



**DCM SHRIRAM**

Growing with trust

DCM SHRIRAM LTD.

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# Corporate Information

## Registered Office

DCM Shriram Limited  
(Formerly DCM Shriram Consolidated Limited)  
CIN – L74899DL1989PLC034923  
5<sup>th</sup> Floor, Kanchenjunga Building,  
18, Barakhamba Road,  
New Delhi – 110 001.  
Tel. No. : (91) 11-23316801  
Fax No. : (91) 11-23318072  
Email : response@dcmsshriram.com  
Website : www.dcmsshriram.com

## Bankers

Punjab National Bank  
State Bank of India  
Bank of Baroda  
Oriental Bank of Commerce  
HDFC Bank Limited  
Standard Chartered Bank  
ING Vysya Bank Limited  
DBS Bank Limited

## Statutory Auditors

M/s. Deloitte Haskins & Sells,  
Gurgaon (Haryana)

## Cost Auditors

M/s. Bahadur Murao & Company,  
New Delhi  
M/s. J.P. Sarda & Associates,  
Kota (Raj.)

## Board of Directors

Shri Ajay S. Shriram  
*Chairman & Senior Managing Director*  
Shri Vikram S. Shriram  
*Vice Chairman & Managing Director*  
Shri Ajit S. Shriram  
*Joint Managing Director*  
Shri K.K. Kaul  
*Whole Time Director*  
Dr. N.J. Singh  
*Whole Time Director (EHS)*  
Dr. S.S. Baijal  
Shri Arun Bharat Ram  
Shri Pradeep Dinodia  
Shri Vimal Bhandari  
Shri Sunil Kant Munjal  
Shri D. Sengupta  
Smt. Ramni Nirula  
Shri Sharad Shrivastva  
*LIC Nominee*

## Company Secretary

Shri Sameet Gambhir

## Audit Committee

Dr. S.S. Baijal  
*Chairman*  
Shri Arun Bharat Ram  
Shri Pradeep Dinodia  
Shri D. Sengupta

## Stock Exchanges where the Securities of the Company are Listed

National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C-1, Block-G,  
Bandra – Kurla Complex, Bandra (East),  
Mumbai-400 051.

BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001.

*(It is confirmed that annual listing fee for the financial year 2015-16 has been paid by the Company to the above Stock Exchanges.)*



### *Dear Friends,*

We are happy to report satisfactory financial results for the year. The external environment has been challenging with sharp drop in prices of Chemicals, Plastics and Cement in H2 '15. Sugar business is witnessing record –ve margins with sharp drop in prices due to the oversupply situation. The Farm Inputs business experienced challenges due to deficient monsoon.

We are alive to this situation and are taking several steps to mitigate the effects thereof to the extent possible. Cost control continues to be a focus area across all our businesses, specially the commodity businesses.

In Sugar it is important for the Govt. to set a fair and viable regulatory framework, for which the industry is pursuing with the Govt. We continue to work extensively with farmers and are ensuring timely payments for improving the quantity and quality of cane supplies.

Bioseed, Fenesta and Farm Solutions are focusing on high turnover growth with deeper customer engagement, wider product portfolio and extended geographic reach. We are confident of continuous growth in these businesses over the medium term.

We have taken up expansion of Chlor Alkali capacity by 465 TPD (from 780 TPD to 1245 TPD) with corresponding addition of 60 MW of power generation capacity. In the Sugar business we are expanding power co-generation capacity by 17 MW. These projects are estimated to cost

Rs. 659 crores, to be completed by H2 '17 and will strengthen our cost competitiveness and provide volume / profit growth.

Our Employees are our assets and have been instrumental in driving the Company's performance year on year. The Company has always striven to offer a positive, supportive, open and high performance work culture where innovation and risk taking is encouraged, performance is recognized and employees are motivated to realize their true potential.

Your company remains committed towards ensuring highest standards of Corporate Governance. We continue to adopt best practices to ensure highest levels of accountability and transparency.

