



DCM SHRIRAM

Growing with trust



ANNUAL REPORT 2020-21

DCM SHRIRAM LTD.

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CORPORATE INFORMATION

Registered Office

DCM Shriram Ltd.
CIN – L74899DL1989PLC034923
2nd Floor (West Wing), World Mark-1
Aerocity, New Delhi-110037
Tel. No. : (91) 11-42100200
Email : response@dcmshriram.com
Website : www.dcmshriram.com

Bankers

Punjab National Bank
State Bank of India
HDFC Bank Limited
Standard Chartered Bank
ICICI Bank Limited

Statutory Auditors

M/s. Price Waterhouse Chartered Accountants LLP,
Chartered Accountants,
Gurugram (Haryana)

Board of Directors

Mr. Ajay S. Shriram
Chairman & Senior Managing Director

Mr. Vikram S. Shriram
Vice Chairman & Managing Director

Mr. Ajit S. Shriram
Joint Managing Director

Mr. K.K. Kaul
Whole Time Director

Mr. K.K. Sharma
Whole Time Director (EHS)

Mr. Pradeep Dinodia
Non-Executive Independent Director

Mr. Vimal Bhandari
Non-Executive Independent Director

Mr. Sunil Kant Munjal
Non-Executive Independent Director

Ms. Ramni Nirula
Non-Executive Independent Director

Mr. Pravesh Sharma
Non-Executive Independent Director

Justice (Retd.) Vikramajit Sen
Non-Executive Independent Director

Ms. Sarita Garg
LIC Nominee

Company Secretary

Mr. Sameet Gambhir

Audit Committee

Mr. Pradeep Dinodia
Chairman

Mr. Sunil Kant Munjal

Ms. Ramni Nirula

Mr. Pravesh Sharma

Stock Exchanges where the Securities of the Company are Listed

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block-G,
Bandra – Kurla Complex, Bandra (East),
Mumbai-400051.

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

(It is confirmed that annual listing fee for the financial year 2021-2022 has been paid by the Company to the above Stock Exchanges.)

CMD/VCMD'S MESSAGE

Dear Friends,

We write this message at a time when India is overwhelmed by an unprecedented humanitarian crisis due to the spread Covid 19 virus. The second wave of the pandemic that began in March 21, has had a debilitating impact on many of our employees, customers, suppliers, local communities and their families. Their safety and well being is today our top most priority. The company is making every effort to ensure safe protocols are followed at the work place and necessary assistance is being provided to employees' and their families for their well-being. Each one of us has a responsibility to go the extra mile and support the vulnerable and the needy. Our prayers go out to those families who have lost their loved ones.

In our message last year we had flagged the impact of the pandemic with the hope, that as lockdowns become less restrictive, economic growth will pick up and business will return to its normal pace. This indeed played out and despite many challenges; the company's performance during the financial year 2021 was satisfactory. Pro active measures and effective use of information technology ensured minimum business disruptions. The untiring efforts of our employees and

partners made this possible. We are grateful for their support.

Our Agri and related businesses were not impacted by lockdowns, with Sugar and Shriram Farm Solutions business delivering growth in volumes and profits. The Chemicals business was impacted by lower realisations and volume; however higher prices of PVC & Carbide (Vinyl Business) helped mitigate the impact. Fenesta business witnessed de-growth as operations were impacted in Q1 but recovered well during second half of 2021.

The Company's total revenues from operation stood at Rs.8,308 Crores in FY21 vs. Rs.7,767 Crores last year. Revenue of Sugar business was up by 34%, led by higher domestic and export volumes of Sugar and increased ethanol off take. Vinyl business registered a revenue growth of 32% driven by higher realizations from PVC. Shriram Farm Solutions registered a 13% increase in revenue. Chemicals business revenue was down by 26%.

Profit before depreciation, interest and tax, declined to Rs.1,244 Crores down 4% over last year. Net Profit for FY21 was down by 6% to Rs.673 Crores. The decline was primarily due to subdued business activity in

Q1 on account of countrywide lockdowns during the first wave of COVID-19. Despite the disruption, our businesses have shown resilience and agility during the pandemic. A significant achievement has been the reduction in working capital, as result our net debt declined from Rs. 1623 Crores in March 31, 2020 to Rs.180 Crore as on March 31, 2021. A steady financial performance and adequate liquidity has provided the company leeway to continue with its expansion plans across businesses. We believe that the Indian economy will return to a sustained growth path and investments in new capacities will provide adequate returns.

The financial year 2020-21 saw a decline in the country's GDP and it is too early to predict the full impact of the second wave of the pandemic on the Indian economy. We believe that with the learnings from last year, both the government and businesses will be able to handle the fallout more effectively. Business performance in the Q1 of financial year 2021-22 is expected to get impacted, given the large scale impact of the second wave of Covid-19.

During the year, as part of the CSR initiatives the Company actively worked towards Covid 19 related

From L to R: Mr. Ajay S. Shriram and Mr. Vikram S. Shriram

relief activities. This included contributions towards PM CARES funds and resource support in kind. Local authorities were provided with free sodium hypochlorite as a disinfectant as well as hand sanitizer. During the first quarter of 2021-22, six oxygen generation plants of 10m³/hr were installed at three district hospitals in Gujarat and UP and a 20m³/hr oxygen generation plant was set up at the CHC in UP, 115 oxygen concentrators have been provided to the Medical College in Kota , along with CHCs in UP and other locations. The four focus areas of CSR (health care, education, environment and rural development) identified by the company continue to make steady progress. In addition, the Company encourages employee volunteering, and their response in these difficult times has been heartening.

