

DCM SHRIRAM LIMITED

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**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
 FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

(Rs. in Crores)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations						
Sale of products	1,727.70	1,855.13	1,677.98	3,582.83	3,709.95	7,659.16
Other operating revenue	8.00	9.14	5.25	17.14	10.41	25.22
Total revenue from operations	1,735.70	1,864.27	1,683.23	3,599.97	3,720.36	7,684.38
Other income	31.48	24.20	17.45	55.68	27.88	86.99
Total Income	1,767.18	1,888.47	1,700.68	3,655.65	3,748.24	7,771.37
Expenses						
(a) Cost of materials consumed	334.93	670.61	290.65	1,005.54	1,194.92	3,192.45
(b) Purchases and related cost of stock-in-trade	174.94	221.14	179.95	396.08	413.50	785.39
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	368.45	(36.34)	287.96	332.11	233.56	(294.35)
(d) Employee benefits expense	173.36	170.90	147.56	344.26	302.18	629.54
(e) Finance costs	41.28	37.46	38.38	78.74	71.65	118.03
(f) Depreciation and amortisation expense	52.23	49.21	37.05	101.44	72.97	154.94
(g) Power and fuel	259.00	274.81	252.55	533.81	497.60	1,045.03
(h) Other expenses	208.47	219.93	225.37	428.40	446.55	960.04
Total expenses	1,612.66	1,607.72	1,459.47	3,220.38	3,232.93	6,591.07
Profit before tax	154.52	280.75	241.21	435.27	515.31	1,180.30
Tax expense						
- Current tax	10.99	45.80	51.97	56.79	94.51	241.23
- Deferred tax	18.16	20.80	8.52	38.96	21.00	26.89
- Tax adjustments related to earlier year	-	-	5.35	-	5.35	5.35
Profit after tax	125.37	214.15	175.37	339.52	394.45	906.83
Other comprehensive income/(loss)						
A (i) items that will not be reclassified to profit or loss	(3.90)	(2.50)	(0.75)	(6.40)	(1.50)	(2.73)
(ii) income tax relating to items that will not be reclassified to profit or loss	1.37	0.87	0.26	2.24	0.52	0.95
B (i) items that may be reclassified to profit or loss	0.83	(1.96)	2.65	(1.13)	3.06	(4.78)
(ii) income tax relating to items that may be reclassified to profit or loss	(0.29)	0.68	(0.93)	0.39	(1.07)	1.67
Total Comprehensive income (after tax)	123.38	211.24	176.60	334.62	395.46	901.94
Profit before interest, depreciation and tax (EBIDTA)	248.03	367.42	316.64	615.45	659.93	1,453.27
Basic/Diluted - EPS (Rs. per equity share)	8.04	13.73	10.97	21.77	24.46	57.17

Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crores)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. Segment Revenue						
Chloro-Vinyl	563.45	691.54	553.21	1,254.99	1,166.10	2,502.74
Sugar	439.17	481.86	478.91	921.03	1,097.04	2,352.99
Shriram Farm Solutions	157.38	192.71	153.98	350.09	364.12	706.69
Bioseed	102.44	136.71	69.04	239.15	321.78	396.67
Fertiliser	281.48	160.32	247.05	441.80	474.67	1,040.96
Others	207.13	226.54	191.27	433.67	404.42	813.42
Total	1,751.05	1,889.68	1,693.46	3,640.73	3,828.13	7,813.47
Less: Inter segment revenue	15.35	25.41	10.23	40.76	107.77	129.09
Total Revenue from operations	1,735.70	1,864.27	1,683.23	3,599.97	3,720.36	7,684.38
B. Segment Results						
Profit/(loss) (before unallocated expenditure, finance cost and tax)						
Chloro-Vinyl	172.51	266.77	195.82	439.28	470.73	993.53
Sugar	26.79	72.61	87.40	99.40	84.63	354.58
Shriram Farm Solutions	7.25	4.85	1.78	12.10	11.58	41.49
Bioseed	11.88	23.74	(1.51)	35.62	42.23	6.94
Fertiliser	15.10	(22.51)	17.55	(7.41)	26.20	17.74
Others	24.08	19.71	12.71	43.79	24.32	48.08
Total	257.61	365.17	313.75	622.78	659.69	1,462.36
Less:						
i) Finance costs	41.28	37.46	38.38	78.74	71.65	118.03
ii) Other unallocable expenditure net off unallocated income	61.81	46.96	34.16	108.77	72.73	164.03
Profit before tax	154.52	280.75	241.21	435.27	515.31	1,180.30
C. Segment Assets						
Chloro-Vinyl	1,793.20	1,753.55	1,476.98	1,793.20	1,476.98	1,647.43
Sugar	2,627.61	2,998.65	1,958.80	2,627.61	1,958.80	2,892.12
Shriram Farm Solutions	369.43	358.99	452.61	369.43	452.61	291.19
Bioseed	482.94	491.25	502.92	482.94	502.92	487.37
Fertiliser	570.92	602.73	552.95	570.92	552.95	734.05
Others	313.88	294.22	273.09	313.88	273.09	277.53
Unallocated	1,340.47	909.28	875.59	1,340.47	875.59	800.45
Total	7,498.45	7,408.67	6,092.94	7,498.45	6,092.94	7,130.14
D. Segment Liabilities						
Chloro-Vinyl	305.33	352.04	282.92	305.33	282.92	346.08
Sugar	592.47	747.47	904.69	592.47	904.69	853.12
Shriram Farm Solutions	227.91	128.53	179.33	227.91	179.33	83.55
Bioseed	124.74	173.25	156.91	124.74	156.91	191.10
Fertiliser	126.59	134.04	117.28	126.59	117.28	128.25
Others	242.71	241.17	211.34	242.71	211.34	221.62
Unallocated	2,021.19	1,868.17	1,031.73	2,021.19	1,031.73	1,753.66
Total	3,640.94	3,644.67	2,884.20	3,640.94	2,884.20	3,577.38

STATEMENT OF ASSETS AND LIABILITIES

STANDALONE

PARTICULARS	(Rs. in Crores)	
	As at 30.09.2019	As at 31.03.2019
	Unaudited	Audited
ASSETS		
Non-current assets		
(a) Property, Plant and equipment	2,785.79	2,555.67
(b) Capital work -in- progress	525.15	308.53
(c) Investment property	6.49	6.55
(d) Intangible assets	17.91	21.64
(e) Intangible assets under development	2.57	2.36
(f) Financial assets		
(i) Investments	74.79	74.79
(ii) Loans	39.96	39.94
(iii) Other financial assets	36.11	31.35
(g) Deferred tax assets (net)	60.61	73.58
(h) Other non-current assets	62.63	118.81
Total- Non-current assets	3,612.01	3,233.22
Current assets		
(a) Inventories	1,529.52	1,889.09
(b) Financial assets		
(i) Trade receivables	880.63	1,022.63
(ii) Cash and cash equivalents	788.47	363.82
(iii) Bank balances other than cash and cash equivalents	33.97	33.75
(iv) Loans	124.38	112.62
(v) Other financial assets	146.89	121.72
(c) Current tax assets (net)	55.45	38.54
(d) Other current assets	243.25	222.92
Total Current assets	3,802.56	3,805.09
Assets classified as held for sale	83.88	91.83
TOTAL- ASSETS	7,498.45	7,130.14
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	31.35	31.35
(b) Other Equity	3,826.16	3,521.41
Total- Equity	3,857.51	3,552.76
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,017.14	936.64
(ii) Other Financial liabilities	87.00	1.03
(b) Provisions	252.31	218.17
(c) Other non-current liabilities	22.16	26.93
Total- Non-current liabilities	1,378.61	1,182.77
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	599.14	539.34
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	19.84	16.41
- total outstanding dues of creditors other than micro enterprises and small enterprises	815.09	1,105.78
(iii) Other financial liabilities	365.55	311.95
(b) Other current liabilities	408.66	366.31
(c) Provisions	44.57	44.70
Total current liabilities	2,252.85	2,384.49
Liabilities associated with assets classified as held for sale	9.48	10.12
Total- LIABILITIES	3,640.94	3,577.38
TOTAL- EQUITY AND LIABILITIES	7,498.45	7,130.14

STATEMENT OF CASH FLOW

(Rs. in Crores)