As a responsible corporate citizen, we understand the need to give back to society. We are actively engaged in initiatives in the areas of education, health, infrastructure etc. and remain committed to meaningfully contribute to the society.

We would like to take this opportunity to thank all our stakeholders – members of the board, business associates, employees, suppliers, government agencies, lenders and shareholders – who have contributed to the growth and development of our company over the years. Their continued support motivates us to create superior value in future for all our stakeholders.

With best wishes,



(Vikram S. Shriram)  
*Vice Chairman &  
Managing Director*



(Ajay S. Shriram)  
*Chairman &  
Sr. Managing Director*

## Our Businesses

### 1. Chloro-Vinyl Businesses:

- i. **Chlor- Alkali:** DCM Shriram's Chlor-Alkali business comprises Caustic Soda (Lye and flakes), Chlorine and associated chemicals including Hydrochloric acid, Stable Bleaching powder, Compressed Hydrogen and Sodium Hypochlorite. The Company's manufacturing facilities at Kota (Rajasthan) and Bharuch (Gujarat) are backed by full coal based captive power. The Company's total Chlor-Alkali capacity stands at 780 TPD.
- ii. **Plastics Business:** A highly integrated business, located at the Kota plant, it involves manufacturing of PVC resins and Calcium Carbide with captive production of Acetylene, Chlorine and Coal based power.

### 2. Agri-Input Businesses:

- i. **Fertilizer:** The Company operates the dual feed naphtha/LNG based Urea plant with a capacity of 3.79 lakh T.P.A., at its integrated manufacturing facility at Kota. The plant is currently operating on 100% Natural Gas.
- ii. **Shriram Farm Solutions:** This business provides a complete basket of Agri-inputs, viz. Bulk fertilizers, Micro-nutrients, Hybrid seeds, Pesticides and other Value added products, through its wide distribution network. The business also provides high quality agronomy services aimed at increasing farmer productivity.
- iii. **Bioseed:** Bioseed business is present across the entire value chain, i.e. Research, Production, Processing, Extension activities and Marketing with significant presence in India, Philippines and Vietnam. The Company is present in both Field and Vegetable Crops in India. In Philippines and Vietnam the business is present primarily in Corn. The Company has started commercial operations for a Corn hybrid in Indonesia.

3. **Sugar:** Sugar business comprises 4 plants in Central U.P. with an aggregate capacity of 33,000 TCD. The business is supported by a Co-gen power capacity of 94.5 MW.

4. **Cement :** The company's cement business is located at its Kota plant with a manufacturing capacity of 0.4 Mn MT. The cement business leverages the waste generated from the Calcium Carbide production process.

5. **Fenesta Building Systems** manufactures UPVC windows (Un-plasticized PVC) and door systems under the brand "Fenesta". The business offers complete solutions starting from manufacturing, Design, Fabrication to Installation at the customer's site. As a part of its marketing initiatives, the business has set up self-owned Fenesta branded showrooms in nine cities across India.

6. **Hariyali Kisaan Bazaar:** The Company has rationalized this business and discontinued the retail operations except for sale of fuel.

### 7. Other Businesses:

- i. **PVC Compounding:** The business operates under a 50:50 Joint Venture with Axiall LLC (subsidiary of Axiall Corporation – a leading international manufacturer of Chloro-Vinyl) w.e.f April 2014. The Capacity of this Business stands at 32,564 MT p.a
- ii. **Textiles:** The Company sold off its textile business that comprised a 14,544 spindles spinning unit at Tonk in Rajasthan.

