Employed (Rs. Cr.)
Q3 FY21	656.5	97.4	14.8	2,046.1
Q3 FY20	762.2	96.7	12.7	2,075.5
% Shift	(13.9)	0.7	16.9	(1.4)
Q9 FY21	2,363.9	208.3	8.8	2,046.7
Q9 FY20	1,683.2	196.1	11.7	2,075.5
% Shift	40.4	6.2	(24.4)	(1.4)

Capital employed includes CWIP of Rs 29 crs at 31st December, 2020 vs Rs 48 crs at 31st December, 2019.

DCM Sugar Realizations (Domestic) (Rs/ Qtl)



Particulars	Sugar Production (Lac Qtls)	Sugar Sales (Domestic) (Lac Qtls)	Sugar (Domestic) Realizations (Rs/Qtl)	Power Sales (Lac Units)	Power Realizations (Rs/ unit) (Lac Units)	Distillery Sales (Lac Ltrs)	Distillery Realizations - B Heavy (Rs/ Ltrs)	Distillery Realizations - C Heavy (Rs/ Ltrs)
Q3 FY21	19.2	13.4	3,271	1,067	3.5	320.6	54.7	42.3
Q3 FY20	19.1	12.6	3,327	953	3.5	129.4	53.2	42.3
% Shift	0.2	6.4	(1.7)	12.0	(2.7)	147.8	2.9	0.0
Q9 FY21	31.5	44.5	3,253	1,790	3.5	940.2	53.1	42.3
Q9 FY20	33.0	35.5	3,309	1,670	3.6	390.4	53.2	42.3
% Shift	(4.3)	25.4	(1.7)	7.2	(1.4)	140.8	(0.1)	0.1

*Distillery sales for B-heavy molasses is 158 lac ltrs for Q3 FY 21 and 56 for Q3 FY20.

Industry Overview

- Total exports contracted for SY20 at 5.9 Mn Tonnes against quota of 6 Mn Tonnes. Total exports notified for SY21 is 6 Mn Tonnes. Contracted ~1 Mn Tonne.
- Ethanol Supply

S. No.	Particulars	UOM	SY 18-19	SY 19-20	SY 20-21
1	Total Requirement by OMCs	Cr. Ltrs.	329	511	457
2	Total Qty Contracted	"	245	195	240
3	Total Lifting	"	188	182	19

- Average blending is at 5% for SY 20. Average blending till 28th December, 2020 is 6.05%
- 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 2020-21 season will be at around 30.5 Mn Tonnes.

Performance Overview

- **Season Updates:**
 - Mills started in first week of November' 2020.
 - Cane crushed till 31st December, 2020 (SY21) is 203.3 lac qtls vs 190.0 lac qtls till 31st December, 2019 (SY20).
 - Recoveries, on final molasses, till 31st December, 2020 (SY21) is 10.7% vs 11.2% till 31st December, 2019 (SY20).
 - Contracted exports of 12.5 lac qtls for SY21.
- Q3 FY21 overall sugar revenues at Rs 657 crs down 14% YoY:
 - Higher domestic sugar volumes, up 6% YoY. Exports revenues down by ~Rs 233 crs due to late announcement of export policy. Exports will reflect in subsequent quarters.
 - Higher Distillery volumes by 148% YoY. Second Distillery of 200 KLD capacity commissioned Q3 FY20 led to higher volume YoY.
 - Power volumes up 12% YoY for the current quarter.
 - Reduction in exports revenues offset the revenue increase in other verticals.
- Overall PBIT for the quarter (excl inventory valuation impact) stood at Rs. 116 crs up 16% YoY driven by distillery earnings.
- 9M FY21 overall sugar revenues up 40% YoY at Rs 2,364 crs driven by sugar and distillery volumes.
- 9M FY21 overall PBIT up 6% YoY. Excluding one time items, PBIT up 37% YoY at Rs 254 crs.
- Sugar inventory at 31st December, 2020 stood 20.45 lac qtls (28.74 lac qtls at 31st December '2019). Higher sugar exports and ethanol production through B-Heavy molasses contributed significantly in inventory reduction.

Outlook

- With the continued support of government policies, company will focus on Ethanol and higher exports as well as optimize use of B Heavy molasses in distillery.
- Project under implementation is moving as per plan.

Particulars	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	PBIT Margin %	Cap. Employed (Rs. Cr.)
Q3 FY21	395.0	77.8	19.7	65.6
Q3 FY20	331.4	62.8	18.9	159.8
% Shift	19.2	23.9	4.0	(58.9)
Q9 FY21	793.4	116.7	14.7	65.6
Q9 FY20	687.8	75.7	11.0	159.8
% Shift	15.4	54.2	33.7	(58.9)

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 FY21 revenues at Rs 395 crs up 19% YoY driven by higher revenues across product categories of value added segments.
- PBIT for the quarter at Rs 78 crs up 24% YoY led by research wheat. Focus on value added segment is yielding sustained results.
- 9M FY21 revenues at Rs 793 crs up 15% YoY. PBIT at Rs 117 crs up 54% YoY. Performance is driven by growth across the product categories of Value added segment
- Capital employed reduction is attributed to lower receivables outstanding in Q3 FY21 due to higher customer advances for Rabi sales in earlier quarter (reflected in sales in current quarter) .
- Expect good growth in value added inputs with enhanced focus on this business.