Particulars	Half Year ended	
	September 30, 2019	September 30, 2018
	Rs. Crores	Rs. Crores
	Unaudited	Unaudited
A. Cash flow from operating activities		
Net profit after tax:	339.52	394.45
Adjustments for :		
Income tax expense recognized in profit or loss	95.75	120.86
Depreciation and amortization expense	101.44	72.97
Net gain on financial assets and short term investments	(11.02)	(10.39)
(Profit) / Loss on sale of property, plant and equipment (including assets held for sale)	0.40	2.07
Provision for contingency	13.22	-
Finance costs	78.74	71.65
Dividend and interest income	(9.68)	(7.44)
Operating profit before working capital changes	608.37	644.17
Changes in operating assets and liabilities:		
Trade receivables	142.00	(90.39)
Inventories	359.57	310.99
Trade payables	(287.26)	70.48
Other financial assets	(28.19)	(15.96)
Other current/non-current assets	(24.23)	16.88
Provisions	14.39	9.61
Other financial liabilities	1.74	6.69
Other current/non-current liabilities	37.58	32.46
Cash generated from operations	823.97	984.93
Income taxes paid (net of refunds)	(97.06)	(98.27)
Net cash from operating activities	726.91	886.66
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(383.25)	(400.10)
Purchase of intangible assets	(1.03)	(0.85)
Fixed deposits and current account balances with banks (Earmarked)	(0.32)	(59.22)
Purchase of investments	-	(0.56)
Sale of property, plant and equipment	7.29	1.31
Proceeds from asset held for sale	8.66	7.27
Loans and advances to subsidiary companies	(12.17)	(8.67)
Interest received	8.43	7.44
Dividend and profit on sale of investments	10.50	10.26
Net cash used in investing activities	(361.89)	(443.12)
C. Cash flow from financing activities		
Buy-back of equity shares	-	(242.66)
Proceeds/(Repayment) from/of Long term borrowings	114.93	(21.83)
Proceeds/(Repayment) from/of Short term borrowings	235.40	(31.99)
Changes in loans repayable on demand from banks	(175.60)	174.71
Dividends paid	(24.95)	(12.85)
Corporate dividend tax paid	(5.13)	(2.64)
Repayment of lease liabilities	(10.70)	-
Finance costs paid	(74.32)	(33.10)
Net cash from/(used) in financing activities	59.63	(170.36)
Net increase/(decrease) in cash and cash equivalents	424.65	273.18
Cash and cash equivalents at the beginning of the year	363.82	113.93
Cash and cash equivalents at the end of the year	788.47	387.11

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

NOTES TO STANDALONE RESULTS:

1. The Board of Directors has declared an interim dividend of Rs. 4/- per equity share of Rs. 2 each aggregating to Rs. 75.20 crores (including dividend distribution tax).
2. Effective April 1, 2019, the Company adopted Ind AS 116 'Leases'. The standard has been applied retrospectively with the cumulative effect of initially applying this Standard accounted as an adjustment to the opening balance of retained earnings. The impact of Ind AS 116 on these results is as under:

(a) Transitional impact as at April 1, 2019

(Rs. in crores)

- Opening balance of retained earnings	-
- Recognition of lease liability (included in 'Other financial liabilities')	110.39
- Recognition of right-of-use asset (included in 'Property, plant and equipment' and includes Rs 22.21 crores reclassified from prepaid lease payments)	132.60

(b) Statement of profit and loss for the quarter and half year ended September 30, 2019

(Rs. in crores)

	Quarter ended	Half year ended
	30.09.2019	30.09.2019
- Decrease in rent expense (included in 'Other expenses')	5.90	10.70
- Increase in finance cost	2.30	4.65
- Increase in depreciation and amortisation expense	5.08	9.29
Net decrease in profit before tax	1.48	3.24

3. During the quarter, the Company has reversed Rs 23.19 crores (net) on account of provision relating to earlier periods with respect to Renewable Energy Purchase Obligation (forming part of power and fuel expense) for its plant at Kota (Rajasthan) pursuant to resolution of legal cases in the matter.
4. The Government of Himachal Pradesh vide its letter dated October 3, 2019 has cancelled 126 MW Hydro project allotted to one of its wholly owned subsidiary which is evaluating appropriate legal course of action and impact, if any relating to the aforesaid cancellation.
5. Some of the business segments are of seasonal nature and accordingly impact the results in the respective quarters.
6. The above results were reviewed by Audit Committee and then approved by the Board of Directors in their meeting held on October 24, 2019. The Statutory Auditors have carried out a Limited Review of the aforesaid results.

For and on behalf of the Board

Place: New Delhi
Date: October 24, 2019

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