## Financial Highlights

(Rs. Crores)										
Financial Highlights										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net Sales										
- Own Products	1735.1	1945.8	2210.9	2711.3	2571.5	2538.8	3212.2	3833.7	4172.1	3913.1
- Traded	656.8	821.5	363.0	789.5	947.7	1595.7	1794.1	1683.2	1986.9	1693.2
- Total	2391.9	2767.4	2573.9	3500.8	3519.2	4134.5	5006.2	5516.9	6159.0	5606.3
PBDIT #	295.1	239.6	218.0	400.3	367.6	231.9	364.8	574.1	558.9	450.3
Finance Cost	49.4	79.1	87.6	150.4	88.6	103.9	160.3	154.8	148.6	111.8
PBDT	245.7	160.5	130.4	249.9	279.0	128.0	204.5	419.2	410.3	338.6
Depreciation & Misc. exp. w/off	73.2	93.4	123.7	148.7	163.0	160.0	156.9	146.8	137.9	110.2
PBT	172.5	67.1	6.7	101.1	116.1	-32.0	47.6	272.5	272.4	228.4
Exceptional Items			779.6		6.5		-38.1	-53.6		
Profit After Tax*	121.0	43.4	-1.3	122.6	84.3	-14.3	11.9	202.9	242.4	210.8
Cash Profit**	226.6	160.2	126.6	241.9	267.8	125.5	202.9	406.3	360.4	318.8
Share Capital - Equity	33.3	33.3	33.3	33.3	33.3	33.3	33.3	33.3	32.8	32.6
Net Worth	525.5	554.1	1149.3	1268.5	1329.6	1306.4	1315.2	1495.4	1686.6	1858.5
Deferred Tax liability	146.7	170.1	171.2	143.9	176.3	156.1	152.1	155.1	135.2	122.0
Long Term Loans	740.2	789.5	991.0	1234.4	1090.0	919.6	965.7	836.7	746.4	421.0
Short Term Loans	344.9	757.7	792.5	752.7	370.9	771.6	852.7	720.4	430.9	338.9
Total Loans (Gross)	1085.1	1547.2	1783.4	1987.1	1460.9	1691.3	1818.4	1557.1	1177.3	759.8
Total Loans (Net)	1085.1	1547.2	1755.6	1943.1	1503.1	1685.0	1571.3	1435.9	683.1	688.3
Total Assets	2369.4	3191.1	3634.3	4042.7	3654.2	3885.9	4628.6	4751.2	4852.3	4416.7
Earnings per share (Rs.) ***	7.1	2.6	-0.1	7.4	5.1	-0.9	2.6	15.3	14.6	13.0
Dividend per share (Rs.)***	0.9	0.8	3.3	0.8	0.8	0.4	0.4	1.6	2.0	2.2
Ratios										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Return on Net Worth (%)	25.0	8.0	-	10.1	6.5	-	0.9	14.4	15.2	11.9
Operating Margin (%)	12.3	8.7	8.5	11.4	10.4	5.6	7.3	10.4	9.1	8.0
PAT to Net Sales (%)	5.1	1.6	-	3.5	2.4	-	0.2	3.7	3.9	3.8
Total Loans (Gross)/PBDIT	3.7	6.5	8.2	5.0	4.0	7.3	5.0	2.7	2.1	1.7
Total Loans (Gross)/Net Worth	2.1	2.8	1.6	1.6	1.1	1.3	1.4	1.0	0.7	0.4

- Figures are based on consolidated financials.
- \*Profit for the year 2008 is before exceptional items.
- \*\* Cash Profits are before exceptional items.
- \*\*\*On face value of Rs. 2 per share Post Bonus and Split of shares in 2006

# 05

## Our Core Values and Beliefs

Our Core Values and beliefs are rooted in our heritage and reflect our conviction to build a vibrant, growing and resilient Organization:

### Agility & Execution

- Be agile with focus on results & deliverables
- Make continuous improvement a way of life, drive performance and accountability

### Deliver Value

- Listen to the voice of the customer and all stake holders, gather insights and respond to the changing needs
- Build trust and long-term relationship by consistently providing superior value

### Openness & Learning

- Build a strong outside-in perspective to acquire new skills, technologies and competencies
- Nurture and empower talent, foster collaborative working

### Respect & Human Dignity

- Nurture understanding, empathy, care and trust in all relationships
- Value fairness and dignity, treat everyone with respect

### Governance & responsibility

- Conduct ethically with highest standards of credibility and integrity
- Be socially responsible, addressing the needs of the community and environment