Outlook

Particulars	Revenues (Rs. Cr.)			PBIT (Rs. Cr.)	PBIT Margin %	Cap. Employed (Rs. Cr.)
	India	International	Total			
Q3 FY21	64.3	26.5	90.7	(9.3)	(10.3)	493.9
Q3 FY20	57.3	25.3	82.6	(9.4)	(11.3)	496.1
% Shift	12.2	4.4	9.8	-	-	(0.4)
Q9 FY21	305.4	93.0	398.4	44.1	11.1	493.9
Q9 FY20	293.8	76.7	370.5	25.7	6.9	496.1
% Shift	3.9	21.3	7.5	71.8	59.8	(0.4)

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

- Overall Q3 FY21 revenues at Rs 91 crs up 10% YoY.
 - Q3 is a short season for India operations. India revenues growth YoY driven by paddy.
 - Philippines continues to show growth driven by corn.
- 9M FY21 overall revenues up 8% YoY. Corn and Paddy led both India and International (Philippines) operations. PBIT up 72% YoY driven by Philippines.

Outlook

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

Fertilizers (Urea)

Particulars	Operational		Financial			
	Sales (MT)	Realisations (Rs./MT)	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	PBIT Margin %	Cap. Employed (Rs. Cr.)
Q3 FY21	108,903	21,028	263.7	36.7	13.9	693.6
Q3 FY20	108,642	24,126	274.4	13.8	5.0	489.7
% Shift	0.2	(12.8)	(3.9)	166.4	177.2	41.6
Q9 FY21	312,942	20,031	685.8	57.7	8.4	693.6
Q9 FY20	281,020	24,264	716.2	6.4	0.9	489.7
% Shift	11.4	(17.4)	(4.2)	804.7	844.8	41.6

Performance Overview

- Q3 FY21 revenues at Rs 264 crs down 4% YoY reflection of lower gas prices (a pass through).
- Q3 FY21 PBIT at Rs 37 crs vs Rs 14 crs during same period last year. Current quarter includes Rs 20 crs arrears recognized for earlier years post price notification for year 18-19.
- 9M FY 21 revenues lower 4% YoY due to lower energy costs. Volumes up 11% YoY as plant had shut down in April'19.
- PBIT for 9M FY21 at Rs 58 crs vs Rs 6 crs during 9M FY20. 9M FY20 had shut down resulting in lower volumes and shut down costs.
- Subsidy outstanding as at 31st December 20 is Rs 624 crs vs Rs 383 crs as at 31st December, 2019.
- Business continues to achieve improved levels of energy consumption YoY.

Outlook

The 'Others' Segment in the financial results, includes Cement, Fenesta Building Systems and Hariyali Kisaan Bazaar.

Revenues under 'Others' stood at Rs 215 crs in Q3 FY21 from Rs. 215 crs in Q3 FY20. PBIT for the quarter stood at Rs. 17 crs vis-à-vis Rs. 8 crs in Q3 FY20.

Particulars	Operational			Financial		
	Order Book (Rs Crs)			Revenues Total (Rs Crs)	PBIT (Rs Crs)	PBIT Margin %
	Retail	Projects	Total			
Q3 FY21	84.9	40.7	125.6	108.9	15.0	13.7
Q3 FY20	79.0	29.6	108.6	107.3	13.5	12.6
% Shift	7.4	37.7	15.7	1.5	10.9	9.2
Q9 FY21	191.7	99.2	290.9	242.4	16.8	6.9
Q9 FY20	244.7	86.8	331.6	334.3	49.6	14.8
% Shift	(21.7)	14.2	(12.3)	(27.5)	(66.2)	(53.3)

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

Performance Overview

- Q3 FY21 revenues remained flat at Rs 109 crs. Growth in order booking, up 16% YoY, is a positive sign. Order booking for projects up 38% YoY and retail up 7% YoY.
- Overall order booking QoQ up 6%. Fenesta business was severely impacted by Covid 19, however, with gradual increase in economic activity performance is also improving.
- Q3 FY21 PBIT at Rs 15 crs vs Rs 13 crs during Q3 FY20.
- 9M FY21 revenues and earnings impacted by the Covid 19 restrictions during Q1 FY21. Sequential average capacity utilization increased from 37% in Q1 to 81% in Q2 to 91% in Q3 FY21.

Outlook

- Fenesta has been continuously focusing on improving geographical presence and also improving product offerings in both uPVC and Aluminum segment and enhancing customer service.
- Business is expected to pick up further with gradual increase in activity.

Particulars	Operational			Financial	
	Sales (MT)	Realisations (Rs./MT)	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	PBIT Margin %
Q3 FY21	109,569	3,638	48.4	3.3	6.8
Q3 FY20	104,369	3,525	44.6	(5.3)	(11.9)
% Shift	5.0	3.2	8.6	-	-
Q9 FY21	288,445	3,640	126.8	9.0	7.1
Q9 FY20	307,401	3,543	132.3	1.9	1.4
% Shift	(6.2)	2.7	(4.1)	386.0	407.0

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 FY21 revenues up 9% at Rs 48 crs due to volumes and prices. Volumes up 5% YoY. Prices up 3% YoY
- Q3 FY21 PBIT at Rs 3 crs vs –ve Rs 5 crs during Q3 FY20. PBIT during current period impacted by lower power & fuel costs and lower fixed expenses.
- 9M FY21 revenues lower 4% YoY due to lower volumes (down 6% YoY) impacted by lock down restrictions in Q1 FY21.
- 9M FY21 PBIT at Rs 9 crs vs Rs 2 crs during 9M FY20.

Outlook

- Business working on enhancing efficiencies further and optimizing costs.

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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