We would like to take this opportunity to thank all our stakeholders – members of the board, business associates, employees, suppliers, government authorities, lenders and shareholders – who have contributed to the growth of our company. With their cooperation, we are confident of delivering superior value to all stakeholders and earnestly hope and pray for their safety and well being.

With best wishes,



(Vikram S. Shriram)
Vice Chairman & Managing Director

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

OUR BUSINESSES



CHLORO-VINYL BUSINESSES:

- I. Chlor- Alkali: DCM Shriram's Chlor-Alkali (Chemicals) business comprises Caustic Soda (Lye and flakes), Chlorine and associated chemical s including Hydrochloric acid, Stable Bleaching powder, Aluminium Chloride, Compressed Hydrogen and Sodium Hypochlorite. The Company has two manufacturing facilities located at Kota (Rajasthan) and Bharuch (Gujarat) with full coal based

captive power. The company's caustic soda capacity at Bharuch is 1345 TPD and at Kota is 498 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. Company's raw carbide capacity stands at 340 TPD and PVC capacity stands at 220 TPD

SUGAR

This business comprises 4 plants in Central U.P with a total capacity of 38,000 TCD. These units have a total power cogeneration capacity of 141 MW and are also supported by 350 KLD of Distillery capacity and a 700 TPD refinery. The company has also commissioned a country liquor bottling line of 6400 cases per day.



AGRI-INPUT BUSINESSES:

- I. Shriram Farm Solutions: This business provides a complete basket of Agri-inputs, viz. Hybrid seeds, Specialty plant nutrition, Crop care chemicals and other Value added inputs, through its wide distribution network. The business also provides high quality agronomy services aimed at increasing farmer productivity.
- ii. Bioseed: Bioseed business is present across the entire Seeds value chain, i.e. Research, Production, Processing, Extension activities and Marketing with established significant presence in India & Philippines. The Company is present in both Field and Vegetable Crops in India. In Philippines, the business is present primarily in Corn and Paddy.
- iii. Fertilizer: The Company operates the dual feed LNG / Naptha based Urea plant with a capacity of 3.79 lakh MT, at its integrated manufacturing facility at Kota.





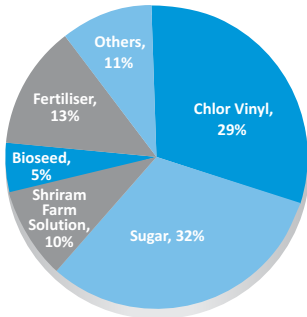
OTHER BUSINESSES

- i. Fenesta Building Systems manufactures uPVC windows and door systems under the brand "Fenesta". The business also offers System Aluminum windows. Fenesta offers complete solutions in windows and doors starting from Design, Fabrication to Installation at the customer's site. As a part of its marketing initiatives, the business has set up Fenesta branded showrooms in multiple cities across India.
- ii. Cement: The Company's Cement business is located at its Kota plant with a manufacturing capacity of 4 lakh MT. The cement business leverages the waste generated from the Calcium Carbide production process to produce cement.
- iii. PVC Compounding: The business operates under a 50:50 Joint Venture with Axial LLC, USA (A Westlake company). The business' PVC compounding capacity is 32,564 MT / Annum
- iv. Hariyali Kisaan Bazaar: The Company had discontinued the retail operations few years back except for sale of fuel, which is also in the process of being rationalized.

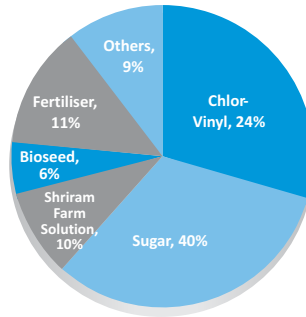


Business Mix

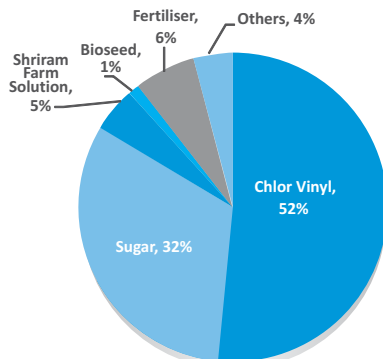
Segment Revenue (FY'20)



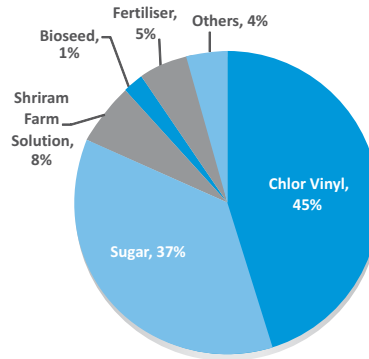
Segment Revenue (FY'21)



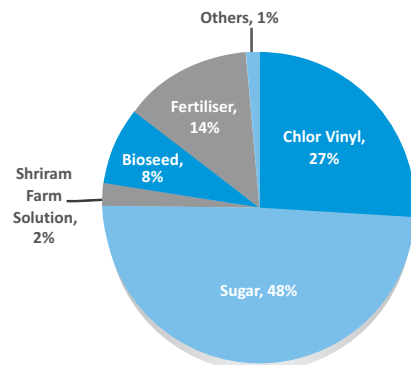
Segment PBDIT (FY'20)



Segment PBDIT (FY'21)



Segment Capital Employed (FY' 20)



Segment Capital Employed (FY'21)