## Brief Profile of the Directors of the Company

**Shri Ajay S. Shriram**, Chairman & Senior Managing Director (DIN No. 00027137), is a Director of the Company since 24.7.1989. He graduated in Commerce from Sydenham College, University of Mumbai and later attended the Programme for Management Development at the Harvard Business School, U.S.A. He is the Chairman of the Governing Body of Shriram College of Commerce and immediate past President of Confederation of Indian Industry (CII). He has also been the President & Chairman of International Fertilizer Industry Association (IFA), Paris. He is the Chairman of Corporate Social Responsibility Committee & Board Finance Committee and the Member of Nomination, Remuneration & Compensation Committee and Stakeholders Relationship Committee of the Company.

**Shri Vikram S. Shriram**, Vice Chairman & Managing Director (DIN No. 00027187), is a Director of the Company since 22.5.1990. He graduated in Commerce with Honours from St. Xavier's College, Kolkata and is a Fellow Member of The Institute of Chartered Accountants of India. He is the Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Board Finance Committee of the Company.

**Shri Ajit S. Shriram**, Joint Managing Director (DIN No. 00027918), is a Director of the Company since 2.5.2001. He joined the Company in 1991 as an Executive after graduating in Commerce from Osmania University, Hyderabad. Later, he obtained an M.B.A. Degree from the International Institute for Management Development, Switzerland. He has been the President of the Indian Sugar Mills Association (ISMA). He is the Member of Corporate Social Responsibility Committee of the Company.

**Shri K.K. Kaul**, Whole Time Director (DIN No. 00980318), is a Director of the Company since 2.7.2014. He joined the Company in 1980 as Asst. Plant Superintendent. He is a First class First (Honors) graduate in Chemical Engineering and has been awarded Doctorate Degree in Human Letters (Honoris Causa) by Vardhaman Mahavir Open University, Kota. He has done an integrated Management Development course at Administrative Staff College, Hyderabad in the year 1989-90 and the Executive Programme, in 2000 from Darden Graduate School of Business Administration, University of Virginia, USA.

**Dr. N.J. Singh**, Whole Time Director (EHS) (DIN No. 01893202), is a Director of the Company since 20.11.2007. He joined the Company in 1983 as Pollution Control Engineer. He holds M.Sc., Ph.D. degrees and had worked as DGM (Tech Services), General Manager (EHS) with the Company at Kota and Chief Executive, Shriram Environment & Allied Service at Gurgaon.

**Dr. S.S. Bajjal** is a Non-Executive Director (DIN No. 00027961) of the Company since 22.5.1990. He retired as the Chairman of ICI Group Companies in India in 1987. He holds B.Sc., M.Sc., D.Phil Degrees. He is the Chairman of the Board Audit Committee and Nomination, Remuneration & Compensation Committee and the Member of Stakeholders Relationship Committee and Board Finance Committee of the Company.

**Shri Arun Bharat Ram** is a Non-Executive Director (DIN No. 00694766) of the Company since 22.5.1990. He is the Chairman of SRF Ltd. and Essilor India Pvt. Ltd. He graduated in Industrial Engineering from the University of Michigan, U.S.A. He has been the President of Confederation of Indian Industry (CII). He is the Member of Board Audit Committee of the Company.

**Shri Pradeep Dinodia** is a Non-Executive Director (DIN No. 00027995) of the Company since 18.7.1994. He graduated in Economics with Honours from St. Stephens College, Delhi University and obtained his Law Degree from the same University. He is a Fellow Member of The Institute of Chartered Accountants of India and senior partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is the Chairman of Stakeholders Relationship Committee and the Member of Board Audit Committee, Nomination, Remuneration & Compensation Committee and Corporate Social Responsibility Committee of the Company.

**Shri Vimal Bhandari** is a Non-Executive Director (DIN No. 00001318) of the Company since 13.5.2003. He graduated in Commerce from Sydenham College, University of Mumbai and is a Member of The Institute of Chartered Accountants of India. He is currently serving as Managing Director & CEO of Indostar Capital Finance Ltd., a non banking finance company focussed on structured transactions in the wholesale segment.

