

DCM SHRIRAM LIMITED

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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019**

(Rs. in Crores)

PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations						
Sale of products	2,188.24	1,744.90	2,106.47	5,826.34	5,863.17	7,743.34
Other operating revenue	6.31	8.00	8.77	23.56	20.05	27.80
Total revenue from operations	2,194.55	1,752.90	2,115.24	5,849.90	5,883.22	7,771.14
Other Income	34.94	31.79	19.96	90.88	46.92	87.64
Total Income	2,229.49	1,784.69	2,135.20	5,940.78	5,930.14	7,858.78
Expenses						
(a) Cost of materials consumed	955.23	339.01	759.18	1,971.85	1,965.16	3,228.05
(b) Purchases and related cost of stock-in-trade	261.74	171.68	266.84	648.99	674.56	771.19
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(30.27)	366.97	67.46	303.08	298.61	(308.01)
(d) Employee benefits expense	190.86	182.54	171.39	554.90	490.02	663.73
(e) Finance costs	38.24	42.20	18.66	117.21	95.25	118.94
(f) Depreciation and amortisation expense	55.59	53.22	39.52	159.00	113.53	157.15
(g) Power and fuel	272.76	259.48	285.90	807.73	784.62	1,047.26
(h) Other expenses	256.20	221.85	227.68	714.06	699.74	1,000.23
Total expenses	2,000.35	1,636.95	1,836.63	5,276.82	5,121.49	6,678.54
Profit before exceptional item and tax	229.14	147.74	298.57	663.96	808.65	1,180.24
Exceptional Item (Refer note 6)						
Provision for loss on sale of foreign subsidiaries	14.62	-	-	14.62	-	-
Profit before tax	214.52	147.74	298.57	649.34	808.65	1,180.24
Tax expense						
- Current tax	35.00	12.00	60.31	93.10	158.21	245.57
- Deferred tax	14.49	18.01	13.35	53.52	34.62	26.71
Tax adjustment related to earlier year :						
- Current tax	(11.32)	-	-	(11.32)	5.12	5.12
- Deferred tax	2.00	-	-	2.00	0.23	0.23
Profit after tax	174.35	117.73	224.91	512.04	610.47	902.61
Share of profit of joint venture	0.86	0.82	0.41	2.60	1.53	1.77
Non-controlling interest	0.22	0.39	0.33	0.80	0.69	1.12
Net profit after share of profit/(loss) of joint venture and non-controlling interest	175.43	118.94	225.65	515.44	612.69	905.50
Other Comprehensive income (including joint venture)						
A (i) items that will not be reclassified to profit or loss	(3.59)	(5.36)	(0.11)	(13.23)	(4.16)	(3.21)
(ii) income tax relating to items that will not be reclassified to profit or loss	1.36	1.37	0.27	3.60	0.79	0.88
B (i) items that may be reclassified to profit or loss	2.54	4.33	(9.99)	4.44	1.61	0.63
(ii) income tax relating to items that may be reclassified to profit or loss	(0.46)	(0.29)	2.29	(0.07)	1.22	1.67
Total Comprehensive income (after tax)	175.28	118.99	218.11	510.18	612.15	905.47
Profit before interest, depreciation, tax and exceptional item (EBIDTA)	322.97	243.16	356.75	940.17	1,017.43	1,456.33
Basic/Diluted - EPS (Rs. per equity share)						
- Before exceptional item	12.19	7.63	14.42	33.99	38.42	57.09
- After exceptional item	11.25	7.63	14.42	33.05	38.42	57.09

Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crores)

PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. Segment Revenue						
Chloro-Vinyl	538.95	563.45	660.56	1,793.94	1,826.66	2,502.74
Sugar	762.21	439.17	618.52	1,683.24	1,715.56	2,352.99
Shriram Farm Solutions	331.36	159.48	275.78	687.84	644.09	716.63
Bioseed	82.64	117.42	63.25	370.53	427.94	472.31
Fertiliser	274.38	281.48	299.04	716.18	773.71	1,040.96
Others	214.66	207.25	209.70	648.58	614.64	814.58
Total	2,204.20	1,768.25	2,126.85	5,900.31	6,002.60	7,900.21
Less: Inter segment revenue	9.65	15.35	11.61	50.41	119.38	129.07
Total Revenue from operations	2,194.55	1,752.90	2,115.24	5,849.90	5,883.22	7,771.14
B. Segment Results						
Profit/(loss) (before unallocated expenditure, finance cost, exceptional item and tax)						
Chloro-Vinyl	131.64	172.51	251.85	570.92	722.56	993.53
Sugar	96.74	26.79	42.52	196.14	127.15	354.58
Shriram Farm Solutions	62.79	8.17	44.00	75.71	55.16	40.65
Bioseed	(9.36)	5.35	(14.38)	25.66	29.37	3.21
Fertiliser	13.79	15.10	24.02	6.38	50.22	17.74
Others	8.17	24.03	5.24	51.91	29.80	38.23
Total	303.77	251.95	353.25	926.72	1,014.26	1,447.94
Less:						
i) Finance costs	38.24	42.20	18.66	117.21	95.25	118.94
ii) Other unallocable expenditure net off unallocated income	36.39	62.01	36.02	145.55	110.36	148.76
iii) Exceptional item (Refer note 6) Provision for loss on sale of foreign subsidiaries (Bioseed business)	14.62	-	-	14.62	-	-
Profit before tax	214.52	147.74	298.57	649.34	808.65	1,180.24
C. Segment Assets						
Chloro-Vinyl	1,826.53	1,793.20	1,585.62	1,826.53	1,585.62	1,647.43
Sugar	2,818.92	2,627.61	2,081.88	2,818.92	2,081.88	2,892.12
Shriram Farm Solutions	268.74	370.98	373.78	268.74	373.78	292.42
Bioseed	644.06	662.20	651.69	644.06	651.69	651.76
Fertiliser	621.97	570.92	626.54	621.97	626.54	734.05
Others	331.89	343.36	314.10	331.89	314.10	310.69
Unallocated	1,048.13	1,137.88	815.40	1,048.13	815.40	607.93
Total	7,560.24	7,506.15	6,449.01	7,560.24	6,449.01	7,136.40
D. Segment Liabilities						
Chloro-Vinyl	306.14	305.33	310.71	306.14	310.71	346.08
Sugar	743.38	592.47	724.50	743.38	724.50	853.12
Shriram Farm Solutions	108.92	230.51	111.55	108.92	111.55	86.34
Bioseed	147.93	151.15	183.82	147.93	183.82	218.78
Fertiliser	132.25	126.59	142.15	132.25	142.15	128.25
Others	233.74	245.96	221.13	233.74	221.13	225.25
Unallocated	1,956.33	2,023.29	1,444.66	1,956.33	1,444.66	1,752.25
Total	3,628.69	3,675.30	3,138.52	3,628.69	3,138.52	3,610.07

NOTES TO CONSOLIDATED RESULTS:

- The Board of Directors has declared second interim dividend of Rs. 4.20/- per equity share of Rs. 2 each, aggregating to Rs. 78.96 crores (including dividend distribution tax), thereby making the total interim dividend of Rs. 8.20/- per equity share aggregating to Rs. 154.16 crores (including dividend distribution tax) for the year.
- The Company commissioned 200 KLD Distillery at its Ajbapur Sugar unit at Central U.P. in December 2019. Simultaneously, it has started for the first time, use of B heavy molasses, a product produced along-with sugar, for ethanol production in Distilleries. Sugar and B heavy molasses have been recognized as joint product and the cost of production allocated between the two based on technical estimates. The inventories have been valued at lower of cost or net realizable value.
- Effective April 1, 2019, the Group 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')	115.23
- Recognition of right-of-use asset (included in 'Property, plant and equipment' and includes Rs 22.68 crores reclassified from prepaid lease payments)	137.91

(b) Statement of profit and loss for the quarter and nine months ended December 31, 2019

(Rs. in crores)

	Quarter ended	Nine months ended
	31.12.2019	31.12.2019
- Decrease in rent expense (included in 'Other expenses')	6.55	18.14
- Increase in finance cost	2.30	7.16
- Increase in depreciation and amortisation expense	5.66	15.86
Net decrease in profit before tax	1.41	4.88

- During the quarter ended September 30, 2019, the Company 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.
- The Company has listed its Commercial paper amounting to Rs 100 crores on the debt segment of National Stock Exchange of India in January 2020. There is no outstanding commercial paper as on December 31, 2019.
- The Board of Directors of the Company has approved the decision of its subsidiary, Bioseed Holding PTE Limited (BHP), to completely divest equity shares and underlying business of its subsidiaries, PT Shriram Seed Indonesia, PT Shriram Genetics Indonesia and Bioseed Vietnam Limited as per the Agreements To Sell entered in January 2020. The Company has recognized in its consolidated financial statements consequential loss amounting to Rs 14.62 crores. These results include the following with regard to the subsidiary companies being sold :

(Rs. in crores)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
Sale of products	4.95	(1.07)	5.82	10.96	12.90	22.36
Profit after tax	(5.85)	(7.68)	(3.03)	(15.62)	(12.50)	(15.57)
Net assets	28.22 *	33.15	36.67	28.22 *	36.67	38.78

* before provision for loss on sale

- The standalone results are available on the Company's website www.dcmshriram.com. The particulars in respect of standalone results are as under:

(Rs. in crores)

Particulars (Standalone)	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
Total income	2,200.79	1,767.18	2,110.35	5,856.44	5,858.59	7,771.37
Profit before tax	231.43	154.52	296.24	666.70	811.55	1,180.30
Profit after tax	191.44	125.37	223.90	530.96	618.35	906.83
Total Comprehensive Income	189.78	123.38	219.15	524.40	614.61	901.94
Profit before interest, depreciation and tax (EBIDTA)	324.29	248.03	356.82	939.74	1016.75	1453.27

- 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 initiating legal course of action in the matter.
- Some of the business segments are of seasonal nature and accordingly impact the results in the respective quarters.
- The above results were reviewed by Audit Committee and then approved by the Board of Directors in their meeting held on January 27, 2020. The Statutory Auditors have carried out a Limited Review of the aforesaid results.

For and on behalf of the Board

Place: New Delhi
Date: January 27, 2020

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