

February 27<sup>th</sup> 2024

## **DCM Shriram Chemicals announces entry into the business of Advanced Material, including Epoxy**

The Board of directors of DCM Shriram Ltd, at their board meeting held today in New Delhi, accorded an in-principle approval for the entry of its Chemicals business into the domain of “Advanced Materials” by investing into Epoxy and value added products. The company is planning to invest INR 1000 crores over the next few years to set up a greenfield state-of-the-art epoxy manufacturing plant.

It may be noted that the company’s Epichlorohydrin (ECH) plant in Jhagadia, Gujarat is in final stages of completion and is expected to be commissioned in Q1 of 2024-25. Over 80% of ECH produced globally is used in the manufacture of Epoxy.

Commenting on the announcement, Mr Ajay Shriram, Chairman & Senior Managing Director and Mr Vikram Shriram, Vice Chairman and Managing Director, of DCM Shriram Ltd, said in a joint statement,

*“We are bullish about the overall prospects of the Chemicals Business and this entry into the Advanced Materials space. We already have some of the key raw materials like ECH and caustic in our portfolio which paves a logical way forward into the epoxy and value added products.*

*The entire portfolio of Advanced Materials products including liquid epoxy resins, hardeners, solvent cuts, reactive diluents and formulated resins are finding increasing applications in sectors such as wind-blades, EVs, aeronautics, electronics, fire-proofing and light-weighting industries and India is poised to emerge as a market of choice, both for domestic and global consumption, of such products.*

*DCM Shriram Ltd will continue to remain alert to opportunities arising in the adjacencies of its core-chemicals business and look to participate whole-heartedly in the India growth story”.*

## **About DCM Shriram Ltd**

DCM Shriram Ltd is a diversified Indian conglomerate whose business portfolio spans across multiple sectors including Agri-business - Urea, Sugar, Ethanol, Farm Solution Business covering entire range of inputs, R&D based Hybrid Seeds. Chlor-Vinyl Business – Caustic Soda, Chlorine, Aluminum Chloride, Calcium Carbide, PVC Resins, PVC Compounds, Power and Cement. And Value Added Business Fenesta Building Systems makes UPVC and Aluminium Windows & Doors.

“Chemicals” is one of the company’s largest businesses and is expected to continue as one of the key growth drivers for the Company. We are the second largest Caustic Soda producer in the country. We have and will continue to invest in order to increase scale, reduce costs and add multiple revenue streams to enable growth and add value to this business.

Sugar and Ethanol has grown over the years and has been giving good returns over the last few years, given a rational government policy environment along with favorable demand supply situations domestically and globally. We are the 4th largest Sugar producer in the country.

Shriram Farm Solution business focuses on value added farm inputs like crop nutrition, crop care and seeds. It is growing steadily and today enjoys a leadership position in the research wheat seed segment. It is focusing on bringing new technology products to the farmers especially in crop nutrition and seed segments. The business has grown well over the last few years and is expected to be a growth driver going forward.

Fenesta Building Systems is witnessing good momentum and is a leader in uPVC windows. As the core business expands, we are adding more categories, adding new offerings and increasing our geographic reach including international presence. This is a customer facing business and we work towards maximising customer satisfaction. This business is expected to be a growth driver going forward.

The Company is also present in businesses like Bioseed, Vinyl , PVC compounding, Urea and Cement. These businesses will have reasonable growth based on opportunities and continue to offer reasonable returns.