**Shri Sunil Kant Munjal** is a Non-Executive Director (DIN No. 00003902) of the Company since 13.5.2003. After his graduation, he underwent training in the field of Mechanical Engineering. Presently, he is the Joint Managing Director of Hero MotoCorp Ltd. and the Chairman of Hero Corporate Service Pvt. Ltd. He has been the President of Confederation of Indian Industry (CII) and the Member of Prime Minister's Council on Trade & Industry. He is the Member of Corporate Social Responsibility Committee of the Company.

**Shri D. Sengupta** is a Non-Executive Director (DIN No. 00043289) of the Company since 11.8.2003. After graduating in science he worked in non-life and re-insurance industry for 39 years and retired as Chairman of General Insurance Corporation of India in June 2002. In between he was the Chairman cum Managing Director of New India Assurance Co Ltd. He was non-executive Director in various Indian and international firms and has wide experience in risk management. He also was instrumental in market expansion both in India and abroad. He is a Member of the Board Audit Committee, Nomination, Remuneration & Compensation Committee and Board Finance Committee of the Company.

**Smt. Ramni Nirula**, is a Non-Executive Director (DIN No.00015330) of the Company since 3.2.2015. She retired as Sr. General Manager of ICICI Bank Ltd., has more than 3 decades of experience in the financial services sector. Beginning her career with erstwhile ICICI Ltd. in 1976 in project appraisal division, she has held various leadership positions since then. She was a part of top management team instrumental in transforming ICICI Bank from a term lending institution into technology led diversified financial services group with a strong presence in India's retail financial services market.

**Shri Sharad Shrivastva**, a nominee of Life Insurance Corporation of India (LIC), is a Non-Executive Director (DIN No.01271854) of the Company since 2.7.2014. He is B.A. from Allahabad University & Associate Member of Insurance Institute of India-Mumbai. He joined LIC in 4.4.1983 and has worked in various branches/Divisional Offices/LIC HFL/ Insurance Institute of India/ Zonal Manager(I/C) since then.

## Senior Executive Team

The Company is organized into strategic business units managed by professional managers. The DCM Shriram management team has a strong, credible image in the industry. The key members of the DCM Shriram group Executive Team are listed below:

Shri Ajay S. Shriram  
Chairman & Senior Managing Director

Shri Vikram S. Shriram  
Vice Chairman & Managing Director

Shri Ajit S. Shriram  
Joint Managing Director

Shri K.K. Kaul  
Whole Time Director

Dr. N.J. Singh  
Whole Time Director (EHS)

Shri A.K. Awasthi  
Chief Executive – Hydro Business

Shri Sovan Chakrabarty  
Executive Director – Shriram Farm Solutions

Shri J.K. Jain  
Executive Director & CFO

Shri M. Muthujyothi  
Executive Director – Sugar

Shri Anil Kumar  
Executive Director - Chemicals

Shri Rajesh Gupta  
President & Head – Corporate Strategy

Dr. Sharad Sharma  
President – Bioseed South Asia

Dr. Paresh Verma  
President - South East Asia & Research Director – Bioseed Research India

Shri Sushil Baveja  
President & Head – Corporate HR

Shri Rajat Mukerjee  
Senior Vice President

Shri Saket Jain  
Business Head – Fenesta™ Building Systems

Shri Vinoo Mehta  
Senior Vice President and Business Head – Cement

Shri K.M. Tandon  
Senior Vice President and Business Head – Fertilizer

Shri Sameet Gambhir  
Company Secretary

### Subsidiaries

Shri J.V. Ratnam  
Country Head – Bioseed Vietnam Ltd.

Shri Devadatta Sirdeshpande  
Country Head – Bioseed Research Philippines Inc.

Shri Joseph Abraham Anand  
Country Head – PT. Shriram Seed, Indonesia

### Joint Venture

Shri Rajiv Arora  
President & Business Head – Shriram Axiall Private Ltd.